



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

---

### ISSUER'S IDENTITY DATA

---

End date of the reference fiscal year:

[ 12/31/2022 ]

Tax ID Number (CIF):

[ A08055741 ]

Company name:

[ **MAPFRE S.A.** ]

Registered office:

[ CARRETERA DE POZUELO A MAJADAHONDA, 52 EDIF.1 (MAJADAHONDA) MADRID ]



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

**A. OWNERSHIP STRUCTURE**

A.1. Complete the following table on the share capital and voting rights attributed, including, where appropriate, those corresponding to loyalty shares, at the closing date of the fiscal year:

Indicate if the company bylaws contain the provision for loyalty shares conferring double voting rights.

Yes  
 No

Date of last modification	Share capital (€)	Number of shares	Number of voting rights
07/01/2011	307,955,327.30	3,079,553,273	3,079,553,273

Indicate if there are different kinds of shares with different rights associated with them:

Yes  
 No

A.2. State the direct and indirect holders of significant interests in the company at the close of the fiscal year, including board directors who have a significant interest.

Name or company name of the shareholder	% voting rights attributed to the shares		% voting rights through financial instruments		% total voting rights
	Direct	Indirect	Direct	Indirect	
FUNDACIÓN MAPFRE	0.00	69.80	0.00	0.00	69.80

Detail of indirect interests:

Name or company name of the indirect holder	Name or company name of the direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	% total voting rights
FUNDACIÓN MAPFRE	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	69.69	0.00	69.69
FUNDACIÓN MAPFRE	FUNDACIÓN CANARIA MAPFRE CANARIAS	0.11	0.00	0.11



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

State the most significant modifications in the shareholding structure that have occurred during the fiscal year:

Most significant modifications

No significant modifications in the shareholding structure have taken place during the fiscal year.

A.3. Detail, whatever the percentage, the interest at the fiscal year end of the board directors who hold voting rights attributed to shares in the company or through financial instruments, excluding directors who have been identified in section A.2 above:

Name or company name of the board director	% voting rights attributed to shares (including loyalty shares)		% voting rights through financial instruments		% total voting rights	Of the % total voting rights attributed to the shares, indicate, where applicable, the % of the additional votes attributed corresponding to loyalty shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Mr. ANTONIO HUERTAS MEJÍAS	0.02	0.00	0.00	0.00	0.02	0.00	0.00
Mr. IGNACIO BAEZA GÓMEZ	0.01	0.00	0.00	0.00	0.01	0.00	0.00
MS. CATALINA MIÑARRO BRUGAROLAS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MS. MARÍA LETICIA DE FREITAS COSTA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MS. ROSA MARÍA GARCÍA GARCÍA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MR. ANTONIO GÓMEZ CIRIA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MS. MARÍA AMPARO JIMÉNEZ URGAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Name or company name of the board director	% voting rights attributed to shares (including loyalty shares)		% voting rights through financial instruments		% total voting rights	Of the % total voting rights attributed to the shares, indicate, if applicable, the % of the additional votes attributed corresponding to loyalty shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
MR. FRANCISCO JOSÉ MARCO ORENES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MR. FERNANDO MATA VERDEJO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MR. ANTONIO MIGUEL-ROMERO DE OLANO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MS. MARÍA DEL PILAR PERALES VISCASILLAS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MR. ALFONSO REBUelta BADÍAS	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Total % of voting rights held by board directors	0.03
--	------

Detail of indirect interests:

Name or company name of the board director	Name or company name of the direct holder	% voting rights attributed to shares (including loyalty shares)	% voting rights through financial instruments	% total voting rights	Of the total number of voting rights attributed to the shares, indicate, if applicable, % of the additional votes attributed corresponding to loyalty shares
No data					

Detail of the total percentage of voting rights represented on the board:

Total % of voting rights represented on the Board of Directors	69.69
--	-------



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

The total percentage of voting rights represented on the Board of Directors corresponds to the percentage stake of CARTERA MAPFRE, S.L.U. (indicated in section A.2 above), a company represented on the Board of Directors by the three nominee directors.

A.4. Where applicable, list any family, commercial, contractual or corporate relationships between holders of significant interests, insofar as the company is aware of them, unless they are insignificant or arise from ordinary trading or exchange activities, excluding those reported in section A.6:

Related name or company name	Type of Relationship	Brief description
No data		

A.5. Where applicable, list any commercial, contractual or corporate relationships between holders of significant interests, and the company and/or its group, unless they are insignificant or arise from ordinary trading or exchange activities:

Related name or company name	Type of Relationship	Brief description
No data		

A.6. Describe the relationships, unless they are insignificant for both parties, that exist between the significant shareholders or those represented on the board and the board directors, or their representatives, in the case of legal company administrators.

Explain, as the case may be, how significant shareholders are represented. Specifically, list board directors who have been appointed on behalf of significant shareholders, those whose appointment would have been promoted by significant shareholders, or who are linked to significant shareholders and/or companies of their group, and explain the nature of such relationships. Notably, where appropriate, the existence, identity and position of board members, or representatives of directors, of the listed company, who are, in turn, members of the governing body, or their representatives, in companies that hold significant interests of the listed company or in entities of the group of said significant shareholders.

body, or their representatives, in companies that hold significant interests of the listed company or in entities of the group of said significant shareholders.

Name or company name of the board director or representative, relationship	Name or company name of the shareholder linked shareholder	Company name of the group company of the significant shareholder	Description of the relationship/position
MR. FERNANDO MATA VERDEJO	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	Board Director of CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	Board Director of CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY
MR. ANTONIO MIGUEL-ROMERO DE OLANO	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	Appointed board director as proposed by the significant shareholder



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Name or company name of the board director or representative, relationship	Name or company name of the shareholder linked shareholder	Company name of the group company of the significant shareholder	Description of the relationship/position
MR. ALFONSO REBUelta BADÍAS	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	Appointed board director as proposed by the significant shareholder
Mr. IGNACIO BAEZA GÓMEZ	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	Board Director of CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY
MR. FRANCISCO JOSÉ MARCO ORENES	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	Appointed board director as proposed by the significant shareholder
Mr. ANTONIO HUERTAS MEJÍAS	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	Chairman of the Board of Directors of CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY

A.7. Indicate if any shareholder agreements have been disclosed to the company that affect it under art. 530 and 531 of the Companies Act. Where applicable, briefly describe them and list the shareholders bound by such agreement:

Yes  
 No

Indicate whether the company knows of the existence of concerted actions among its shareholders. If so, describe them briefly:

Yes  
 No

If there have been any modifications or terminations of said pacts or agreements or concerted actions during the fiscal year, indicate this expressly.

A.8. Indicate whether any person or organization exercises or may exercise control over the company pursuant to Article 5 of the Securities Market Act. If so, identify them:

Yes  
 No

Name or company name
FUNDACIÓN MAPFRE



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

A.9. Complete the following tables regarding the company's treasury stock:

As at the closing date of the fiscal year:

Number of direct shares	Number of shares indirect shares(*)	% total over share capital
19,789,583		0.64

(\*) Through:

Name or company name of the direct holder of the interests	Number of direct shares
No data	

A.10. Describe the terms and conditions of the current General Meeting authorization to the Board of Directors to issue, buy back or transfer treasury stock.

The Board of Directors is currently authorized by the shareholders at the Annual General Meeting to increase the company's share capital once or several times by up to a maximum of 153,977,663.65 euros, equivalent to 50% of the share capital. The duration of the authorization is five years calculated from the date of the resolution, passed on March 9, 2018.

The Board of Directors is currently authorized by the shareholders at the Annual General Meeting to allow the company to proceed, directly or through subsidiaries, to the derivative acquisition of treasury stock, subject to the following limits and requirements:

- a) Schemes: Acquisition by sale or by any other transaction inter vivos for good and valuable consideration, of shares free of any liens or encumbrances.
- b) Maximum number of shares to be acquired: Shares whose face value, added to the face value of the shares already owned by the company and its subsidiaries, does not exceed 10% of the share capital of MAPFRE S.A.
- c) Minimum and maximum acquisition price: 90% and 110%, respectively, of their market value on the date of acquisition.
- d) Duration of the authorization: Five years calculated from the date of the resolution, passed on March 12, 2021. The shares purchased may be fully or partially used: (i) upon disposal or amortization; (ii) upon delivery to the workers, employees or administrators of the Company or its Group, or as a result of the exercise of option rights held by them, in accordance with the provisions of the last paragraph of Article 146, section 1, letter a) of the Recast Text of the Companies Act; and (iii) for dividend reinvestment plans or similar instruments.

A.11. Estimated floating capital:

	%
Estimated floating capital	29.53



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

A.12. Indicate whether there are any restrictions (statutory, legal or otherwise) on the transfer of securities and/or any restriction on the right to vote. Particularly, the existence of any type of restrictions that may make it difficult to take control of the company through the acquisition of its shares in the market shall be communicated, as well as those authorization or prior notice systems that, over the acquisitions or transfers of financial instruments of the company, are applicable by sectoral regulations.

Yes  
 No

A.13. Indicate whether the General Meeting has approved measures to counteract a public acquisition bid, pursuant to Law 6/2007.

Yes  
 No

If so, explain the measures approved and the terms and conditions under which the restrictions would become inefficient:

A.14. Indicate whether the company has issued securities that are not traded on a regulated EU market.

Yes  
 No

If so, indicate the different kinds of shares and, for each kind of shares, the rights and obligations conferred:

### B. GENERAL MEETING

---

B.1. Indicate and, where applicable, give details, about whether there are any differences from the minimum standards established under the Companies Act with respect to the quorum and constitution of the General Meeting.

Yes  
 No

B.2. Indicate, and where applicable give details, whether there are any differences from the minimum standards established under the Companies Act with respect to the adoption of corporate resolutions:

Yes  
 No





**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

	Reinforced majority different from that established in Article 201.2 of the Companies Act for the cases cited in Article 194.1 of the Companies Act	Other cases of reinforced majority
% established by the company for adopting agreements	0.00	50.01

Pursuant to the provisions of Article 26 of the Corporate Bylaws, the amendment of the provisions of Title IV "Protection of the Company's General Interest" (Articles 26 to 29) can only be amended by a resolution approved with the votes in favor of more than 50% of the share capital at the Extraordinary Annual General Meeting specifically called for this purpose.

**B.3.** Indicate the rules applicable to amendment of the company bylaws. In particular, indicate the majorities established for the amendment of the bylaws, as well as, where applicable, the rules established for protection of the partner's rights in the amendment of the bylaws.

There are no particularities other than those established in the legislation in force for amendment of the company bylaws, except for the amendment of Articles 26 to 29 (Title IV- Protection of the Company's General Interest). As stated in the previous paragraph B.2, a resolution adopted with the favorable vote of more than 50% of share capital at the Extraordinary General Meeting called for that purpose is necessary.

**B.4.** Give attendance data on the Annual General Meetings held during the fiscal year to which this report refers and those from the two previous fiscal years:

Date of general meeting	Attendance data				Total
	% physically present	% through representatives	% Distance voting		
			Electronic voting	Other	
03/13/2020	68.67	17.51	0.01	0.66	86.85
Of which floating capital	0.05	17.41	0.01	0.66	18.13
03/12/2021	70.71	10.60	0.01	0.26	81.58
Of which floating capital	0.01	10.48	0.01	0.26	10.76
03/11/2022	70.75	11.06	0.01	0.29	82.11
Of which floating capital	0.11	10.94	0.01	0.29	11.35

**B.5.** Indicate whether at the General Meetings held during the fiscal year there has been any item on the agenda that, for whatever reason, has not been approved by the shareholders:

- Yes
- No



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

B.6. Indicate if there are any statutory restrictions that establish a minimum number of shares required to attend the general meeting, or to vote remotely:

- Yes  
 No

Number of shares required to attend the Annual General Meeting	1,000
Number of shares required to vote remotely	1

B.7. Indicate whether it has been established that certain decisions, other than those established by law, involving an acquisition, transfer, contribution to another company of essential assets or other similar corporate operations, must be submitted for approval by the general meeting of shareholders.

- Yes  
 No

B.8. Indicate the address and method of access to the company's website, to the information on corporate governance and other information on General Meetings that must be available to shareholders through the company's website.

Access is as follows: [www.mapfre.com](http://www.mapfre.com) Section titled  
Shareholders and Investors.



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

**C. GOVERNANCE STRUCTURE OF THE COMPANY**

**C.1. Board of Directors**

C.1.1 Maximum and minimum number of board directors envisaged in the bylaws and the number set out by the Annual General Meeting:

Maximum number of directors	15
Minimum number of directors	5
Number of board directors set by the Annual General Meeting	14

C.1.2 Complete the following table on the board members:

Name or company name of the board director	Representative	Category of the director	Position on the Board	Date of first appointment	Date of last appointment	Election procedure
Mr. ANTONIO HUERTAS MEJÍAS		Executive	CHAIRMAN	12/29/2006	03/11/2022	ANNUAL GENERAL MEETING RESOLUTION
Mr. IGNACIO BAEZA GÓMEZ		Executive	VICE CHAIRMAN 1º	03/08/2008	03/13/2020	ANNUAL GENERAL MEETING RESOLUTION
MS. CATALINA MIÑARRO BRUGAROLAS		Independent	VICE CHAIRMAN 2º	10/30/2013	03/11/2022	ANNUAL GENERAL MEETING RESOLUTION
MR. JOSÉ MANUEL INCHAUSTI PÉREZ		Executive	VICE CHAIRMAN 3º	07/18/2018	03/08/2019	ANNUAL GENERAL MEETING RESOLUTION
MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ		Independent	BOARD DIRECTOR	07/26/2016	03/12/2021	ANNUAL GENERAL MEETING RESOLUTION
MS. MARÍA LETICIA DE FREITAS COSTA		Independent	DIRECTOR	07/23/2015	03/13/2020	ANNUAL GENERAL MEETING RESOLUTION



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Name or company name of the board director	Representative	Category of the director	Position on the Board	Date of first appointment	Date of last appointment	Election procedure
MS. ROSA MARÍA GARCÍA GARCÍA		Independent	DIRECTOR	09/26/2019	03/13/2020	ANNUAL GENERAL MEETING RESOLUTION
MR. ANTONIO GÓMEZ CIRIA		Independent	DIRECTOR	01/01/2019	03/08/2019	ANNUAL GENERAL MEETING RESOLUTION
MS. MARÍA AMPARO JIMÉNEZ URGAL		Independent	DIRECTOR	10/27/2022	10/27/2022	CO-OPTATION
MR. FRANCISCO JOSÉ MARCO ORENES		Nominee	DIRECTOR	03/10/2017	03/12/2021	ANNUAL GENERAL MEETING RESOLUTION
MR. FERNANDO MATA VERDEJO		Executive	DIRECTOR	01/01/2017	03/12/2021	ANNUAL GENERAL MEETING RESOLUTION
MR. ANTONIO MIGUEL-ROMERO DE OLANO		Nominee	DIRECTOR	04/17/1999	03/08/2019	ANNUAL GENERAL MEETING RESOLUTION
MS. MARÍA DEL PILAR PERALES VISCASILLAS		Independent	DIRECTOR	01/01/2018	03/11/2022	ANNUAL GENERAL MEETING RESOLUTION
MR. ALFONSO REBUELTA BADÍAS		Nominee	DIRECTOR	04/17/1999	03/08/2019	ANNUAL GENERAL MEETING RESOLUTION

Total number of directors	14
---------------------------	----



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Indicate the changes that, whether due to resignation or a decision of the general meeting, that have taken place in the board of directors during the reporting period:

Name or company name of the board director	Category of the board director on termination	Date of last appointment	Removal date	Specialist committees of which they are a member	Indicate whether the change occurred before the end of the mandate
Mr. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	Nominee	03/08/2019	02/11/2022	Steering Committee (member) and Appointments and Remuneration Committee (member)	YES
MR. JOSÉ ANTONIO COLOMER GUIU	Independent	03/13/2020	10/17/2022	Steering Committee (member), Appointments and Remuneration Committee (member), Audit and Compliance Committee (member) and Risk and Sustainability Committee (Chairman)	YES

Cause of termination, when it occurred before the end of the term of office and other observations; information on whether the board director has sent a letter to the other board members and, in the case of non-executive board directors, explanation or opinion of the board director that has been dismissed by the general meeting

D. Luis Hernando de Larramendi Martínez ceased to be a member due to his death.  
 Mr. José Antonio Colomer Guiu resigned from office due to having reached the maximum age stipulated in the Company's bylaws. Mr. Colomer explained the reasons for his resignation in a letter addressed to all members of the Board of Directors.

C.1.3 Complete the following tables on the Board members and their different kinds of directorship:

EXECUTIVE DIRECTORS		
Name or company name of the board director	Position within company organization	Profile



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

---

MR. FERNANDO MATA VERDEJO	CHIEF FINANCIAL OFFICER AND MEMBER OF THE BOARD	Holds a degree in Business Science from the Autonomous University of Madrid. He has spent a large part of his professional career at MAPFRE, holding several senior executive positions since he joined the company. CFO of the Corporate Finance and Resources Area since 2017. For more information on positions he holds as of the date of this report, please see sections A.6, C.1.10 and C.1.11.
---------------------------	---	--



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

EXECUTIVE DIRECTORS		
Name or company name of the board director	Position within company organization	Profile
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	THIRD VICE CHAIRMAN	Law Degree from the Complutense University of Madrid and Senior Management Program by IESE. He has spent a large part of his professional career at MAPFRE, holding several senior executive positions since he joined the company. He has been the Iberia CEO since 2015. For more information on the positions he holds as of the date of this report, please see sections A.6, C.1.10 and C.1.11.
Mr. IGNACIO BAEZA GÓMEZ	FIRST VICE CHAIRMAN	Degree in Economics from the Complutense University of Madrid. He has spent a large part of his professional career at MAPFRE, holding several senior executive positions since he joined the company. For more information on positions he holds as of the date of this report, please see sections A.6, C.1.10, C.1.11 and C.2.1.
Mr. ANTONIO HUERTAS MEJÍAS	CHAIRMAN	Holds a law degree from the University of Salamanca. He has spent a large part of his professional career at MAPFRE, holding several senior executive positions since he joined the company. For more information on positions he holds as of the date of this report, please see sections A.6, C.1.10, C.1.11 and C.2.1.

Total number of executive directors	4
% of total board	28.57

NOMINEE EXTERNAL DIRECTORS		
Name or company name of the board director	Name or denomination of the significant shareholder whom he/she represents or who has suggested his/her appointment	Profile
MR. ANTONIO MIGUEL-ROMERO DE OLANO	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	Holds an Agricultural Engineering degree from from the Polytechnic University of Madrid and Master's in Business Administration (MBA) at Madrid's Instituto de Empresa. From 1986 to 2005, he held the position of deputy risk manager at FIAT Financiera. For more information on positions he holds as of the date of this report, please see sections A.6, C.1.10, C.1.11 and C.2.1.
MR. ALFONSO REBUELTA BADÍAS	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	A graduate in Business Sciences from Pontificia Comillas University; also holds a Master's in Business Administration (MBA) from Columbia University (New York). He was Vice Chairman for JP Morgan, Vice Chairman of Citibank until 1991, partner at Heidrick & Struggles and consultant partner at Asset Executive. He is a partner at Signium International since 2004. For more information on positions he holds as of the date of this report, please see sections A.6, C.1.10, C.1.11 and C.2.1.



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

NOMINEE EXTERNAL DIRECTORS		
Name or company name of the board director	Name or denomination of the significant shareholder whom he/she represents or who has suggested his/her appointment	Profile
MR. FRANCISCO JOSÉ MARCO ORENES	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	Holds a degree in Medicine and Surgery from the University of Murcia. He is a specialist in Geriatrics from the University of Murcia and in Nutrition from the University of Granada, and he has a Master's Degree in Company Administration from the IDAE. He has spent a large part of his professional career at MAPFRE, having held the position of General Manager of the Corporate Business Support Area from 2015 until his retirement on December 31, 2021. For more information on positions he holds as of the date of this report, please see sections A.6, C.1.10 and C.2.1.

Total number of nominee directors	3
% of total board	21.43

INDEPENDENT EXTERNAL DIRECTORS	
Name or company name of the board director	Profile
MS. ROSA MARÍA GARCÍA GARCÍA	Holds a degree in Mathematics from the Autonomous University of Madrid. She has been, among other positions, non-executive Chairwoman of the Board of Directors of Siemens Gamesa, President and CEO of Siemens Spain and member of the Board of Directors of Tubacex, S.A. She is non-executive President of Exolum and member of the Board of Directors of Sener Grupo de Ingeniería, S.A. and EDP Renewables, S.A. For more information on positions she holds as of the date of this report, please see section C.1.10, C.1.11 and C.2.1.
MS. MARÍA DEL PILAR PERALES VISCASILLAS	Holds a Law degree from the Autonomous University of Madrid; has a PhD in Law from the Carlos III University of Madrid. She is a Professor of Commercial Law at the Carlos III University of Madrid and a national and international arbitrator who is a member of the panel of arbitrators of various arbitration courts in Spain and other countries. For more information on positions she holds as of the date of this report, please see sections C.1.10 and C.2.1.
MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ	Has a degree and PhD in Economics and Business from the University of Oviedo. Member of the Joint Committee on Corporate Reporting of the European Securities and Markets Authority, General Director of CUNEF, Chairwoman of the Board of Trustees of the Princess of Asturias Foundation and member of the Banco de Sabadell Foundation Board of Trustees. She is also a Professor of Financial Economics at the University of Oviedo and Professor of Finances at CUNEF. For more information on positions she holds as of the date of this report, please see sections C.1.10, C.1.11, and C.2.1.
MR. ANTONIO GÓMEZ CIRIA	A graduate in Economic and Business Sciences and in Mathematical Sciences from the Complutense University of Madrid; also holds an Executive MBA from the IESE. He is a member of the Board of Directors of Red Eléctrica Corporación, S.A. and Chairman of its Audit Committee, a member of the Board of Directors of Hispasat and a member of its Committees of





**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

INDEPENDENT EXTERNAL DIRECTORS	
Name or company name of the board director	Profile
	Audit and Appointments and Remuneration and member of the Advisory Board of Experts on Accounting and Financial Reporting of the General Council of the College of Economists. For more information on positions he holds as of the date of this report, please see section C.1.10, C.1.11 and C.2.1.
MS. CATALINA MIÑARRO BRUGAROLAS	Holds a degree in Law. State lawyer on leave of absence. She is a member of the Board of Directors of Actividades de Construcción y Servicios, S. A., Chairwoman of its Appointments Committee, and member of its Audit Committee. For more information on positions she holds as of the date of this report, please see sections C.1.10, C.1.11, and C.2.1.
MS. MARÍA LETICIA DE FREITAS COSTA	Holds a degree in Product Engineering and a Master's Degree in Business Administration (MBA). Partner at Prada Assessoria and at LP Consultoria e Treinamento. For more information on positions she holds as of the date of this report, please see sections C.1.10 and C.1.11.
MS. MARÍA AMPARO JIMÉNEZ URGAL	Degree in Pharmacy and Doctoral Thesis from the University of Salamanca. She is European President of Merck Biopharma, President of the Closingap business cluster and member of the EFPIA (European Federation of Pharmaceutical Industries and Associations) PAC (Patient Access Committee). For more information on positions she holds as of the date of this report, please see sections C.1.10, C.1.11, and C.2.1.

Total number of independent directors	7
% of total board	50.00

Indicate whether any board director classified as independent receives from the company, or from its Group, any amount or earning for an item other than the board director's remuneration, or maintains or has maintained, during last fiscal year a business relationship with the company or with any company from its Group, whether on his behalf or as a significant shareholder, board director or senior management member of a company that maintains or has maintained such a relationship.

If so, include a reasoned statement from the Board on the reasons why it considers that this director may perform his or her functions as an independent director.

Name or company name of the board director	Relationship description	Statement of reasons
MS. ROSA MARÍA GARCÍA GARCÍA	The independent director Ms. Rosa María García García is Chairwoman of MAPFRE's Technology, Innovation and Transformation Advisory Board, a position for which she receives a travel, subsistence and accommodation allowance of 7,500 euros per meeting. The amount accrued in 2022 totals 30,000 euros.	The Company considers that the functions of Ms. Rosa María García García as Chairwoman of the MAPFRE Technology, Innovation and Transformation Advisory Board do not entail any incompatibility or affect the independence of the board director, given that: (i) the remuneration received cannot be considered significant; and (ii) it does not represent a commitment that could affect



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Name or company name of the board director	Relationship description	Statement of reasons
		her obligations as an independent director of the Company in a relevant way.

OTHER EXTERNAL DIRECTORS			
Identify other external board directors and explain in detail the reasons for which they cannot be considered nominee or independent board directors, as well as their affiliations with the company, its management or its shareholders:			
Name or company name of the board director	Reasons	Company, executive or shareholder with whom holds the affiliation	Profile
No data			

Total number of external directors	N/A
% of total board	N/A

Indicate any changes that may have occurred during the period in the type of category for each director:

Name or company name of the board director	Date of change	Previous category	Current category
MR. FRANCISCO JOSÉ MARCO ORENES	01/01/2022	Executive	Nominee

C.1.4 Complete the following table with information relating to the number of female board directors at the closure of the last four fiscal years, as well as the category of these female board directors:

	Number of directors				% of the total of each type of director			
	Fiscal year 2022	Fiscal year 2021	Fiscal year 2020	Fiscal year 2019	Fiscal year 2022	Fiscal year 2021	Fiscal year 2020	Fiscal year 2019
Executive					0.00	0.00	0.00	0.00
Nominee					0.00	0.00	0.00	0.00
Independent	6	5	5	5	85.71	71.43	71.43	71.43
Other External					0.00	0.00	0.00	0.00
Total	6	5	5	5	42.86	33.33	33.33	33.33



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

C.1.5 Indicate whether the company has diversity policies regarding the Board of Directors with regard to issues such as age, gender, disability, or professional training and experience. Small- and medium-sized companies, in accordance with the definition established in the Audit Law, shall have to inform, at least, of the policy they have established regarding gender diversity.

- Yes
- No
- Partial policies

If yes, please describe such diversity policies, their objectives, the measures and the way in which they have been implemented and their results in the fiscal year. The specific measures adopted by the Board of Directors and the Appointments and Remuneration Committee should also be indicated in order to achieve a balanced and diverse presence of directors.

Should the company not apply a diversity policy, please explain the reasons why.

Description of the policies, objectives, measures and manner in which they have been applied, as well as the results

The MAPFRE Group's Institutional, Business and Organizational Principles include equality in relations with board directors, which requires objectivity in their selection and promotion, remuneration and nondiscrimination on the basis of race, political ideology, religious beliefs, gender or social status.

The regulation also expressly establishes that the MAPFRE Board of Directors shall develop a plan to fill vacant positions that ensures the candidates' suitability based on their competences and professional and geographic background, as well as the sufficient presence of members of both sexes.

It also establishes that the competent bodies shall ensure vacancies will be filled in favor of diversity of knowledge, experience, age and gender.

Further, MAPFRE's Director Selection Policy that states that the candidate selection process will favor a diversity of knowledge, experience, age and gender, and that the aim should be for the number of female directors to represent at least 30% of the Board of Directors, and for this to increase to at least 40% of the Board of Directors by the end of 2022. María Amparo Jiménez Urgal was appointed as an independent board director on October 27, 2022, reaching 42.86% of women on the Board of Directors.

The Board of Directors is comprised of fourteen members who, as a whole, possess knowledge, qualifications and experience in the following areas: insurance and financial markets, business strategy and company model, governance systems, financial and actuarial analysis, regulatory framework, audit/accounting, sustainability, strategic consulting, law/tax, technology and digital transformation, industry, health, human resources and teaching and research. The Company has a Competency Matrix for the Board of Directors that defines the skills and knowledge of its members.

Currently six of the fourteen members of the Board of Directors are women, all independent board directors, and the majority participate in the specific committees of the Board and/or have a key role: I) Ms. Catalina Miñarro Brugarolas is the Second Vice Chairwoman of the Board of Directors and the Steering Committee, Chairwoman of the Appointments and Remuneration Committee and Independent Lead Board Director; ii) Ms. Ana Isabel Fernández Álvarez is Chairwoman of the Audit and Compliance Committee and a member of the Steering Committee and of the Risk and Sustainability Committee; iii) Ms. Rosa María García García is a member of the Appointments and Remuneration Committee; iv) Ms. María del Pilar Perales Viscasillas is a member of the Audit and Compliance Committee and of the Risk and Sustainability Committee; and v) Ms. María Amparo Jiménez Urgal is a member of the Appointments and Remuneration Committee.

Geographic and cultural diversity is also visible at Board level, with two nationalities represented: Spanish and Brazilian.



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

C.1.6 Explain the measures which, where applicable, the Appointments Committee has agreed so that the procedure for filling Board vacancies has no implicit bias against women candidates, and the company makes a conscious effort to include women with the target professional profile among potential candidates for Board seats, and which makes it possible to achieve a balanced presence of women and men. Also indicate if these measures include that working towards the company having a significant number of women senior executives:

Explanation of the measures

The Appointments and Remuneration Committee ensures that the candidate selection process promotes diversity of knowledge, experience, age and gender.

As indicated in the previous section, with the appointment of María Amparo Jiménez Urgal, the objective has been reached for the number of female board directors to represent at least 40% of the total members of the Board of Directors by the end of 2022.

MAPFRE's objective is to have more than 40% women in leadership positions and 35% women in senior management positions. In 2022, women accounted for 42.0% of job positions of responsibility and 31.7% of management positions.

When, in spite of the measures which, where applicable, have been adopted, there are few or no female board directors or senior executives, explain the reasons that justify this.

Explanation of the reasons

Not applicable.

C.1.7 Explain the conclusions of the Appointments Committee on the verification of compliance aimed at promoting an appropriate composition of the board of directors.

MAPFRE's Board of Directors Selection Policy aims to ensure that the proposals for nomination and re-election of board directors are based on a preliminary analysis of the needs of the Board of Directors, and to promote a diversity of knowledge, experiences and gender on the Board.

Throughout the year, the Appointments and Remuneration Committee has carried out a constant analysis of the structure, size and composition of the Board, of its Competencies Matrix, and of the principles and objectives established in the Director Selection Policy, which have already been described in sections C.1.5 and C.1.6 above, all based on the needs of the company, regulatory requirements and best corporate governance practices.

In particular, the Appointments and Remuneration Committee verified compliance with the Director Selection Policy during the 2022 fiscal year with the preparation of proposals for the appointment of Ms. María Amparo Jiménez Urgal and the reelection of Mr. Antonio Huertas Mejías, Ms. Catalina Miñarro Brugarolas and Ms. María del Pilar Perales Viscasillas.

In addition, as indicated in section C.1.6 above, with the appointment in 2022 of Ms. María Amparo Jiménez Urgal as an independent board director, the objective set out in the Director Selection Policy for the number of female board directors to represent at least 40% of the total members of the Board of Directors by the end of 2022 has been met.

C.1.8 Explain, where applicable, the reasons why nominee directors have been appointed at the behest of shareholders whose shareholding is less than 3% of the capital:

Name or company name of the shareholder	Justification
No data	



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Indicate whether formal petitions for a seat on the Board have been ignored from shareholders whose holding is equal to or higher than others at whose behest nominee directors were appointed. Where applicable, explain why these petitions have been ignored:

- Yes
- No

C.1.9 Indicate, if any, the powers delegated by the Board of Directors, including those relating to the possibility of issuing or repurchasing shares, on directors or committees of the Board:

Name or company name of the director or committee	Brief description
STEERING COMMITTEE	The Steering Committee is the delegate body of the Board of Directors for senior management and permanent oversight of the ordinary business affairs of the Company and its subsidiaries in strategic and operational matters, and for the adoption of any decisions necessary for its proper operation. It has general decision-making powers, having been delegated with all the powers of the Board of Directors except for those that may not be delegated by law, by the Corporate Bylaws or in the Regulations of the Board of Directors. It may delegate to any of its members the necessary powers for the final adoption of decisions previously discussed by the Committee, and for the implementation of the agreements it adopts.

C.1.10 Identify, where applicable, any members of the Board holding posts as board directors, representatives of board directors or managers in other companies that are part of the listed company of the group:

Name or company name of the board director	Company name of the Group company	Position	Holds executive functions?
Mr. ANTONIO HUERTAS MEJÍAS	MAPFRE INTERNACIONAL, S.A.	CHAIRMAN	NO
Mr. IGNACIO BAEZA GÓMEZ	MAPFRE ASISTENCIA, COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A.	CHAIRMAN	NO
Mr. IGNACIO BAEZA GÓMEZ	MAPFRE INTERNACIONAL, S.A.	DIRECTOR	NO
MS. CATALINA MIÑARRO BRUGAROLAS	MAPFRE INTERNACIONAL, S.A.	DIRECTOR	NO
MS. CATALINA MIÑARRO BRUGAROLAS	MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	DIRECTOR	NO
MS. CATALINA MIÑARRO BRUGAROLAS	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Name or company name of the board director	Company name of the Group company	Position	Holds executive functions?
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	MAPFRE INTERNACIONAL, S.A.	DIRECTOR	NO
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	MAPFRE RE, COMPAÑÍA DE REASEGUROS, S.A.	DIRECTOR	NO
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	FIRST VICE CHAIRMAN - MANAGING DIRECTOR	YES
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	FIRST VICE CHAIRMAN	NO
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	SANTANDER MAPFRE SEGUROS Y REASEGUROS, S.A.	CHAIRMAN	NO
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	VERTI ASEGURADORA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	ADMINISTRATOR	NO
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	VERTI MEDIACIÓN, SOCIEDAD DE AGENCIA DE SEGUROS VINCULADA, S.L.	ADMINISTRATOR	NO
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	MAPFRE SEGUROS GERAIS	CHAIRMAN	NO
MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ	MAPFRE RE, COMPAÑÍA DE REASEGUROS, S.A.	DIRECTOR	NO
MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ	MAPFRE GLOBAL RISKS, AGENCIA DE SUSCRIPCIÓN, S.A.U.	DIRECTOR	NO
MS. MARÍA LETICIA DE FREITAS COSTA	MAPFRE PARTICIPAÇÕES S.A.	VICE CHAIRMAN	NO
MS. MARÍA LETICIA DE FREITAS COSTA	BB MAPFRE PARTICIPAÇÕES, S.A.	DIRECTOR	NO
MS. ROSA MARÍA GARCÍA GARCÍA	MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	DIRECTOR	NO
MS. ROSA MARÍA GARCÍA GARCÍA	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO
MR. ANTONIO GÓMEZ CIRIA	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Name or company name of the board director	Company name of the Group company	Position	Holds executive functions?
MR. ANTONIO GÓMEZ CIRIA	MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	DIRECTOR	NO
MR. ANTONIO GÓMEZ CIRIA	MAPFRE RE, COMPAÑÍA DE REASEGUROS, S.A.	DIRECTOR	NO
MS. MARÍA AMPARO JIMÉNEZ URGAL	MAPFRE ASISTENCIA, COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO
MR. FRANCISCO JOSÉ MARCO ORENES	MAPFRE GLOBAL RISKS, AGENCIA DE SUSCRIPCIÓN, S.A.U.	CHAIRMAN	NO
MR. FRANCISCO JOSÉ MARCO ORENES	MAPFRE INTERNACIONAL, S.A.	DIRECTOR	NO
MR. FRANCISCO JOSÉ MARCO ORENES	FUNESPAÑA, S.A.	Representative of the board director at MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	NO
MR. FERNANDO MATA VERDEJO	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO
MR. FERNANDO MATA VERDEJO	MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	DIRECTOR	NO
MR. FERNANDO MATA VERDEJO	MAPFRE INTERNACIONAL, S.A.	DIRECTOR	NO
MR. FERNANDO MATA VERDEJO	MAPFRE INMUEBLES SGA, S.A.	ADMINISTRATOR	NO
MR. ANTONIO MIGUEL-ROMERO DE OLANO	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	SECOND VICE CHAIRMAN	NO
MR. ANTONIO MIGUEL-ROMERO DE OLANO	MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	SECOND VICE CHAIRMAN	NO
MS. MARÍA DEL PILAR PERALES VISCASILLAS	MAPFRE ASISTENCIA, COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A.	VICE CHAIRMAN	NO

Name or company name of the board director	Company name of the Group company	Position	Holds executive functions?
MS. MARÍA DEL PILAR PERALES VISCASILLAS	MAPFRE GLOBAL RISKS, AGENCIA DE SUSCRIPCIÓN, S.A.U.	DIRECTOR	NO
MR. ALFONSO REBUERTA BADÍAS	MAPFRE GLOBAL RISKS, AGENCIA DE SUSCRIPCIÓN, S.A.U.	VICE CHAIRMAN	NO
MR. ALFONSO REBUERTA BADÍAS	MAPFRE INTERNACIONAL, S.A.	DIRECTOR	NO

C.1.11 Details on the positions of director, administrator or manager, or the representative thereof, held by the directors or representatives of directors who are members of the company's board of directors at other companies, whether or not they are listed companies:

Identification of director or representative	Name of the company, listed or not	Position
Mr. ANTONIO HUERTAS MEJÍAS	CARTERA MAPFRE, S.L., SINGLE-MEMBER COMPANY	CHAIRMAN
Mr. IGNACIO BAEZA GÓMEZ	CARTERA MAPFRE, S.L., SINGLE-MEMBER COMPANY	DIRECTOR
MS. CATALINA MIÑARRO BRUGAROLAS	ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A.	DIRECTOR
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	CARTERA MAPFRE, S.L., SINGLE-MEMBER COMPANY	DIRECTOR
MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ	SOCIEDAD RECTORA DE LA BOLSA DE VALORES DE MADRID, S.A.	DIRECTOR
MS. MARÍA LETICIA DE FREITAS COSTA	EMBRAER S.A	DIRECTOR
MS. MARÍA LETICIA DE FREITAS COSTA	LOCALIZA RENT A CAR S.A.	DIRECTOR
MS. MARÍA LETICIA DE FREITAS COSTA	MOBLY S.A.	DIRECTOR
MS. MARÍA LETICIA DE FREITAS COSTA	TOTVS S.A.	DIRECTOR
MS. ROSA MARÍA GARCÍA GARCÍA	COMPAÑÍA LOGÍSTICA DE HIDROCARBUROS CLH, S.A. (EXOLUM)	CHAIRMAN
MS. ROSA MARÍA GARCÍA GARCÍA	EDP RENOVAVEIS, S.A	DIRECTOR
MS. ROSA MARÍA GARCÍA GARCÍA	SENER GRUPO DE INGENIERÍA, S.A.	DIRECTOR
MR. ANTONIO GÓMEZ CIRIA	RED ELÉCTRICA CORPORACIÓN, S.A.	DIRECTOR
MR. ANTONIO GÓMEZ CIRIA	HISPASAT, S.A.	DIRECTOR





**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Identification of director or representative	Name of the company, listed or not	Position
MR. FERNANDO MATA VERDEJO	CARTERA MAPFRE, S.L., SINGLE-MEMBER COMPANY	DIRECTOR
MR. ANTONIO MIGUEL-ROMERO DE OLANO	NIJINSKY, S.L.	SINGLE ADMINISTRATOR

The director positions of Ms. Catalina Miñarro Brugarolas, Ms. Rosa María García García, Ms. Ana Isabel Fernández Álvarez, Ms. María Leticia de Freitas Costa and Mr. Antonio Gómez Ciria are remunerated.

Indicate, if applicable, any other remunerated activities of the directors or representatives of the directors, whatever their nature, aside from those indicated in the table above.

Identification of director or representative	Other remunerated activities
MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ	General Manager at CUNEF.
MS. MARÍA LETICIA DE FREITAS COSTA	Partner at Prada Assessoria and at SLP Consultoria e Treinamento
MS. ROSA MARÍA GARCÍA GARCÍA	Member of the Advisory Board of the IFEMA Vida Silver Fair, professor at the Online University of La Rioja (UNIR) and member of the Advisory Board of Arcus Infrastructure
MR. ANTONIO GÓMEZ CIRIA	Professor at IEB-Instituto de Estudios Bursátiles (Institute for Market Studies)
MS. MARÍA AMPARO JIMÉNEZ URGAL	European President of Merck Biopharma
MR. ALFONSO REBUelta BADÍAS	Partner at Signium International

C.1.12 Indicate and, if applicable, explain if the company has established rules on the maximum number of boards of companies in which its board directors can be part, identifying, where appropriate, where it is regulated:

Yes  
 No

Explanation of the rules and identification of the document where it is

According to Article 4 of the MAPFRE Regulation of the Board of Directors, no director can simultaneously be a member of more than four Boards of Directors of companies that do not form part of the Group, except for personal or family companies.

C.1.13 Indicate the amounts of the items related to the overall remuneration of the following board of directors:

Remuneration accrued in the financial year in favor of the Board of Directors (thousands of euros)	8,930
Amount of funds accumulated by current directors through long-term savings systems with consolidated economic rights (thousands of euros)	17,880
Amount of funds accumulated by current directors through long-term savings systems with non-consolidated economic rights (thousands of euros)	16,168
Amount of funds accumulated by former directors through long-term savings systems (thousands of euros)	



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

C.1.14 Identify those executive management members who are not also executive board directors, and indicate the total remuneration earned by them during the fiscal year:

Name or company name	Position(s)
MR. ÁNGEL LUIS DÁVILA BERMEJO	GENERAL COUNSEL - GROUP CHIEF LEGAL OFFICER
MS. MARÍA LUISA GORDILLO GUTIÉRREZ	GROUP CHIEF INTERNAL AUDIT OFFICER
MR. ALFREDO CASTELO MARÍN	GROUP CHIEF BUSINESS AND CLIENTS OFFICER
MR. JOSÉ LUIS JIMÉNEZ GUAJARDO-FAJARDO	GROUP CHIEF INVESTMENT OFFICER
MS. EVA PIERA ROJO	GROUP CHIEF EXTERNAL RELATIONS AND COMMUNICATION OFFICER
MS. MARÍA ELENA SANZ ISLA	GROUP CHIEF PEOPLE OFFICER
MR. JOSÉ LUIS GURTUBAY FRANCIA	GROUP CHIEF STRATEGY AND M&A OFFICER
MR. JOSÉ ANTONIO ARIAS BERMÚDEZ	GENERAL MANAGER OF THE CORPORATE OPERATIONS TRANSFORMATION AREA

Number of women in senior management	3
Percentage of total members of senior management	37.50
Total remuneration of senior management (in thousands of euros)	5,111

C.1.15 Indicate whether during the fiscal year there has been any change in the board regulations:

- Yes  
 No

**Description of amendments**

At its meeting on February 9, 2022, the Board of Directors approved the following amendments to the Regulations of the Board of Directors, effective March 11, 2022:

- Regulation of related-party transactions and modification of the powers of the Board of Directors and the Audit and Compliance Committee in this matter under the terms established in Law 5/2021, of April 12, which amends the Recast Text of the Companies Act (Articles 2, 10, and new Title V and Article 21).
- Reduction of the maximum number of administrative bodies outside of the MAPFRE Group to which directors may belong from five to four (Article 4).
- Inclusion of the definition of independent directors (Article 4).
- Elimination of references to the legal entity director (Article 6).
- Modification of the Risk Committee's name, changing it to Risk and Sustainability Committee, and attribution of functions in matters of sustainability to it (Article 12).
- Introduction of technical and editorial improvements (Articles 2, 19, and 22).



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

C.1.16 Indicate procedures for selection, appointment, re-election and removal of directors. List the competent bodies, the procedures to be followed and the criteria to be employed in each procedure.

The persons to whom the position of board director of MAPFRE S.A. or of a subsidiary company is offered must make a prior, true and full statement of their personal, family, professional or business circumstances, specially stating: (i) the persons or companies that have, with respect to him/her, the status of related persons in accordance with the provisions of the current legislation; (ii) any circumstances that could entail any incompatibility in accordance with the laws, the Bylaws and the Regulations of the Board of Directors, or a situation of conflict of interest; (iii) his/her remaining professional obligations, in case they could interfere with the dedication required for the position; (iv) criminal cases in which he/she appears as the defendant or prosecuted party; and (v) any other event or situation that affects him/her and that may be relevant for his/her performance as a Board director. This declaration must be made on the form provided for such purposes by MAPFRE, and shall include an express acceptance of the regulations set out in the corporate bylaws and other internal regulations, as well as in current legislation.

Any person who holds the position of board director must be of renowned prestige in his/her professional and business area, and hold all necessary professional qualifications or experience as provided by law for financial institutions or insurance companies subject to supervision by Public Authorities.

Specifically, people cannot be members of the Board of Directors if they hold significant shares in, or provide professional services to, competing businesses of the Company or of any company of the Group, or if they work as employees, managers, or administrators of them, unless they are granted express authorization from the Board of Directors.

- Proposals for the appointment or reappointment of independent directors must be preceded by a proposal from the Appointments and Remuneration Committee. The proposed reappointment of such directors must include a performance evaluation of their positions by directors during the previous mandate and, where appropriate, of the positions performed by candidates on the Board, taking into account or assessing the amount and quality of the work done by them, and their commitment to the position.

- The formulation of proposals for appointment or reappointment by the Board of Directors must be preceded:

a) In the case of Nominee Directors, by a suitable proposal of the shareholder backing their appointment or reappointment.

b) In the case of Executive Directors, as well as the Secretary, whether or not a director, by a suitable proposal from the Chairman of the Board of Directors.

Both types of proposals must also be preceded by the corresponding report from the Appointments and Remuneration Committee.

- The proposed reappointment of nominee and executive directors must be subject to a prior report issued by the Appointments and Remuneration Committee, which must include a performance evaluation of their positions by directors during the previous mandate and, where appropriate, of the positions performed by candidates on the Board, taking into account or assessing the amount and quality of the work done by them, and their commitment to the position.

In any case, the proposals for appointment and reappointment of Board Directors must be accompanied by an explanatory report from the Board which assesses the responsibility, experience and merits of the candidate.

The Board of Directors shall not propose to the Annual General Meeting that any independent board director be removed from office before the end of the term for which the board director has been elected unless the Board of Directors considers, based on a report from the Appointments and Remuneration Committee, that there are grounds for doing so. In particular, the removal proposal shall be deemed justified when the Board Director has failed to comply with the duties inherent to the position, has not complied with any requirement set forth for Independent Board Directors, or has incurred in an insuperable conflict of interest according to the provisions of current legislation.

C.1.17 Explain how the annual assessment of the Board has led to significant changes in its international organization and in the procedures that apply to its activities:

### Description of amendments

In line with international best practices, in fiscal year 2022, the Board of Directors agreed to hire Deloitte Legal S.L.P. as an external adviser for the evaluation of the functioning of the Board and its committees as well as the Chairman of the Board. The result of the evaluation process in 2022 was very positive, and the following suggestions were made:

- Assess the inclusion of directors with knowledge of key markets, such as the United States, and with financial profiles.
- Periodically update the competency matrix of the Board of Directors to ensure that it is aligned with its needs.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

- Define a succession protocol for the chief executives.
- Periodically review the Group's risk map and monitor it in more detail.

Describe the assessment process and the areas assessed by the Board of Directors with the assistance, where applicable, by an external consultant, regarding the operation and composition of the board and its committees and any other area or aspect that has been subject to assessment.

### Description of the assessment process and assessment areas

In accordance with the provisions of the Regulations of the Board of Directors of MAPFRE, the Board undertakes an annual assessment of the quality of its work, the performance of the Chairman based on the report drawn up for this purpose by the Appointments and Remuneration Committee, and the operation of its Committees and Steering Committee. Where appropriate, it proposes an action plan to correct any deficiencies detected.

For this fiscal year, it collaborated with Deloitte Legal, S.L.P. and started with a questionnaire and personal interviews with board directors, including the Chairman, and corporate governance best practices at the national and international level. The process focused on the following matters: structure, composition and operation of the Board and its Committees during fiscal year 2022.

The report with the conclusions was presented to the Board on December 21, 2022. Based on this report, the Board evaluated its composition and operation during fiscal year 2022, as well as its Committees and Steering Committee.

C.1.18 Itemize, in those financial years in which the assessment was carried out with an external consultant, the business relationships that the consultant or any company of its group maintains with the company or any company of its group.

Deloitte, the group to which Deloitte Legal S.L.P. belongs, provided other consulting services for the Company throughout the year. The Appointments and Remuneration Committee reported favorably on the independence of Deloitte Legal S.L.P. as an external adviser in the evaluation process of the Board of Directors of MAPFRE S.A. and its delegate bodies in 2022, considering that the relationships between the Company and Deloitte are not significant.

C.1.19 Indicate the circumstances under which directors are obliged to resign.

In accordance with the corporate bylaws, the Regulations of the Board of Directors and the MAPFRE Group's Institutional, Business and Organizational Principles, all members of the Board of Directors will formally resign their post at the age of 70. The Chairman, Vice Chairmen and directors who perform executive functions, and the secretary of the Board must retire from office on reaching 65 years of age or, on any earlier date according to the terms and conditions of their respective contracts, submitting the corresponding resignations, but they may continue as members of the Board without any executive duties for a maximum of five years in the same conditions as external nominee directors.

All Directors must resign from their position on the Board of Directors and any office held, such as on the Steering Committee and Delegated Committees, and tender their formal resignation should the Board of Directors deem it pertinent, in the following cases:

- When they are removed from the executive office associated with their appointment as members of these governing bodies.
- When they become subject to any disqualification or prohibition laid down under law.
- When they are accused of (or a court issues an order for the opening of a trial for) allegedly committing any crime or are involved in disciplinary proceedings involving a serious or very serious fault at the instance of the supervisory authorities.
- If they receive a serious warning from the Audit and Compliance Committee due to infringement of their obligations as directors.
- When they are affected by circumstances in which their remaining on any such management bodies might cause damage to the company's credit or reputation or place its interests at risk. When such events or circumstances are well-known or public, the Appointments and Remuneration Committee, by agreement of the majority of its members, may request the resignation of the respective Director.
- When the reasons (if any expressly exist) for which they were appointed cease to apply.

Resignation from these positions must be formally tendered in a letter addressed to all members of the Board of Directors.



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Directors who, at the time of their appointment, do not hold any executive position or perform any executive functions in the Company, or in another Group company, will not be able to perform any executive functions unless they first resign their directorship, even though they may subsequently remain eligible for the position.

Nominee directors must also tender their resignation when the shareholder that appointed them sells their shareholding. When a shareholder reduces their shareholding, a proportionally equivalent number of nominee directors that they have appointed must resign.

MAPFRE's Independent Board Directors must also tender their resignation when they have held office for consecutive 12 years.

C.1.20 Are reinforced majorities required, aside from legal majorities, for any type of resolution?

- Yes
- No

If so, describe the differences.

C.1.21 Explain whether there are specific requirements, other than those regarding board directors, to be appointed chairman of the board.

- Yes
- No

Requirements description

In accordance with the provisions of Article 5 of the Regulations of the MAPFRE Board of Directors, the position of Chairman must go to an executive director who has the status of most senior management representative, and such a designation requires the favorable vote of two thirds of the members of the Board of Directors.

C.1.22 Indicate whether the bylaws or the Board regulations establish any age limit for directors:

- Yes
- No

	Age limit
Chairman and CEO	65
Managing Director	65
Board Director	70

C.1.23 Indicate whether the bylaws or the Board's regulations establish a limited mandate or other stricter requirements than those legally provided for independent directors, other than that established in the regulations:

- Yes
- No



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

C.1.24 Indicate whether the bylaws or the regulations of the board of directors establish specific regulations for delegating votes on the board of directors in favor of other board directors, how to do it, and in particular, the maximum number of delegations a board director may have, as well as whether any limit has been established regarding the categories in which it is possible to delegate, beyond the limits imposed by legislation. If so, describe such regulations briefly.

There are no specific regulations for delegating votes on the Board of Directors.

C.1.25 Indicate the number of meetings the Board of Directors has held during the financial year. Where applicable, indicate how many times the Board has met without the Chairman in attendance. In calculating this number, attendance shall mean proxies given with specific instructions.

Number of board meetings	11
Number of board meetings not attended by the Chairman	0

Indicate the number of meetings held by the Lead Director with the rest of the directors, without the assistance or representation of any executive director:

Number of meetings	0
--------------------	---

Indicate the number of meetings the Board's different Committees have held during the financial year.

Number of meetings of the STEERING COMMITTEE	3
Number of meetings of the AUDIT AND COMPLIANCE COMMITTEE	11
Number of meetings of the APPOINTMENTS AND REMUNERATION COMMITTEE	3
Number of meetings of the RISK AND SUSTAINABILITY COMMITTEE	7

Besides the aforementioned meetings, the Appointments and Remuneration Committee adopted resolutions through written procedure, without a meeting, three times.

C.1.26 Indicate the number of meetings the Board of Directors has held during the financial year and the attendance information of its members:

Number of meetings attended by at least 80% of the directors	11
% attendance over total votes during the year	99.35
Number of meetings attended in person or representations carried out with specific instructions of all directors	11
% of votes cast with in person attendance and representations made with specific instructions, on total votes during the fiscal year	100.00



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

C.1.27 Indicate whether the individual and consolidated financial statements presented to the board for formulation were certified beforehand:

- Yes  
 No

Where applicable, identify the person(s) who certified the individual and consolidated financial statements to be drawn up by the board:

Name	Position
MR. FERNANDO MATA VERDEJO	CHIEF FINANCIAL OFFICER AND MEMBER OF THE BOARD
MS. MARÍA LUISA GORDILLO GUTIÉRREZ	GROUP CHIEF INTERNAL AUDIT OFFICER
MR. ÓSCAR GARCIA-SERRANO JIMÉNEZ	GROUP CHIEF ADMINISTRATIVE AND FINANCE OFFICER

C.1.28 Explain any mechanisms put in place by the board of directors to ensure that the financial statements the board of directors submits to the annual general meeting are drawn up in accordance with accounting regulations.

The company has Corporate Finance and Resources, General Counsel and Internal Audit Areas to oversee all aspects of the financial statements, as well as the MAPFRE Audit and Compliance Committee, which is a delegate body that was created by the Board for this purpose and granted supervisory powers.

According to Article 23 of the Regulations of the Board of Directors of MAPFRE, the Financial Statements submitted to the Board of Directors in order to be authorized for issue shall be previously certified with regard to their accuracy and integrity by the most senior management representative of the Company – or, as the case may be, by the consolidated group – by the corresponding Group Chief Internal Audit Officer and by the manager responsible for the preparation of the aforementioned Statements.

In addition, Article 25 of the Regulation of the Board of Directors of MAPFRE provide that the Board of Directors must always draw up the financial statements so that the External Auditor has no reservations or provisos regarding them. Nonetheless, when the Board considers that it must maintain its criteria, the Chairman of the Audit and Compliance Committee will publicly explain the content and scope of the discrepancies that may have led to these reservations or provisos.

C.1.29 Is the Board secretary a director?

- Yes  
 No

If the secretary does not have the status of director, complete the following table:

Name or company name of the secretary	Representative
MR. ÁNGEL LUIS DÁVILA BERMEJO	

C.1.30 Indicate the specific mechanisms established by the company to preserve the independence of the external auditors, as well as, if any, the mechanisms to preserve the independence of the financial analysts, the investment banks and the rating agencies, including how they have implemented the legal provisions in practice.

In addition to abiding by statutory provisions, the company has decided to voluntarily propose compliance with a number of general guidelines that clearly and precisely aim to achieve and uphold the necessary independence of the external auditors in such regard as is advocated by the MAPFRE Board of Directors Regulations, which set out the following criteria in respect of the relationship with external auditors:



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

- The relationship of the Board of Directors with the company's external auditor shall be maintained through the Audit and Compliance Committee.
- The Board of Directors shall refrain from hiring any auditing firms that receive or that will receive annual fees from the Group, where the amount for all items exceeds 5% of its total annual revenue; and it shall report, in the annual public documentation, the total fees that the Group paid the External Auditor for the various services it provided.

Apart from the Audit and Compliance Committee's powers and functions as specified in the bylaws and the Board of Directors Regulations, the Audit Committee will be informed at least once every six months of all services rendered by the external auditor and their corresponding fees.

Every year, the Audit and Compliance Committee assesses the accounts auditor, the scope of the audit and the external auditor's independence, considering whether the quality of the audit control measures is adequate and any services other than accounts audit services are compatible with the auditor's independence.

Furthermore, the Audit and Compliance Committee verifies the independence of the external auditor in relation to the Company and its subsidiaries, receiving from it the declaration of its independence and issuing the Committee the corresponding report on the independence of the auditor.

In accordance with the provisions of the Internal Code of Conduct on securities issued by MAPFRE, which details the procedures relating to the dissemination of insider information and other relevant information, analysts, shareholders, investors or the media are not provided with information whose content may be considered insider information or other relevant information and which has not been made public before or simultaneously to the general market.

C.1.31 Indicate whether the company changed its external auditor during the financial year. If so, identify the incoming and outgoing auditors:

- Yes
- No

If there were disagreements with the outgoing auditor, explain the grounds.

- Yes
- No

C.1.32 Indicate whether the audit firm does other work for the company and/or its group other than the audit. If so, declare the amount of fees received for such work and the percentage that the above amount represents of the total fees charged to the company and/or its group:

- Yes
- No

	Society	Group Companies	Total
Amount for work other than audit (thousands of euros)	234	795	1,029
Amount from jobs other than audit / Amount audit jobs (in %)	21.04	8.90	10.25





**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

C.1.33 Indicate whether the audit report on the annual financial statements for the previous fiscal year contained exceptions. If any, indicate the reasons given to the shareholders at the Annual General Meeting by the Chairman of the Audit Committee to explain the content and scope of said exceptions.

- Yes  
 No

C.1.34 Indicate the number of fiscal years during which the current audit firm has been continuously performing the audit of the individual and/or consolidated financial statements of the company. Indicate the percentage of the number of fiscal years audited by the current auditing firm to the total number of fiscal years in which the annual financial statements have been audited:

	Individual	Consolidated
Number of financial years running	8	8
	Individual	Consolidated
Number of fiscal years audited by current audit firm/number of fiscal years the company or its group has been audited (in percentage).	26.65	26.65

C.1.35 Indicate and, where applicable, give details on the existence of a procedure for board directors to obtain the information they need to prepare the meetings of the management bodies in sufficient time:

- Yes  
 No

Details of the procedure

In accordance with the provisions of the Regulations of the Board of Directors, the meeting shall always include the agenda, which shall be established by the Chairman, and shall be accompanied by the appropriate information on the matters to be discussed, and duly prepared.

The agenda will be circulated to all members at least five days in advance of the meeting and will specifically state those items that are for information purposes and those that require a Board resolution. The documentation will be circulated among members at least three days ahead of the meeting, to allow for due analysis and study of the same by directors.

The Chairman of the Board of Directors, as the person responsible for the effective operation thereof, shall take the necessary measures to ensure that the Directors receive sufficient information in advance of the meeting on the items on the agenda.

In addition, Directors are vested with the broadest powers to obtain information on any aspect of the Company, to examine their books, records, documents and other background on social operations. This right to information is extended to the Group companies to the extent necessary to enable the effective performance of their duties by the board directors.

This aspect is subject to a specific analysis by the Board of Directors of the Company in its annual self-evaluation session.

C.1.36 Indicate and, where applicable, give details on whether the company has established rules obliging board directors to inform and, where applicable, to resign when situations arise that affect them, whether related or not to their conduct in the company that may harm the company's credit and reputation:

- Yes  
 No



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Explain the rules

The directors must place their office(s) at the disposal of the Board of Directors, both as directors and any other position they might hold on any Committee or Steering Committees thereof, and formalize any resignation, should the Board deem it necessary, in the following cases:

- Whenever they are removed from the executive office associated with their appointment as a member of these governing bodies.
- When they become subject to any disqualification or prohibition laid down under law.
- When they are accused of (or a court issues an order for the opening of a trial for) allegedly committing any crime or are involved in disciplinary proceedings involving a serious or very serious fault at the instance of the supervisory authorities.
- If they receive a serious warning from the Audit and Compliance Committee due to infringement of their obligations as directors.
- When they are affected by circumstances that might harm the company's credit or reputation or place its interests at risk were they to remain on these governing bodies. When such events or circumstances are well-known or public, the Appointments and Remuneration Committee, by agreement of the majority of its members, may request the resignation of the respective Director.
- When the reasons (if any expressly exist) for which they were appointed cease to apply.

C.1.37 Indicate, unless special circumstances have arisen that have been recorded in minutes, if the board has been informed or otherwise become aware any situation affecting a board member related or not to their conduct in the company that might harm the company's name and reputation:

- Yes
- No

C.1.38 List the significant resolutions adopted by the company and that take effect, are amended or conclude in the event of a change in control of the company on account of a public takeover bid, and its effects.

There are no significant resolutions adopted by the company and that take effect, are amended or conclude in the event of a change in control of the company on account of a public takeover bid.

C.1.39 Identify individually, when referring to board directors, and in aggregate form in all other cases and indicate, in detail, resolutions between the company and its administrative and management positions or employees that provide indemnification, guarantee clauses or shielding, when they resign or are dismissed unfairly or if the contractual relationship is terminated on the occasion of a public invitation to tender or other transactions.

Number of beneficiaries	0
Beneficiary type	Description of the resolution
N/A	The term of the contracts of the executive directors is related to their time as an executive director. Removal from this position entails the lifting of the suspension of the relationship prior to the appointment as such. Executive board directors must have an exclusive relationship with the company, and there are no contractual conditions relating to post-contractual non-competition agreements or continuity of service. Early termination of the previous relationship, except when there is good cause for dismissal, has an indemnification under the terms established by the Workers' Statute in relation to unfair dismissal, unless



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

Beneficiary type	Description of the resolution
	there is a justified cause for dismissal. In the event of early termination by decision of the Company, the Company must notify the director of the termination three (3) months prior to the termination date. Contracts governing the prior relationship establish the termination of this relationship as on January 1 of the year after which the board director reaches the age of 60, unless annual extensions are implemented at the initiative of the company until the date on which the executive reaches the age of 65, as a maximum. There are no clauses related to hiring bonuses.

Indicate whether, other than the cases stipulated in the regulations, these contracts have to be communicated and/or approved by the bodies of the company or its group. If so, specify the procedures, foreseen assumptions and the nature of the bodies responsible for approving or communicating them:

	Board of Directors	General Meeting
Body authorizing the clauses	√	

  

	Yes	No
Is the General Meeting informed of the clauses?		√

**C.2. Board of Directors' Committees**

C.2.1 List all the Board of Directors' committees, their members and the percentage of executive, nominee, independent and other external directors that compose them:

STEERING COMMITTEE		
Name	Position	Category
Mr. ANTONIO HUERTAS MEJÍAS	CHAIRMAN	Executive
Mr. IGNACIO BAEZA GÓMEZ	VICE CHAIRMAN	Executive
MS. CATALINA MIÑARRO BRUGAROLAS	VICE CHAIRMAN	Independent
MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ	MEMBER	Independent
MR. ANTONIO MIGUEL-ROMERO DE OLANO	MEMBER	Nominee

% of executive directors	40.00
% of nominee directors	20.00
% of independent directors	40.00
% of other external board directors	0.00



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Explain the functions delegated or attributed to this committee other than those already described in section C.1.9. Likewise, describe the organization and operation procedures and rules thereof. For each of these functions, indicate its most important actions during the fiscal year and how it has performed each of the functions attributed to it in practice, whether according to the law, the bylaws or other corporate agreements.

It is the delegate body of the Board of Directors, responsible for the executive management and permanent oversight of the strategic and operational aspects of the company's ordinary business affairs and those of its subsidiaries. It also makes any decisions necessary for proper operation.

It has the general capacity of decision and has been expressly delegated all the powers that correspond to the Board of Directors, except for those that may not be delegated by legal imperative or, where applicable, by express provision in the Corporate Bylaws or in the Regulations of the Board of Directors of MAPFRE S.A.

It will be made up of a maximum of ten members, all part of the Board of Directors. Its Chairman, First and Second Vice-Chairmen, and Secretary will automatically be members of the body. Members must be appointed with a favorable vote from two-thirds of the members of the Board of Directors.

During the 2022 fiscal year, the Steering Committee was responsible for being familiar with the economic information of the Company and its Group, authorizing the Group's corporate actions, being familiar with relationships with official bodies and the main litigation affecting the Group's companies, being familiar with the purchase of MAPFRE shares by members of governing and management bodies, and granting powers.

### AUDIT AND COMPLIANCE COMMITTEE

Name	Position	Category
MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ	CHAIRMAN	Independent
MR. ANTONIO GÓMEZ CIRIA	MEMBER	Independent
MR. ANTONIO MIGUEL-ROMERO DE OLANO	MEMBER	Nominee
MS. MARÍA DEL PILAR PERALES VISCASILLAS	MEMBER	Independent

% of executive directors	0.00
% of nominee directors	25.00
% of independent directors	75.00
% of other external board directors	0.00

Explain the functions, including, as the case may be, those additional to those legally provided, that this committee has attributed, and describe the procedures and rules of organization and operation thereof. For each of these functions, indicate its most important actions during the fiscal year and how it has performed in practice each of the functions attributed to it, whether in the law, in the bylaws or other corporate agreements.

The Audit and Compliance Committee has the following responsibilities:

- To apprise the Annual General Meeting of matters that are the responsibility of the Committee and, in particular, regarding the results of the audit, to explain how the said audit has contributed to the integrity of the financial information and role that the Committee has played in that process.
- To supervise the efficiency of the Company's internal control, internal audit and risk management systems, as well as to discuss with the External Auditor the significant weaknesses in the internal control system detected when carrying out audits, but without compromising the External Auditor's independence. For these purposes, recommendations or proposals may be presented to the Board of Directors, where applicable, together with the corresponding term for the monitoring thereof.
- To supervise the process of drawing up and presenting the mandatory financial information, and present recommendations or proposals to the Board of Directors with a view to safeguarding its integrity.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

d) To submit to the Board of Directors any proposals for the selection, appointment, reelection and substitution of the External Auditor, being accountable both for the selection process, as contemplated in the corresponding legislation currently in force, and for the conditions of its hiring, and regularly to gather information relating to the audit plan and its execution from the External Auditor, while preserving its independence in performing its functions.

e) To establish appropriate relationships with the External Auditor in order to receive information concerning any issues that may jeopardize its independence, so that they may be examined by the Committee, and any other issues relating to the accounts auditing process, and where appropriate, authorizations for services other than those prohibited under the terms contemplated in the corresponding legislation currently in force for auditing accounts, on independent status, as well as other communications envisaged in account audit legislation and auditing standards. In any case, they must receive annual written confirmation from the External Auditor of its independence from the company or companies directly or indirectly linked to it, as well as the detailed and individualized information concerning additional services of any type rendered and any professional fees received corresponding to these companies by said External Auditor, or by the people or companies linked to them in accordance with the provisions of the accounts auditing legislation in force.

f) To issue a yearly report, prior to the publication of the accounts audit report, expressing an opinion concerning whether the independence of the External Auditor has been compromised. This report, in any case, must contain the reasoned evaluation of the provision of each and every one of the additional services to which the above letter makes reference, individually considered and jointly, apart from those concerning legal audits and in relation to the independent status or with the regulatory statutes for account auditing activity.

g) To report on the related-party transactions that must be approved by the Annual General Meeting or the Board of Directors and supervise the internal procedure established by the Company for those whose approval has been delegated, where appropriate, by the Board of Directors.

h) To inform the Board of Directors in advance of all matters provided for by Law, in the Bylaws and in the Regulations of the Board of Directors, and in particular regarding financial and non-financial information that the Company must publish periodically and on the creation or acquisition of shareholdings in companies with a special purpose or companies that are registered in countries or territories considered to be tax havens.

i) To verify the application of the established good governance regulations at all times.

j) To oversee compliance with internal and external regulations, especially with internal codes of conduct, regulations and procedures for the prevention of money laundering and financing terrorism, as well as making proposals for their improvement.

k) To supervise the adoption of actions and measures that are the result of reports or actions for inspection of administrative authorities for supervision and control.

l) Any other responsibilities which may be assigned by the Board of Directors or attributed to it in the Regulations of the said body. [THE

INFORMATION IN THIS SECTION CONTINUES IN SECTION H.1 OF THIS REPORT]

To identify the members of the audit committee that have been appointed taking into account their knowledge and experience in accounting, auditing or both and report on the date of appointment of the Chairman of this committee in such position.

Names of experienced board directors	MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ / MR. ANTONIO GÓMEZ CIRIA / MR. ANTONIO MIGUEL-ROMERO DE OLANO
Date of appointment of the Chairman to the position	08/18/2019

APPOINTMENTS AND REMUNERATION COMMITTEE		
Name	Position	Category
MS. CATALINA MIÑARRO BRUGAROLAS	CHAIRWOMAN	Independent
MS. ROSA MARÍA GARCÍA GARCÍA	MEMBER	Independent
MS. MARÍA AMPARO JIMÉNEZ URGAL	MEMBER	Independent
MR. ANTONIO MIGUEL-ROMERO DE OLANO	MEMBER	Nominee
MR. ALFONSO REBUELTA BADÍAS	MEMBER	Nominee



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

% of executive directors	0.00
% of nominee directors	40.00
% of independent directors	60.00
% of other external board directors	0.00

Explain the functions, including, as the case may be, those additional to those legally provided, that this committee has attributed, and describe the procedures and rules of organization and operation thereof. For each of these functions, indicate its most important actions during the fiscal year and how it has performed in practice each of the functions attributed to it, whether in the law, in the bylaws or other corporate agreements.

The Appointments and Remuneration Committee is the delegate body of the Board of Directors for the coordinated development of appointment and remuneration policy regarding the directors and senior management of the Group.

It has the following responsibilities:

- a) To evaluate the balance of skills, knowledge, and experience required on the Board of Directors, defining the functions and responsibilities required of the candidates to fill each vacancy accordingly, and decide the time and effort necessary for them to perform their functions properly.
- b) To establish a representation objective for the less-represented gender on the Board of Directors and create orientations regarding how to reach said objective.
- c) To submit to the Board of Directors any proposals for the appointment of Independent Board Directors so that they may be designated by co-opting or so that they may be subject to the decision of the Annual General Meeting, as well as proposals for reappointment or dismissal, and to report on cases related to proposals that affect the remaining Board Directors.
- d) To notify proposals for the appointment and dismissal of senior managers and their basic contractual conditions.
- e) To examine and organize the succession of the Chairman of the Board of Directors, and where appropriate, to make the corresponding proposals to the Board so that this succession is orderly and well-planned.
- f) To propose to the Board of Directors the remuneration policy for Board Directors and general managers or anyone who performs senior management duties under the direct control of the Board, the Steering Committee, or the Managing Directors, as well as the individual remuneration and other conditions of the contracts of Executive Directors, ensuring their enforcement.
- g) To propose to the Board of Directors the candidates for appointment as FUNDACIÓN MAPFRE Trustees whose appointment is the responsibility of the Company.
- h) To authorize the appointment of External Directors in the other Group companies.

The Committee will be made up of a minimum of three and a maximum of five members, all of whom must be non-executive, and at least two of whom must be Independent Directors. The Chairman must be an Independent Director. The Secretary of the Board of Directors will also be the Secretary of the Committee.

During fiscal year 2022, the Appointments and Remuneration Committee was responsible, among others, for reporting on the appointments and resignations of directors and executives of the Group, for reporting on the performance of the Chairman during fiscal year 2021, for reporting on the Board Directors Compensation Policy 2022–2024, for the purposes of submission by the Board of Directors to the Annual General Meeting, which approved it at its meeting on March 11, 2022, for presenting/reporting on the proposal of the Medium- and Long-Term Incentive Plan, of an extraordinary, non-vested and multi-year nature, consisting of three overlapping cycles with objectives measurement periods of three years each (2022–2024, 2023–2025 and 2024–2026), for submitting/reporting favorably to the Board of Directors the proposals for reelection of directors, for approving the salary remuneration of senior management positions for fiscal year 2022, for reporting on the proposal to approve a flexible share remuneration plan in 2023 for MAPFRE employees, for authorizing the granting of pension commitments, for reporting the independence of Deloitte Legal, S.L.P. as an external adviser in the evaluation process of the Board of Directors of MAPFRE S.A. and its delegate bodies in 2022, for approving the granting of management contracts and for proposing the candidates for the appointment of Trustees of FUNDACIÓN MAPFRE to the Board of Directors.

For more information, please consult the Report on the Composition and Functioning of the Committee during fiscal year 2022, available on the Company's website, which is made available to shareholders for the General Meeting.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

RISK AND SUSTAINABILITY COMMITTEE		
Name	Position	Category
MR. ANTONIO GÓMEZ CIRIA	CHAIRMAN	Independent
MS. ANA ISABEL FERNÁNDEZ ÁLVAREZ	MEMBER	Independent
MR. FRANCISCO JOSÉ MARCO ORENES	MEMBER	Nominee
MR. ANTONIO MIGUEL-ROMERO DE OLANO	MEMBER	Nominee
MS. MARÍA DEL PILAR PERALES VISCASILLAS	MEMBER	Independent

% of executive directors	0.00
% of nominee directors	40.00
% of independent directors	60.00
% of other external board directors	0.00

Explain the functions delegated or attributed to this committee other than those already described in section C.1.9. Likewise, describe the organization and operation procedures and rules thereof. For each of these functions, indicate its most important actions during the fiscal year and how it has performed each of the functions attributed to it in practice, whether according to the law, the bylaws or other corporate agreements.

This delegate body of the Board of Directors supports and advises the Board when defining and evaluating the Group's risk management policies, when determining susceptibility to risk and the risk strategy, and when defining and supervising the corporate sustainability policy and sustainability strategy.

It has the following functions:

- a) To support and advise the Board of Directors in defining and evaluating the Group's risk policies and in determining susceptibility to risk and risk strategy.
- b) To assist the Board of Directors in overseeing the application of the risk strategy.
- c) To study and evaluate risk management methods and tools, carrying out monitoring on the models applied in terms of results and validation.
- d) Support and advise the Board of Directors when defining and evaluating the Group's sustainability strategy and policy, ensuring that they are aimed at responding to the expectations of the Company's stakeholders and value creation.
- e) To assist the Board of Directors in monitoring the Company's performance in terms of sustainability.
- f) To promote, guide, and supervise the Group's principles, commitments, objectives, and strategy in terms of sustainability.
- g) Any other responsibilities which may be assigned by the Board of Directors or attributed to it in the Regulations of the said body.

The Committee will be made up of a minimum of three and a maximum of five members, all of whom must be non-executive, and at least two of whom must be Independent Directors. The Chairman must be an Independent Director. The Board of Directors must designate a Secretary, a position which need not be filled by a Director. The Senior Managers overseeing the Group's risk area and sustainability area shall attend the Committee as guests.

During fiscal year 2022, the Risk and Sustainability Committee was responsible for, among other things, reviewing the solvency position of the Company and its subsidiaries, reviewing the policies approved by the Company under Solvency II, receiving information on the monitoring of qualitative risks, self-assessment of the Internal Control System and the material risks identified during the fiscal year, analyzing the report on the adequacy of the technical provisions for Non-Life benefits and the Annual Report on the Actuarial Function of the MAPFRE Group, presenting the Solvency and Financial Condition Report (SFCR), the Quantitative Reporting Templates (QRT) and the MAPFRE Group's ORSA Report for fiscal year 2021, receiving information on the rating agencies, determining the progress of the Sustainability Plan 2022–2024, monitoring the indexes and reports to regulators, and being familiar with the regulations with an impact on sustainability.



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

C.2.2 Complete the following table with information related to the number of board directors who have belonged to Board of Directors' Committees at the closing of the last four fiscal years:

	Number of directors							
	Fiscal year 2022		Fiscal year 2021		Fiscal year 2020		Fiscal year 2019	
	Number	%	Number	%	Number	%	Number	%
STEERING COMMITTEE	2	40.00	1	16.67	1	16.67	1	16.67
AUDIT AND COMPLIANCE COMMITTEE	2	50.00	2	50.00	2	50.00	2	50.00
APPOINTMENTS AND REMUNERATION COMMITTEE	3	60.00	2	40.00	2	40.00	1	25.00
RISK AND SUSTAINABILITY COMMITTEE	2	40.00	1	25.00	1	25.00	1	25.00

C.2.3 Indicate, where applicable, the existence of regulations for the board committees, where they can be consulted, along with any amendments made to them during the fiscal year. Indicate whether an annual report on the activities of each committee has been drawn up voluntarily.

**STEERING COMMITTEE**

The regulation of the Steering Committee is included in the company's bylaws (Article 21) and in the Board Regulations (Articles 9 and 13). These documents, as well as the composition of the Committee, are always available for consultation on the company's website, [www.mapfre.com](http://www.mapfre.com).

No changes have been made to the operating system of the Steering Committee.

The Steering Committee submitted a report on its own functioning to the Board of Directors in fiscal year 2022. **AUDIT AND COMPLIANCE COMMITTEE**

The regulation of the Audit and Compliance Committee is included in the company's bylaws (Article 22) and in the Board Regulations (Articles 10 and 13). These documents, as well as the composition of the Committee, are always available for consultation on the company's website, [www.mapfre.com](http://www.mapfre.com).

In fiscal year 2022, the Audit and Compliance Committee's powers regarding related-partied transactions were modified under the terms established in Law 5/2021, of April 12, which amends the Recast Text of the Companies Act.

The Audit and Compliance Committee submitted a report on its functioning in fiscal year 2022 to the Board of Directors.

**APPOINTMENTS AND REMUNERATION COMMITTEE**

The regulation of the Appointments and Remuneration Committee is included in the company's bylaws (Article 23) and in the Board Regulations (Articles 11 and 13). These documents, as well as the composition of the Committee, are always available for consultation on the company's website, [www.mapfre.com](http://www.mapfre.com).

No changes have been made to the operating system of the Appointments and Remuneration Committee.

The Appointments and Remuneration Committee submitted a report on the functioning of the Appointments and Remuneration Committee for fiscal year 2022 to the Board of Directors.

**RISK AND SUSTAINABILITY COMMITTEE**





## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

The regulation of the Risk and Sustainability Committee is included in the company's bylaws (Article 24) and in the Board Regulations (Articles 12 and 13). These documents, as well as the composition of the Committee, are always available for consultation on the company's website, [www.mapfre.com](http://www.mapfre.com).

In 2022, the Risk Committee's name was changed to the Risk and Sustainability Committee, and functions in the field of sustainability were attributed to it.

The Risk and Sustainability Committee submitted a report on its functioning in fiscal year 2022 to the Board of Directors.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

### D. RELATED-PARTY TRANSACTIONS AND INTRA-GROUP TRANSACTIONS

- D.1. Explain, if applicable, the procedure and competent bodies for the approval of related-party and intra-group transactions, indicating the company's criteria and general internal rules that regulate the abstention obligations of the affected directors or shareholders and detailing the internal information and periodic control procedures established by the company regarding related-party transactions whose approval has been delegated by the board of directors.

The Regulations of the MAPFRE Board of Directors and the Policy for the Management of Conflicts of Interest with Senior Representative and Management Positions govern the procedure to be followed in relation to related-party transactions and intra-group operations, respectively.

Article 21 of the Regulations of the Board of Directors establishes that the power to approve related-party transactions whose amount or value is greater than or equal to 10% of the total asset items according to the last annual balance sheet approved by the Company corresponds to the Annual General Meeting, at the proposal of the Board of Directors. The power to approve other related-party transactions corresponds to the Board of Directors. Approval by the Annual General Meeting or by the Board of Directors of a related-party transaction shall be subject to a prior report from the Audit and Compliance Committee.

Additionally, it is foreseen that the Board of Directors may delegate the approval, without a prior report from the Audit and Compliance Committee, of the following related-party transactions:

- Those carried out between Group companies and that are within the scope of ordinary management and under market conditions.
- Those concluded through contracts whose standardized conditions are applied en masse to a large number of clients, are carried out at prices or rates generally established by whoever acts as the supplier of the good or service in question, and the amount of which does not exceed 0.5% of the Company's net revenue.

In case of delegation, the Board of Directors must establish an internal information and periodic control procedure involving the Audit and Compliance Committee, and it shall verify the fairness and transparency of said transactions and, where appropriate, compliance of the legal criteria applicable to the above exceptions.

During fiscal year 2022 the Board of Directors did not delegate the approval of related-party transactions.

Additionally, the Policy for the Management of Conflicts of Interest with Senior Representative and Management Positions aims to establish and regulate the applicable standards and procedure regarding transactions or situations in which the interest of MAPFRE or any of the companies in its Group enters into conflict, directly or indirectly, with the personal interest of the Affected Persons.

Regarding intra-group operations subject to conflicts of interest, the aforementioned Policy establishes that their approval corresponds to the controlled company's General Meeting when such business or transaction is, by its very nature, the legal responsibility of this body and, in any case, when the amount or value of the operation or the total amount of the set of operations provided for in an agreement or framework contract is greater than 10% of the company's total assets. In all other cases, the competent body to approve the operation will be the administrative body of the controlled company.

Likewise, it establishes that the administrative bodies of the Group companies may delegate the approval of intra-group operations to delegated bodies or to members of the senior management of said companies provided that the transactions are performed in the course of ordinary business activity, which shall include transactions performed when executing an agreement or framework contract and concluded under market conditions. In the event of delegation, the administrative body of the Group company must implement an internal procedure for the periodic evaluation of compliance with the aforementioned requirements.

Finally, in accordance with the provisions of the Policy and Article 8 of the Regulations for the MAPFRE Board of Directors, directors must refrain from attending and participating in deliberations and voting that affect them personally and in cases of conflict of interest.



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

D.2. Individually list the transactions that are significant due to their amount, or relevant due to their subject matter, carried out between the company or its subsidiaries and the shareholders holding 10% or more of the voting rights or represented on the company's board of directors, indicating the competent body for its approval and if any affected shareholder or director has abstained. If the competence has corresponded to the meeting, indicate if the resolution proposal has been approved by the board without a vote against by the majority of the independent members:

	Name or company name of the shareholder or of any of its controlled companies	% Participation	Name of the company or Group company	Amount (thousands of euros)	Approving body	Identification of the significant shareholder or director who abstained	The proposal to the meeting, if applicable, was approved by the board without a vote against by the majority of the independent members
(1)	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	69.69	MAPFRE S.A.	400,000	BOARD OF DIRECTORS	Not applicable	NO

	Name or company name of the shareholder or of any of its controlled companies	Nature of the relationship	Type of transaction and any other information necessary for its evaluation.
(1)	CARTERA MAPFRE, S.L. SINGLE-MEMBER COMPANY	Contractual	Extension of the line of credit granted by CARTERA MAPFRE, S.L.U. to MAPFRE S.A. for a new year, also revising the interest rate to adapt it to the current market conditions. To assess whether the transaction was fair and reasonable, the Audit and Compliance Committee took into account the report prepared by the Deputy General Management for Capital Markets and Treasury at MAPFRE S.A.



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

D.3. Individually list the transactions that are significant due to their amount, or relevant due to their subject matter, carried out by the company or its subsidiaries with the company administrators or directors, including transactions carried out with companies that the administrator or director controls or jointly controls, and indicating the competent body for its approval and if any affected shareholder or director has abstained. If the competence has corresponded to the meeting, indicate if the resolution proposal has been approved by the board without a vote against by the majority of the independent members:

Name or company name of the administrators or directors or of their controlled or jointly controlled companies	Name or company name of the Group company or entity	Link	Amount (thousands of euros)	Approving body	Identification of the significant shareholder or director who abstained	The proposal to the meeting, if applicable, was approved by the board without a vote against by the majority of independent members
No data						

Name or company name of the administrators or directors or of their controlled or jointly controlled companies	Type of transaction and any other information necessary for its evaluation
No data	

Note 6.25 from the Consolidated Annual Accounts and Note 18 from the Individual Annual Accounts report provide information on the related-party transactions of the Company or its Group companies in 2022.

D.4. Individual report of intra-group transactions that are significant due to their amount, or significant due to their subject matter, carried out by the company with its parent company or with other companies belonging to the parent group, including the subsidiaries of the listed company, unless another related party of the listed company has interests in said Group entities or the latter are wholly owned, directly or indirectly, by the listed company.

In any case, report any intra-group transaction carried out with companies established in countries or territories which have the consideration of tax haven:

Company name of the Group company	Brief description of the transaction and any other information necessary for its evaluation	Amount (thousands of euros)
No data		



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

D.5. Individually list the transactions that are significant due to their amount, or relevant due to their subject matter, carried out by the company or its subsidiaries with other related parties and considered as such under the International Accounting Standards adopted by the EU, which have not been reported in the previous headings.

Company name of the related party	Brief description of the transaction and any other information necessary for its evaluation	Amount (thousands of euros)
No data		

D.6. List the mechanisms in place to detect, determine and resolve possible conflicts of interest between the company and/or its Group, and its board directors, executives, significant shareholders, and other related parties.

All board directors and executives must make a prior declaration at the time of their appointment with regard to these matters. Furthermore, they are required to update this declaration on a regular basis, and whenever a potential situation of conflict arises.

Additionally, the Policy for Managing Conflicts with Senior Representative or Management Positions regulates the special obligations relating to potential conflicts of interest.

The Board of Directors has the final decision on these issues. There is a special procedure for the approval of resolutions with regard to matters where there is a potential conflict of interest with a board director. The director in question must refrain from attending or participating in these decisions.

D.7. Indicate whether the company is controlled by another company within the meaning of Article 42 of the Commerce Code, listed or otherwise, and has directly or through its subsidiaries, a business relationship with said company or any of its subsidiaries (other than those of the listed company) or if it undertakes activities related to those of any of them.

- Yes
- No



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

### E. CONTROL SYSTEMS AND RISK MANAGEMENT

#### E1. Explain the scope of the company's Risk Control and Management System for financial and non-financial risks, including those of a tax nature.

The MAPFRE Group has a Risk Management System based on the continuous and integrated management of each of the business processes and on the suitability of the level of risk to the established strategic objectives, consolidating said management by area, business unit, activities, subsidiaries, geographical areas and corporate support areas.

The Group's Risk Management System considers financial and non-financial risks, including those of a potential or emerging nature and sustainability risks. The different types of risks are grouped under four areas or categories:

- Insurance Activity Risks: This groups together, separately for Life and Non-Life, the risk of premium shortfalls and insufficient technical and catastrophe provisions.
- Financial and Credit Risks: This includes market risks (interest rate, exchange rate, shares, etc.) as well as liquidity and credit risks.
- Strategic Risks and Corporate Governance: This includes business ethics and corporate governance risks as well as risks related to the organizational structure, risks derived from strategic decisions, reputation, alliances, mergers and acquisitions derived from the regulatory environment, including those of a tax nature, and competition risks.
- Operational Risks: This includes potential losses arising from the inadequacy or errors in internal processes, personnel, systems, or external events.

Operational Risks are, among others, external fraud risks such as Cyber Risk, technological risk, and the risk of non-compliance, which includes the risk of penalties and material financial losses as a result of non-compliance with laws, regulations and internal and external regulations, as well as the risk of tax noncompliance (risk of divergences in the interpretation of tax regulations and the determination of market prices between related companies).

The Risk Management System comprises the set of information strategies, processes and procedures necessary to continuously identify, measure, monitor, manage, and notify the risks to which the Group is or may be exposed, applying the basic principles of mandatory compliance, including the assumption of risks while ensuring the continuous application of the principle of responsible management of resources and environmental, social and governance aspects

#### E2. Identify the bodies of the company which are responsible for the preparation and implementation of the Risk Control and Management System for financial and non-financial risks, including those of a tax nature.

The internal control and risk management systems are integrated into the organizational structure of the Group according to the three-lines-of-defense model, so that all the staff of the organization are assigned responsibilities for compliance with the control and risk management objectives.

The Board of Directors is ultimately responsible for guaranteeing the effectiveness of the internal control and risk management systems. It is its sole competence to determine the general policies and strategies, and in particular the policy for the identification, management and control of risks, including fiscal risks, and the supervision of internal information and control systems.

The Steering Committee is the delegate body of the Board of Directors for the executive management and permanent supervision of the ordinary management of the company and its subsidiaries in its strategic and operational aspects, and acts with all its powers except those that are not delegable by legal imperative or, where appropriate, by express provision in the Company Bylaws or in the Regulations of the Board of Directors of MAPFRE S.A.

For the development and implementation of the internal control and management systems for financial and non-financial risks, including tax risks, the Board of Directors relies on the Risk and Sustainability Committee, a delegate body with the following functions:

- To support and advise the Board of Directors on the definition and evaluation of the risk policies of the Group and on the determination of the susceptibility to risk and the risk strategy.
- To assist the Board of Directors in overseeing the implementation of the risk strategy.
- To be familiar with and assess the risk management methods and tools, monitoring the models applied regarding results and validation.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

- To support and advise on the definition and evaluation of the Group's sustainability strategy and policy.
- To assist in monitoring the Company's performance in terms of sustainability.
- To promote, guide and supervise the Group's principles, commitments, objectives, and strategy in terms of sustainability.

The Audit and Compliance Committee is the delegate body of the Board of Directors with the responsibility of overseeing the effectiveness of internal control, internal audit and the risk management systems; monitoring the development and presentation of financial and non-financial information, establishing appropriate relationships with the External Auditor; monitoring the implementation of good governance standards; and monitoring compliance with internal and external regulations, especially with internal codes of conduct, regulations and procedures for the prevention of money laundering and financing terrorism.

**E3.** List the main financial and non-financial risks, including tax risks and, to the extent that they are significant, those derived from corruption (understood within the scope of Royal Decree Law 18/2017), which may impact the achievement of business objectives.

### 1. Insurance Activity Risks

The organization of MAPFRE, specializing in various business lines, requires them to be highly autonomous in the management of their business, in particular in terms of underwriting and tariff fixing, as well as the indemnification or provision of services in case of incident.

The adequacy of premiums and provisions are an element of special importance in insurance management.

The Group's business requires the use of models, assumptions and estimates, which presents the risk that actual experience does not coincide with the assumptions that were initially used. In this regard, unearned premium reserves are calculated under the assumption that the applied rates will be sufficient to cover the loss ratio and the expected expense rate in the contracts in force until their maturity. The volatility of claims and expenses rates in certain lines, such as casualty insurance or multi-year contracts, may cause negative differences between the premiums applied and the actual expenses incurred.

The determination of the adequacy of premiums and technical provisions is calculated by the actuarial teams of the Group companies, ensuring that the amount of the provisions is validated by an independent party that has not participated in the calculation and is regulated by a specific policy. The Group minimizes the risk of premium insufficiency by establishing guidelines, limits and exclusions to reduce unwanted underwriting risk and maximum acceptable exposure to specific risk concentrations. Sufficiency of the provisions is guaranteed by the continuous monitoring of the provisions so as to reflect the true value of the obligations undertaken in the contracts, the immediate reaction in estimating possible unfavorable patterns that affect the loss ratio and appropriate management of benefits based on a great speed and efficacy in the settlement of claims.

In light of MAPFRE's presence in some countries that are highly prone to natural disasters (earthquakes, hurricanes, etc.), and the increased frequency and intensity of extreme events derived from climate change, these types of risks require special treatment. The exposed companies have specialized analyses of catastrophic exposure, generally conducted by independent experts who estimate the scope of losses in the event of a catastrophe. Underwriting catastrophic risks is undertaken based on this information and the economic capital available to the underwriting company. Where appropriate, the equity exposure to these types of risk is mitigated by taking out specific reinsurance coverage.

In this regard, it is important to highlight the contribution of MAPFRE RE, which brings to the management of the Group its long experience in the market of catastrophic risks, determining annually the global catastrophic capacity by territory and establishing the maximum underwriting capabilities per risk and event. MAPFRE RE also has risk retrocession protection programs to cover deviations or increases in the catastrophic loss ratio in different territories.

MAPFRE's policy regarding reinsurance risk is to transfer business to reinsurers of proven financial capacity that meet the credit quality conditions set out in the MAPFRE Group's Reinsurance Policy. Business is ceded to other reinsurers on an exceptional basis after an internal analysis verifying the possession of a solvency margin equivalent to the aforementioned classification or if adequate guarantees are provided.

### 2. Financial and Credit Risks

A significant part of the Group's results and asset valuation is subject to financial market fluctuations. These changes in market prices may reduce the value of or revenues deriving from the investment portfolio, which in turn may have a negative impact on the Group's financial situation and consolidated results.

MAPFRE mitigates its exposure to this type of risk by means of a prudent investment policy characterized by a high proportion of investment-grade fixed income securities.

Four different types of portfolios are managed within the investment portfolio:

- Those that seek strict immunization from the obligations deriving from insurance contracts.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

- Portfolios that cover unit-linked policies made up of assets whose risk is assumed by the policyholders.
- Those that look to exceed the guaranteed return and achieve the highest return for the policyholders within prudential parameters, such as portfolios with profit sharing.
- Open-management portfolios where the active management is only conditioned by legal rules and internal risk limits.

In the first case, the immunized portfolios minimize the interest rate risk through immunization techniques based on the matching of flows or durations.

In the second case, portfolios that cover the unit-linked policies are made up of financial instruments whose risk is assumed by the policyholders.

[THE INFORMATION IN THIS SECTION CONTINUES IN SECTION H.1 OF THIS REPORT]

#### E4. Identify whether the company has a tolerance level for risks, including tax risks.

The Risk Appetite Policy of the MAPFRE Group, approved by the Board of Directors of MAPFRE S.A., establishes the risk level that the Group would be ready to assume to attain its business objectives with no relevant deviations, even in adverse situations. That level, which defines limits and sub-limits per risk type, constitutes the MAPFRE Group's Risk Appetite. The limits applicable to risk-taking are established in the Group's "Risk Appetite" and in the specific risk policies, which detail the established risk assessment process, as well as the metrics set for this purpose.

The Group and its companies are subject to the risk-based management requirements established in the Solvency II regulation. This regulation establishes the minimum amount of capital resources that companies must have in order to be authorized to operate, the types of capital resources admissible in under the regulation and the available capital. Therefore, maintaining a high solvency ratio in the Group is its main protection measure against the risks it faces.

As one of its risk management objectives, the MAPFRE Group strives to maintain an amount of eligible own funds at the consolidated level which is equivalent to a target solvency ratio of 200 percent of the solvency capital required under Solvency II, with a tolerance of 25 percentage points. A secondary risk management objective is to maintain a sufficient level of economic capital at the consolidated level to meet its obligations in accordance with a rating of "A" or higher, or its equivalent.

The prospective capital required of the insurance and reinsurance subsidiaries is generally determined pursuant to an estimation based on the budgets for the following fiscal year, and it is reviewed on a regular basis during the course of the year in line with risk trends.

For metrics that quantify the aggregate risks of the MAPFRE Group, tolerance levels are established and risk exposure is monitored through a measurement scale based on the distance of the risk level from its maximum limit: i) green zone: risk that can be assumed and maintained without restrictions; ii) yellow zone: risk that has reached a sufficient level of exposure and that requires monitoring and control measures; and iii) red zone: risk that exceeds the maximum tolerance and that requires the immediate adoption of control and mitigation measures to return to below the limit. The main risk indicators and tolerance levels established in the risk policies applicable in the companies and for the Group are:

- Solvency risk (Own Funds/Solvency Capital Requirement), an indicator that measures the mandatory solvency coverage ratio in accordance with Solvency II regulations. The following zones are established for the Group:

Green zone: =175% and =225%

Yellow zone: =130% and <175% or >225%

Red zone: <130%

- Counterparty risk (Business Group/Net Equity counterparty exposure), indicators to ensure that Group companies' exposure levels to third parties respect the established credit risk levels. The established zones are:

Exposure to counterparties with a rating greater than or equal to "BBB" (no deposits)

Green zone: =15%

Yellow zone: [15%–20%]

Red zone: >20%

Exposure to counterparties with a rating below "BBB" (no deposits)

Green zone: =5%

Yellow zone: [5%–10%]

Red zone: >10%

- Financial Leverage (Subordinated Liabilities + Issuing Obligations + Due to Credit Institutions / Equity + Subordinated Liabilities + issuance of debentures + other negotiable securities + due to credit institutions), financial ratio used by Group companies with financial debt to measure their level of debt. The established zones are:





## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Green zone: =25%  
Yellow zone: [25%–35%] Red  
zone: >35%

• Financial interest payment coverage (EBITDA / interest payments), an indicator to be applied by Group companies with financial debt to measure the cost of debt financing in the company. The established zones are:

Green zone: Greater than or equal to 10 times  
Yellow Zone: Between 6 and 10 times  
Red Zone: Fewer than 6 times

The Governing Bodies receive information relating to the quantification of the main risks to which the Group is exposed and the capital resources available to cover them, as well as information relating to compliance with the established Risk Appetite limits and other specific risk policies.

### E.5. Indicate the financial and non-financial risks, including tax risks, which have arisen during the fiscal year.

With regard to insurance activity risks, catastrophic events in the Agricultural line due to droughts in Brazil and Paraguay represent the most significant impacts in the fiscal year. As of December 31, 2022, the attributable impact of this claimable event amounted to 112.9 million euros, of which 67.2 million euros correspond to MAPFRE RE, 36.7 million euros to Brazil and 9 million euros to Paraguay. Secondly in terms of impact, the loss ratio attributable to the coronavirus crisis (COVID-19), which as at December 31, 2022, had a cumulative cost of 115.8 million euros, stands out. In addition, the global increase in inflation, greater than expected, has led to an increase in the provision of services, impacting the increase in the loss ratio and the combined ratio. Finally, it should be noted that the impact on underwriting arising from Russia's invasion of Ukraine is immaterial in both the Group and its companies, given the exposure arising from the Reinsurance, Global Risks and MAPFRE Sigorta (Turkey) businesses maintained in Russia, Belarus and Ukraine. In keeping with the international sanctions against Russia, the Group has issued global guidelines that entail the restriction of direct insurance and reinsurance operations for Russian or Belarusian citizens with interests located in or destined for Russia or Belarus.

With regard to financial and market risks, the greatest impacts have been recorded due to the evolution of interest rates and currency volatility derived from the Ukraine-Russia conflict as well as the evolution of economic indicators in hyperinflationary economies.

The rising interest rates, falling equity markets and widening of credit spreads are negatively affecting shareholders' equity as a result of market price valuations. Interest rate movements have caused losses in valuation that do not compromise recurring profits; however, they have reduced the value of assets and therefore their equity. At the end of December, the negative impact of assets due to higher interest rates in investment portfolios reached 1.76 billion euros, while currency conversion differences had a positive impact of more than 343 million euros.

With regard to hyperinflationary economies, economic indicators in Turkey continue to show adverse performance, which has been reflected in the continued depreciation of the country's currency against the euro. This has had an accumulated negative impact in recent years on MAPFRE's consolidated shareholders' equity amounting to 359.7 million euros, due to the loss of value of the Turkish subsidiary because of the currency effect. The main impacts calculated on the Group's financial statements at December 31, 2022, are the increase in capital and reserves of 43.4 million euros, mainly due to the revaluation of non-monetary assets since January 1, 2004, and the negative impact on the result of 16.6 million euros. The impact of the hyperinflationary economies of Venezuela and Argentina, which had a negative impact of 43.7 million euros on the result for the period, should also be noted.

### E.6. Explain the response and supervision plans for the main company risks, including fiscal risks, as well as the procedures followed by the company to ensure that the board of directors responds to the new challenges that arise.

The integration of internal control and risk management systems into the organizational structure is performed under the three lines of defense model, assigning responsibilities regarding compliance with the internal control and risk management objectives according to the said model:

1) A first line of defense consisting of employees, management, and the business and supporting operating areas that are responsible for maintaining effective control over the activities carried out as an inherent part of their day-to-day work. Therefore, they are the ones who assume the risks, and they are responsible for designing and applying the necessary control mechanisms to mitigate the risks associated with the processes they carry out to guarantee that the risks do not exceed the established limits.

2) A second line of defense integrated by the key functions of risk, actuarial and compliance management and other insurance functions, which guarantee the operation of the internal control and risk management systems.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

3) A third line of defense consisting of Internal Audit, which carries out the independent assessment of the suitability and effectiveness of the internal control and risk management systems, communicating any deficiencies to the parties responsible for applying the corrective measures in a timely manner, including senior management positions and governing bodies, as the case may be.

To ensure effective control and management of risks, MAPFRE has a written policy on Internal Control and has developed a set of risk management policies in which (i) the different types of risk faced are identified and (ii) the risk appetite considered acceptable, the measures envisaged to mitigate the impact of the identified risks and the information and internal control systems to be used in relation to them are established.

The Risk Management Teams of the companies coordinate the set of strategies, processes and procedures necessary to identify, measure, monitor, manage and continuously notify the risks to which the company is or may be exposed, as well as their interdependencies.

The General Counsel and Corporate Legal Affairs Area offers the Governing Bodies and the different Corporate Areas and Business Units legal, fiscal and corporate governance advice; and actively defends the interest of the Group in these matters, both in the processes of application of current regulations and in the elaboration and processing of new provisions. Likewise, through the Corporate Tax Advisory Department, this corporate area has information regarding the tax risks detected in each country.

In any case, the actions to adopt regarding the risks identified are decided by the Board of Directors, which is informed immediately of any risk which:

- Depending on how it evolves, may exceed the established risk limits.
- May lead to losses equal to or in excess of the established risk limits.
- May endanger compliance with the solvency requirements or the continuity of the Group's operation.

The Group Risk Office provides assistance and advises the Governing Bodies, Executive Chairman and executive management of the Group within the scope of their powers and informs the Governing Bodies on the level of exposure to the different risks, taking into consideration their interdependencies, and compliance with the limits established.

The foregoing includes the internal risk and solvency assessment of the Group, as well as the reports requested by the Governing Bodies on certain risk areas.

In addition, the Group promotes different procedures for the identification and assessment of risks and controls that involve the main areas and departments, showing a comprehensive and complete view of all the risks intrinsic to the business and identifying those risks that may be faced by the company throughout the period set out in its business plan, as well as the longer-term (5-10 years) emerging risks that may arise.

Likewise, the Group companies promote the preparation and reporting to the respective Governing Bodies of the periodic reports on the monitoring of operational risks, which include, among others, reports on the monitoring of risk indicators and controls and periodic reports on the monitoring of operational risk incidents and events.

At the operational level, the MAPFRE Group also has the following key actions:

- The MAPFRE Group has a Corporate Business Continuity Model developed by the Corporate Security Office, the ultimate aim of which is to be able to provide a timely and effective response should a high-impact incident occur, therefore minimizing the damage caused. The model adopts the form of contingency plans that include recovery strategies for each process based on the criticality of the process and situation and the availability of the elements affected (employees, buildings, technology and providers).
- The Corporate Anti-Fraud Plan, also coordinated by the Corporate Security Office, which establishes the response and lines of action of the Group in the fight against fraud in all its aspects (prevention, detection, investigation and prosecution), as well as the measures to minimize their effects in the most efficient way possible.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

### F. INTERNAL RISK CONTROL AND MANAGEMENT SYSTEMS IN RELATION TO THE FINANCIAL REPORTING PROCESS (ICFR)

Describe the mechanisms that comprise risk control and management systems in relation to the company's procedure for issuing financial information (ICFR).

#### F.1. Control environment of the company.

Report on the following, indicating the main characteristics:

F.1.1 Which bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective ICFR; (ii) its implementation; and (iii) its supervision.

The MAPFRE Internal Control System takes the form of a set of continuous processes for which the MAPFRE S.A. Board of Directors is ultimately responsible. The Board is assisted by the Executive Committee and the executive teams of the different units, companies, corporate areas and other departments as regards the implementation, update and monitoring of the tasks and processes related to compliance with the objectives of the Internal Control System. For its development in the organization, MAPFRE's Internal Control System is based on the model of three lines of defense. All of this is included in the Group's Internal Control Policy, which forms part of the MAPFRE Group Solvency II Policies, the last update of which was approved by the Board of Directors on December 20, 2021.

The Regulations of the Board of Directors, amended for the last time on February 9, 2022, with effect from March 11, 2022, include the functions and responsibilities of the Board of Directors, the Steering Committee and other Board committees (Audit and Compliance, Appointments and Remuneration, and Risk).

The Board of Directors delegates ordinary management to the Steering Committee and Executive Management and retains the approval of risk control and management policies and the approval of the periodic monitoring of both internal information and control systems, such as the financial, non-financial and corporate information to be published owing to its status as a listed company.

The Executive Committee is the body which, under mandate from the Board of Directors, exercises direct supervision over management of the Business Units and Corporate Areas and guarantees they take coordinated action.

The Audit and Compliance Committee, in its capacity as the Delegate Body of the Board of Directors, is assigned the responsibility of supervising the process of preparing and presenting the mandatory financial information and submitting recommendations or proposals to the Board of Directors aimed at safeguarding its integrity. This Committee also reports in advance to the Board of Directors on the financial information that the Company must publish periodically.

In addition, the Audit and Compliance Committee has the responsibilities of monitoring the effectiveness of internal control, internal audit and risk management systems, as well as discussing any significant weaknesses of the internal control system identified in the course of the audit with the External Auditor, all without undermining its independence.

The "Internal Audit Policy of the MAPFRE Group," which is part of the MAPFRE Group Solvency II Policies, whose last update was approved by the Board of Directors of MAPFRE S.A. on December 20, 2021, and the "Internal Audit Regulations," updated and approved by the Audit and Compliance Committee on October 29, 2020, include the main supervisory activities of the Internal Control System, carried out by the Audit and Compliance Committee through the Corporate Internal Audit Area and detailed in section F.5.1 of this document.

F.1.2 Whether there are, particularly relative to the procedure for the preparation of financial information, the following items:

- Departments and/or mechanisms in charge of: (i) the design and review of the organizational structure; (ii) the clear definition of lines of responsibility and authority, with an appropriate distribution of tasks and functions; and (iii) ensuring the existence of sufficient procedures for correct diffusion in the company:

The regulation on the Institutional, Business and Organizational Principles of the MAPFRE Group, approved by the Board of Directors of MAPFRE S.A. at its meeting on June 24, 2015, and last amended on February 9, 2022, with effect from March 11, 2022, is the minimum mandatory framework for all the companies making up MAPFRE and their respective governing bodies.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

The Board of Directors reviews and authorizes the Group's organizational structure and approves the lines of responsibility and authority based on the organizational structure defined. In the 2021 fiscal year, a new Management Organization Chart was approved by the Board of Directors on October 28, 2021, with the changes becoming effective from January 1, 2022.

The distribution of functions and definition of scopes of activity/authority and of hierarchical levels are undertaken in line with the Organizational Structure Manual approved by the Corporate People and Organization Area.

Concordance between the organization of positions and the hierarchical structure is essential because it maps functions to roles and responsibilities, ensuring that business activities are conducted properly.

The Corporate Administration and Finance Division, which is part of the Corporate Finance and Resources Area, establishes the accounting policies and standards applicable to the Group and is responsible for the coordination between the various Business Units and Corporate Areas in relation to the consolidated financial information preparation procedure.

Code of conduct, approval body, degree of diffusion and instruction, principles and values included (indicating if there are specific mentions to the registry of operations and preparation of financial information), body entrusted with analyzing noncompliance and recommending corrective measures and sanctions:

The Code of Ethics and Conduct was approved by the Board of Directors on July 25, 2019, replacing the one previously approved in 2017.

It aims to reflect corporate values and the basic principles that should guide the conduct of MAPFRE and its staff.

We currently have an online training program to familiarize the entire workforce with the Code of Ethics and Conduct. It is available on the MAPFRE Corporate University training platform in six languages (Spanish, English, Portuguese, Italian, German, and Turkish). This program is mandatory knowledge for all MAPFRE employees globally. The course is included in all languages in the self-study catalog, open to all employees worldwide. Additionally, the training areas of all countries reinforce its implementation.

As of December 31, 2022, 23,158 employees had completed this content, representing 72% of MAPFRE's average staff in 2022. "Quick learnings" training impacts related to said Code were also carried out through the MAPFRE People app in 2022.

The Code sets out specific principles that are binding for all employees regarding the processing of the Group's financial information so as to ensure its confidentiality, integrity and availability in accordance with MAPFRE's data security standards. It also states that all employees are responsible for ensuring that the information provided is accurate, clear, and truthful.

To guarantee application of the Code, as well as supervision and control of its compliance, the Ethics Committee is entrusted with ensuring its compliance and analyzing and resolving any complaints lodged as a result of its violation. The Code also establishes different communication channels for ethical queries and complaints for employees, managers and members of administrative bodies of Group companies as well as for providers, contractors and other persons who maintain professional relationships with MAPFRE. To guarantee confidentiality, the secretary of the Ethics Committee receives queries and complaints directly, and it is possible to lodge complaints anonymously.

Queries and complaints to the Ethics Committee can be communicated by post, by email or through the Whistleblower Channel with direct access through the Group's internal portal and the corporate website of MAPFRE ([www.mapfre.com](http://www.mapfre.com)). The operation of this channel is set out in the Code of Ethics and Conduct.

The Ethics Committee issues an annual report for the Audit and Compliance Committee outlining the activities conducted through the Whistleblower Channel and the final result of the complaints made.

- Whistleblower channel that allows employees to report financial and accounting irregularities to the audit committee, in addition to possible breaches of the code of conduct and irregular activities in the organization, indicating whether any of the information reported is confidential and allowing anonymous communications while safeguarding the rights of the whistleblower and the person accused.

In addition to the Whistleblower Channel for queries and complaints to the Ethics Committee described in the previous section, there is the Financial and Accounting Whistleblower Channel, which allows employees of the MAPFRE Group, as well as other persons related to the company, such as directors, shareholders, providers, contractors and subcontractors to communicate to the Audit and Compliance Committee any financial and accounting irregularities of potential importance that may be found within the company or its Group in a confidential, and optionally anonymous, manner. To channel complaints, an electronic mailbox has been set up which is accessible both from [www.mapfre.com/CDF](http://www.mapfre.com/CDF), and alternatively, by writing to a predetermined address.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

The rules for the operation of the MAPFRE Group's Financial and Accounting Whistleblower Channel were updated and approved by the Audit and Compliance Committee at its meeting on December 17, 2020. These regulations are published both on the MAPFRE Group's Intranet or internal portal, and at [www.mapfre.com/CDF](http://www.mapfre.com/CDF).

The Audit and Compliance Committee receives the complaints and reviews and resolves them by addressing each one as it deems appropriate. In order to perform its functions properly, it relies on assistance from General Counsel and the Corporate Internal Audit Area.

In cases of complaints concerning the Group's subsidiary companies which have their own mandatory Whistleblower Channel, the Audit and Compliance Committee and the competent body of the subsidiary company liaise in handling and resolving any complaints received.

The parties involved in the Channel have controls for restricting access to the information, and the confidentiality of the whistleblower's identity is assured by collecting personal data in accordance with the requirements of current data protection legislation.

General Counsel issues an annual report for the Audit and Compliance Committee outlining the activities conducted through the Whistleblower Channel and the final result of the complaints made.

- Regular training and refresher programs for staff involved in the preparation and review of financial information, as well as evaluation of the ICFR, covering at least the accounting rules, audit, internal control and risk management:

MAPFRE has a Corporate University and a Global Training Model implemented globally. All training actions designed and deployed are associated with objectives on the Group's strategy map.

MAPFRE continues to promote technical knowledge, and this represents 82% of its training efforts. This area of technical knowledge contains financial training, which is channeled through the School of Finance, the purpose of which is to provide all professionals in all financial areas of MAPFRE with knowledge of risk management, management control and accounting, to improve their competitiveness within this function.

In 2022 MAPFRE organized several training programs in Spain on financial, risk and internal control issues, representing a total of 28,346 training hours delivered to 20,215 participants.

The most relevant training actions in this area are detailed below:

Financial advice to clients: Financial certification is legally required for representatives advising clients on investment matters. This training adds great value to the MAPFRE sales network by providing cutting-edge, complete and practical knowledge that will significantly help sales efforts related with savings and investments. The program of studies includes 247 hours and the degree obtained allows holders to give Financial Advice to clients according to the Markets in Financial Instruments Directive (MiFID II) and the Spanish National Securities and Exchange Commission (CNMV). MAPFRE ESPAÑA collaborates with two different financial institutions, as the CNMV demands: For employees, the training provider is the Fundación de Estudios Financieros (Financial Studies Foundation, FEF) and the certifier is the Instituto Español de Analistas Financieros (Spanish Institute of Financial Analysts, IEAF), which examines and therefore issues official certification; for self-employed representatives, the training provider is Santander Financial Institute (SANFI), which examines and issues official certification. At the end of 2022, we had 583 certified employees and 984 certified self-employed representatives of the total number of people authorized for distribution, according to MAPFRE Inversión Sociedad de Valores.

Furthermore, at the global level, given that MAPFRE is making a clear commitment to sustainability and to reinforcing our employees' technical knowledge, with the financial function being one of the pillars of our management, the CESGA® training and certification program, given by the Fundación de Estudios Financieros (Financial Studies Foundation, FEF), has been launched by the Corporate Investment Area, together with the Corporate People and Organization Area. This program's objective is to transmit to our investment teams worldwide, as well as to certain employees of the Audit, Finance and Sustainability teams, the necessary knowledge to independently carry out evaluations and make investment decisions that apply environmental, social and corporate governance criteria. This program is included in the "% of employees in the investment function that have completed CESGA®" indicator of the Sustainability Plan, and by the end of 2022, 66 employees had been certified.

Additionally, it is worth mentioning the online Internal Control program available in the three corporate languages, which was renewed during 2019. By its nature, internal control involves everyone, regardless of the position they hold in the organization. This course therefore provides all MAPFRE employees with basic information on the objectives and principles underlying the common framework of the Internal Control System, the governing bodies responsible for its proper functioning and supervision, as well as practical examples of how the set of internal control actions are implemented in the organization using the three lines of defense model. As at December 31, 2022, 19,867 employees have completed this at global level since the launch of the updated course in 2019.

MAPFRE also offers an e-learning course on the Regulatory Compliance Function, the purpose of which is to make this function, its objectives and responsibilities known, as well as the importance acquired by the implementation thereof in organizations to minimize the risk of legal and regulatory non-compliance to which they are exposed. At the close of 2022, 1,514 employees had undertaken this program since it was launched in 2015.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

A 45-minute e-learning course on the Solvency II regulations, aimed at all employees around the world who perform their functions in the Risk, Financial, Actuarial, Compliance and Audit Areas, is available in the Corporate University. This program is available in Spanish and English. As at the close of 2022, 1,317 employees have completed this program since it was launched in 2017.

In 2022, training actions were developed in the financial field in relation to IFRS 9 and IFRS 17 and the accounting closing process. A total of 515 employees from the finance and management areas participated in these training activities.

Also in 2022, several virtual training actions were carried out in the field of internal auditing at a global level: Global Internal Audit Program, held in both Spanish and English, for all MAPFRE Group internal auditors, in which 178 employees participated. In addition to these programs, internal auditors also received training in other relevant matters, such as IFRS 17 and IFRS 9.

In the area of Security training, "The Firewall Mindset" cybersecurity training, launched in 2021, continued in 2022 and had been completed by 8,894 employees by the end of the year. In addition, during 2022 work was done on designing a specific cybersecurity training plan for certain groups, mainly in the field of technology, which will be rolled out in early 2023.

The Global Criminal Risk Prevention Training Program also continued to be rolled out, with 16,583 employees having completed one of its modules already, as well as the Gender Equality Program, completed by a total of 1,633 employees as of December 31, 2022.

Also worth mentioning is the training carried out for the group of Directors, for which a Global Training Plan is designed each year through the Directors Classroom, which includes strategic Group content, at the global and local level, organizational knowledge, as well as other specific content related to the risk culture and risk control at MAPFRE. During fiscal year 2022, various in-person and online sessions were held in Spain for the Directors of MAPFRE S.A. and other MAPFRE companies in Spain on: Data Culture and Management, Sustainability and updating of IFRS regulations.

Furthermore, and within the framework of a comprehensive workshop on Risk Management at MAPFRE in the current context, different sessions were held on: Risk Management at MAPFRE, Market Risks, Catastrophic Risks, Compliance and Cyber Risks. By the end of 2022, 30 Directors had attended at least one of these sessions. The Director Training Plan also includes other online content, some related to Risks, such as: "Understanding Data Culture and Management," "Code of Ethics and Conduct," "Prevention of Money Laundering and the Financing of Terrorism," among others. As of December 31, 2022, 30 Directors had completed one of these content modules.

### F.2. Financial information risk assessment.

Report on at least the following:

F.2.1 The main characteristics of the risk identification process, including error or fraud risks, in relation to:

- Whether the process exists and is documented:

The Risk Management Policy, chapter 5 of the MAPFRE Group Solvency II Policies document, the last update of which was approved by the Board of Directors on December 20, 2021, establishes the general guidelines, basic principles, and general framework for risk management actions that ensure consistent application in the Group. Upholding the principle of mandatory compliance, the companies have specific written policies for the identification, measurement, control, and notification of the main risks covered by the Risk Management System (hereinafter RMS).

In accordance with the Solvency II regulatory requirements, the Group carries out the continuous Own Risk and Solvency Assessment process, which is fully integrated into the Risk Management System. Through this assessment, it has procedures to identify, measure, monitor, manage, and report the Group's short and long-term risks over the period of the strategic plan, as well as to measure the adequacy of capital resources based on an understanding of actual solvency needs. With these objectives, it includes all of the significant risks or potential sources of risk to which the MAPFRE Group is exposed and makes it possible to implement initiatives intended for management and mitigation.

Annually, Corporate Risk Management coordinates ORSA preparation, creating the draft report for submission to the Board of Directors for approval, and channels the various contributions made by the areas or departments involved in the process.

The responsibilities of the risk management systems are integrated into the Group's organizational structure according to the three-lines-of-defense model, so that all the staff of the organization have responsibilities for compliance with the control objectives. The first line of defense, made up of the employees, the management, and the operational business and support areas responsible for the activities, assumes and manages the risks and controls of each Group company, taking responsibility for ensuring that the risks do not exceed the limits established in the Risk Appetite Policy and in the specific risk policies included in the Solvency II Policies document.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

The Operational Risk Policy, chapter 22 of the Solvency II Policies document, establishes the responsibilities, obligations, measurement and specific limits for monitoring the operational risk that considers, among others, the risks of Internal and External Fraud. The quantification of operational risk in the Group's insurance and reinsurance companies of the European Economic Area is carried out in accordance with the standard formula established in the Solvency II regulations. In addition to quantification, the Group companies at the global level promote the monitoring of risk indicators and controls, a set of procedures based on a dynamic qualitative analysis of processes, so that the managers of each area or department identify the potential risks affecting both the business and support processes. To conduct this analysis, risk factors are defined for each of the processes that the Group considers key processes, always including one relating to the registration and accounting of operations with an economic or accounting impact.

These risk factors are associated with the key figures for the main items in financial statements. In this process of identifying the key figures, quantitative and qualitative factors (complexity of transactions, risk of fraud and other aspects) were considered.

These risk factors are evaluated by the areas and departments of the companies when they monitor risk indicators and controls, which, among other aspects, allow: i) the identification of risks through specific questionnaires on controls and risks, ii) knowledge of the relevant risk factors and iii) adoption of corrective measures where necessary.

The Group also carries out the procedure for recording and monitoring operational risk events on a quarterly basis, which establishes mechanisms for monitoring operational incidents and events. Thus, the first line of defense is obligated to inform the Risk Divisions of the companies about events or incidents that they consider operational risks, including errors in the execution of processes, as well as incidents of internal or external fraud.

A more detailed description of the RMS is included in Section E. Risk Control and Management Systems of this Corporate Governance Report.

- Whether the process covers all financial information objectives (existence and occurrence; integrity; assessment; presentation, breakdown and comparability; and rights and obligations), whether it is updated and how frequently:

The financial information objectives (existence and occurrence; integrity; assessment; presentation, breakdown and comparability; and rights and obligations) are met through the process of preparing the quarterly questionnaire on internal controls for financial information.

The purpose of this procedure is to identify and verify that controls are executed during the process of preparing financial information, to leave documentary evidence of the controls carried out by the company in the Treasury and Investment, Consolidation, Accounting and Tax processes, as well as of the result of their application, and to serve as an internal communication channel to share relevant information related to the issuance of financial information. The procedure involves the evaluation of key controls identified in each of the aforementioned processes, understanding as such those that mitigate, adequately and far enough in advance, the existence of fraud or errors that could have a material impact on the financial information.

The Accounting Internal Control Associate Management is responsible for periodically reviewing and updating the ICFR procedure, as well as the questionnaire established to guarantee the reliability of the financial information, which has been updated during the second quarter of 2021.

- Existence of a procedure for identifying the consolidation scope, bearing in mind, inter alia, the possible existence of complex corporate structures, instrumental companies or those with a special purpose:

The MAPFRE Consolidation Manual, prepared by the Corporate Administration and Finance Division, part of the Corporate Finance and Resources Area, describes the process for identifying the scope of consolidation, which encompasses all the companies of the Group and is updated on a monthly basis.

The Consolidation Supervisor of each Subgroup receives details from the Consolidation Associate Management of the companies included in the scope of consolidation with the percentages of direct and indirect participation and the method of consolidation that applies. Any modification to the information provided must be reported to the Consolidation Associate Management, which will make a decision on the modification after analyzing the reasons given.

The functional structure and the tasks assigned to the process supervisors are reflected in the Consolidation Manual.





## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

- Whether the procedure takes into account the effects of other risk types (operational, technological, financial, legal, fiscal, reputational, environmental, etc.) insofar as they affect financial statements:

The Own Risk and Solvency Assessment encompasses processes and procedures designed to identify, measure, monitor, manage and report the set of risks to which the Group is exposed in the short and long term, considering the risks inherent to the insurance/reinsurance activity, financial and credit risks, strategic and corporate governance risk and operational risk. These processes also aim to determine the overall solvency needs to meet the Group's Solvency objective, taking into account the risk profile, business strategy and tolerance limits approved in the Risk Appetite Policy and in specific policies. In addition, risk control procedures include operational, technological, legal and reputational risk types. Risk factors are defined to evaluate the risk indicators and controls of all operational processes, which in turn are linked, where appropriate, is linked to the section of the financial statements that would be affected if the potential risk became a reality, the main sections being: premiums, provisions, financial returns, acquisition expenses, administration expenses and benefit expenses.

Risk control is promoted in the Group, both in Spain and abroad, through the Riskm@p computer application, which is developed internally by MAPFRE and which aids in the creation of Risk Maps associated with the most important processes at the companies, in which the significance and probability of occurrence of different risks are analyzed.

- Which of the company's governing bodies oversees the process:

The Audit and Compliance Committee is assigned, among other tasks, the responsibility for reviewing the effectiveness of the Company's internal control and the control and management systems for financial and non-financial risks, an ongoing task undertaken throughout the year through the work carried out by Internal Audit.

Regarding the ICFR report prepared by the Corporate Administration and Finance Division, External Audit reviews and analyzes its contents, issuing its own report on the consistency or incidents of the information that could impact it.

The ICFR report, alongside the report prepared by External Audit, is supervised by the Audit and Compliance Committee prior to its approval by the Board of Directors.

### F.3. Control activities.

Indicate whether at least the following are in place and describe the main characteristics:

- F.3.1 Procedures for reviewing and authorizing financial information and the description of the ICFR, to be published in stock markets, indicating who is responsible for them, as well as descriptive documentation of the flows of activities and controls (including those related to fraud risk) of the various types of transactions that may materially affect the financial statements, including the accounting closing procedure and the specific review of the relevant judgments, estimates, valuations and projections.

The financial reports on the annual accounts, and biannual and quarterly information prepared by the Corporate Administration and Finance Division, part of the Corporate Finance and Resources Area, are submitted to the Audit and Compliance Committee first and then to the Board of Directors.

The Procedures and Supervision Associate Management, dependent on the Corporate Administration and Finance Division, requests that those responsible for the financial information of the main Group companies sign the internal "Representation Letter" that guarantees that the financial information reported for the purposes of preparing the biannual summary information and the annual consolidated accounts of the MAPFRE Group have been prepared in accordance with the accounting regulations set out in the MAPFRE Group's Consolidation Manual.

The closing calendar, prepared by the Procedures and Supervision Associate Management, lists the main activities of the process of consolidating and preparing the annual and biannual accounts and the corresponding controls, providing deadlines for compliance.

The different Group companies report financial information through their assigned supervisors, which the Corporate Administration and Finance Division consolidates to prepare the reports. During the consolidation process, controls are in place to detect any errors liable to significantly affect the financial statements.

Furthermore, the Audit and Compliance Committee verifies the following information:

- The management report and individual and consolidated annual accounts of MAPFRE S.A. and its subsidiaries.





## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

- The report on the limited review of the consolidated abridged interim financial statements of MAPFRE S.A. corresponding to the intermediate period ending on June 30 of each fiscal year.
- The Integrated Report, which follows the guidelines and recommendations of the International Integrated Reporting Framework.
- Solvency and Financial Condition Report of the MAPFRE Group and the subsidiaries residing in Spain that carry out insurance and reinsurance activities.
- The information that MAPFRE S.A. sends to the Spanish National Securities and Exchange Commission (the CNMV) every quarter. The following information is presented to the Audit and Compliance Committee:
  - The internal control system reports on the assessment of Spanish insurance and reinsurance companies of the MAPFRE Group prepared by the Corporate Internal Audit Area.
  - Solvency and Financial Condition Reports (SFCR) of the various Spanish insurers and reinsurers of the MAPFRE Group.
  - The Own Risk and Solvency Assessment (ORSA), the Solvency and Financial Condition Report (SFCR), the Periodic Monitoring Report (RSR) and Annual Quantitative Information (QRTs), all related to the MAPFRE Group.

The Internal Accounting Control Associate Management, part of the Corporate Administration and Finance Area, is responsible for implementing the quarterly completion of the questionnaire on internal controls of financial information in the Group's various companies; reviewing the quality of the information reported and monitoring the description of the documentary evidence of the activities and controls carried out in relation to the main financial reporting processes described in section F.2. of this report; and evaluating the control coverage indicators, for both the totality of the controls and defined key controls, according to the figures indicated in the ICFR procedure, particularly monitoring the implementation of key controls in all Group companies.

To support the monitoring of risk and control indicators, the Corporate Risk Office promotes descriptive documentation of the flows of activities and controls in operations. The supervisors of the areas and departments prepare internal control manuals and other descriptive documentation detailing the procedures, activities carried out and their participants, identifying the risks associated with them and the controls that mitigate these risks, including those related to fraud risks and the accounting closure process. The knowledge and documentation of controls allows those responsible for the various areas and departments of MAPFRE companies to evaluate the effectiveness of the established controls, to find out if the relevant risks that have been identified are sufficiently controlled and take the necessary corrective measures.

Regarding the judgments and estimates, the Board of Directors makes them based on assumptions on the future and about uncertainties that are related mainly to technical provisions; impairment losses on certain assets; the calculation of provisions for risks and expenses; the actuarial calculation of liabilities and commitments for post-employment remuneration; the useful life of intangible assets and tangible fixed assets; the fair value of certain unlisted assets; and the fair value of assets and liabilities derived from lease contracts.

The estimates and assumptions used are included in the accounting close instructions, are reviewed regularly, and are based on historical experience and on other factors that may be considered more reasonable at the time. If the review leads to changes in estimates in a given period, their effect is applied during that period and, if applicable, in subsequent periods.

F.3.2 Internal control policies and procedures for information systems (inter alia, safe access, change control, operation, operational continuity and separation of functions) that concern the company's relevant procedures in relation to the preparation and publication of financial information.

The Corporate Security Division (CSD) is organizationally part of the Corporate Operations Transformation Area, which is led by the General Manager of Operations Transformation, changes that were approved by the MAPFRE S.A. Board of Directors on October 28, 2021. The CSD acts directly on the regulations related to information security, taking a comprehensive and global approach.

In particular, the measures established are specified in a Documentary Information Security System (DISS) or Regulatory Body for Information Security (RBIF), which derives from the Master Plan for Security and the Corporate Security and Privacy Policy; the latest updates of these two documents were approved by the Board of Directors of MAPFRE S.A., at its meeting held on December 13, 2018. With the updates, these documents were adapted to the new regulatory requirements, mainly with regard to the General Data Protection Regulations (GDPR) and the creation of the Privacy and Data Protection Committee as the delegate body of the Security and Environment Committee and as a support body of the Crisis and Business Continuity Committee.

These security controls and procedures established for information systems can be classified as preventive, detective and reactive. They result in the creation and dissemination of standards through a permanent training and awareness plan, the establishment of security from the design of any new system, network or application, the permanent monitoring of networks and systems, the systematic review of the measures and controls implemented, and the development and training of the ability to respond to potential security incidents.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Among other aspects, the Data Security Regulations set out the following: information systems must be tracked and monitored through inventory procedures to identify the resources and the information that they contain; verification of the identity of the people who use them; and the use of a password management and role system that applies password strength criteria and the principle of segregation of functions laid down in the regulations.

Additionally, MAPFRE provides continuous training and awareness to its employees on this issue through, among other initiatives, a specific security training program consisting of an e-learning course on security, campaigns with interactive courses, videos, and news on the Intranet, and a cybersecurity training program called "The Firewall Mindset," developed and integrated into the corporate training models. The purpose of this course is to raise awareness and train its employees on this matter, warning of the risks, promoting best practices, and making them aware of their duties and responsibilities in this area, as well as the importance of their behavior to the organization.

To facilitate compliance with the responsibilities and commitments established in the Data Security Regulations, MAPFRE has a General Control Center (which acts as a Computer Emergency Response Team (CERT) and belongs to the international network known as FIRST or Forum of Incident Response and Security Teams). This center monitors activity in the networks and in the Group's information systems and is the body responsible for responding to potential security incidents. This body holds certifications issued by AENOR regarding compliance with ISO 9001 (Quality), ISO 27001 (Information Security) and ISO 22301 (Business Continuity) standards.

Also, the Corporate Security Department annually updates the Security Review Plan, of a systematic and global nature, aimed at verifying the security controls implemented and the detection of vulnerabilities in the information systems.

The Corporate Security and Privacy Policy and the rules and standards of the Data Security Regulatory Body are published on the Global Intranet in order to enable access to all employees.

In addition, the Group has a Corporate Business Continuity Model consisting of a Policy, a Governance Framework, and a Business Continuity Methodology that define the framework and the necessary actions—through the corresponding Business Continuity Plans, which are periodically tested—to ensure the correct development of the operation before the materialization of a high impact incident, so that the damage caused is minimized. These plans have been effectively tested in multiple crisis situations in different countries.

Every two years, the Corporate Internal Audit Area verifies the proper functioning of the Internal Control System of the main IT Systems whose scope is the general controls of information technology (IT), the IT control environment, and the application controls. In those years where no specific review is carried out, the identified action plans are followed up on and their status is reviewed.

### F.3.3 Internal control policies and procedures designed to supervise the management of activities subcontracted to third parties, as well as those aspects of evaluation, calculation or valuation entrusted to independent experts, which may have a material effect on financial statements.

All services subcontracted to third parties are articulated through specific contracts, and the contracting units or areas directly supervise the providers, except in the case of exceptional services (that are not recurring over time), of reduced amount, duration and lesser importance, which are processed through the corporate procurement system based on the provider's offer.

Providers are selected on the basis of objective criteria that assess factors such as quality, price, provider infrastructure, market recognition and, in particular, membership of the groups of associates that collaborate with the Group's companies and their track record in terms of service quality.

Compliance with prevailing legislation in the various countries and the implementation of security measures where warranted are prerequisites. Other highly rated attributes include response times, after-sales service, geographic reach and the added value they can contribute.

A project is being developed for deployment in the countries of the Procurement and Contracting Services Global Model (already present in 18 countries), which includes different categories, including the category corresponding to services of independent professionals, which includes services with a possible financial impact derived from the evaluation, calculation or valuation assigned.

The technology tool for managing, controlling, and monitoring hiring has been SAP SRM (SAP Supplier Relationship Management) since 2012. In 2018, SAP decided to change its strategy and announced that it would discontinue SRM from 2025, relying on ARIBA as a tool for the management of providers, procurement, contracting and billing.

ARIBA is currently used as a procurement tool, mainly due to its native integration with the MAPFRE financial modules found in SAP S/4 HANA, its functionality, permanent update, and the possibility of automating processes and collaborating electronically with providers, automating the billing process.

The new MAPFRE Global Procurement Model was defined in ARIBA, and the companies with tax residency in Spain were completely migrated to the new platform in April 2021.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

From that date, international deployment of ARIBA began, during which the different countries and organizations will gradually migrate to the new platform in a project that will last five years. In 2021, work began with Peru, Italy and Portugal, and in January 2022 ARIBA was fully implemented in the three countries together with the S/4 HANA financial platform. In 2022, work was carried out in Brazil, Panama, Dominican Republic, Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica, which will be fully operational in ARIBA in the first quarter of 2023. By using a common tool, MAPFRE will be able to have the different countries carry out contracting locally in a decentralized manner, but with common regulations and procedures and centralized control and monitoring from the Corporate Procurement and Resources Division, integrated into the Corporate Finance and Resources Area, in addition to allowing global contracting when deemed necessary.

In implementing this plan, in 2013 the Steering Committee approved the Procurement Regulations which contain the principles and basic criteria for the procurement of goods and services by all Group companies, irrespective of their geographic location and type of business. A General Procurement Procedure is also defined and approved internally that completes the Procurement Regulations, which entered into force in August 2017. Both documents have been reviewed and updated according to the recommendations provided by Internal Audit and based on the experience accumulated in these years since their approval, the Procurement Regulations in 2019 and the General Procedure in 2022.

Additionally, each organization or country that has been given the ability to negotiate contracts, by having enough agency, must develop a specific procedure to regulate its hiring, always respecting and in compliance with the minimum criteria established in the Procurement Regulations and General Procedure.

In general, providers are approved and contracted by the Procurement and Resources Division, and once the contract has been formalized, it is the requester who ensures that the service is provided correctly and in compliance with current legislation.

Notwithstanding the foregoing, in cases where the services of outsourced independent professionals have to be treated with special confidentiality (M&A, headhunters and certain confidential hirings of the General Counsel), it is the area itself that directly hires and supervises the service, although minimal information to document the hiring, as established in the Procedure for Sensitive Hiring, must be registered in the system and submitted for periodic control by Internal Audit (already audited in 2019, 2020 and 2021).

Currently, the main providers with which MAPFRE contracts recurrently (with annual billing of more than 30,000 euros) are approved on the basis of financial, fiscal, security, operational and business criteria, regulatory compliance and sustainability to ensure that MAPFRE hires solvent and first-ranked providers. The aim is that all recurrent providers or providers of particular relevance to the MAPFRE Group are approved as set out in the Procurement Procedure.

### F.4. Information and communication.

Indicate whether at least the following are in place and describe the main characteristics:

- F.4.1 A specific function responsible for defining, keeping accounting policies up to date (accounting policies area or department) and resolving queries or disputes derived from their interpretation, maintaining continuous communication with those responsible for operations in the organization, as well as an updated manual of accounting policies that is communicated to the units through which the company operates.

The Accounting Regulations Associate Management, which reports to the Corporate Administration and Finance Division, is entrusted, among other things, with updating accounting policies and applicable rules that concern the Group's financial information, and for resolving consultations and disputes deriving from the interpretation thereof.

It also maintains a close and fluid relationship with the financial divisions of the different companies and with the Corporate Areas, to which it communicates formally established accounting procedures and rules.

With regard to the preparation of financial information, General Counsel and the Corporate Finance and Resources Area issued memos containing instructions and updates on applicable regulations. In addition, financial supervisors have specific models and instructions for preparing financial information, using the Accounting Models and the Consolidation Manual (which includes applicable accounting standards and policies), which are updated annually.

The subsidiaries of the Group receive the information about the applicable procedures and standards through the parent entities of the Subgroups, which in turn receive the instructions directly from the Accounting Regulations Associate Management and the Procedures and Supervision Associate Management.

The Procedures and Supervision Associate Management updates the individual and consolidated Annual Accounting Models used by the various Group companies, which include accounting policies and breakdowns of information to be presented.

The Consolidation Associate Management, part of the Corporate Administration and Finance Division, specifies the instructions on accounting policies and breakdowns for preparation of the Group's consolidated information using the Consolidation Manual.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

At least once a year, and during the last quarter of the fiscal year, the Annual Accounting Models and the Consolidation Manual are reviewed, and any changes are reported to the parties involved. However, whenever there are changes that affect periods of time of less than one year, these changes are reported immediately.

In addition, the Accounting Regulations Associate Management, dependent on the Corporate Administration and Finance Area, is responsible for analyzing the impact, development and implementation of the new accounting standards that will be applied in the MAPFRE Group.

- F.4.2 Mechanisms for the capture and preparation of financial information with standard formats, for application and use by all units of the company or the Group, that support the main financial statements and notes, as well as information provided on the ICFR.

The financial information of the MAPFRE Group companies is managed through the corporate consolidation application, a tool that constitutes a centralized database (common single data repository). This application has been programmed to automatically execute the consolidation entries and process controls, which guarantees that the criteria set out in the consolidation manual are applied uniformly to all the automatic entries and minimizes the likelihood of errors.

Within the procedure for preparing financial information, the consolidation certificates constitute the channel of communication about the information required in the consolidation procedure or in the preparation of consolidated financial statements. The certificates are reviewed and updated at least once a year.

Based on the information contained in the consolidation certificates and following the Accounting Models prepared by the Procedures and Supervision Associate Management, the Consolidation Associate Management prepares the consolidated annual accounts and other financial statements.

The Internal Accounting Control Associate Management is responsible for the preparation of the report on the ICFR. To do this, it identifies the areas involved in the financial information preparation process, sends them instructions on how to complete the report, and at least once a year asks them to update the support documentation for the actions performed.

### F.5. Supervision of the system's operation.

Report on the following, indicating the main characteristics:

- F.5.1 The supervision activities of the ICFR conducted by the audit committee and whether the company has an internal audit function that includes supporting the committee in its supervision of the internal control system, including the ICFR. In addition, the scope of the ICFR evaluation carried out during the fiscal year and the procedure by which the person in charge of carrying out the evaluation communicates their results will be reported, as well as information about whether the company has an action plan detailing the possible corrective measures, and if its impact on financial information has been considered.

MAPFRE S.A. has a Corporate Internal Audit Area made up of five Audit Divisions specialized in different matters and functions: Technical Area, Quality and Procedures Office, Coordination and Relationship with External Auditors, Continuous Audit, and Financial Audit. In turn, the Corporate Area is structured into six Internal Audit Services located in Spain (Seguros Iberia; Seguros Latam; Seguros INoram-Eurasia, which will be called EMEA from January 1, 2023; Reaseguro-Global Risks; Asistencia; and Tecnologías de la Información) and 27 Internal Audit units abroad, which are fully independent and review and evaluate the adequacy and correct operation of the Group's processes, as well as the Internal Control System.

The structure of MAPFRE's Corporate Internal Audit Area depends functionally on the Board of Directors of MAPFRE S.A. through the Audit and Compliance Committee (Delegate Body of the Board) and on the Chairman in particular.

The directors of the audit departments and units depend (functionally and hierarchically) on the Group Chief Internal Audit Officer.

The Audit and Compliance Committee supervises the financial information described in the previous Section F.3.1 of this report, and also approves the Internal Audit Plan and monitors it periodically.

The Audit Plan outlines the supervisory work that the Corporate Internal Audit Area will carry out during the next fiscal year, the content and scope of which are established in terms of the risks identified, requests received and experience itself. The plan is managed uniformly through a single Group-wide technological platform that allows the information to be processed in line with the access levels established for the different responsibilities. The 2022 Internal Audit Plan was approved by the Audit and Compliance Committee in the session held on December 16, 2021.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

In the "Internal Audit Policy of the MAPFRE Group," part of the MAPFRE Group Solvency II Policies, whose last update was approved by the Board of Directors of MAPFRE S.A. on December 20, 2021, and in the "Internal Audit Statute," updated and approved by the Audit and Compliance Committee on October 29, 2020, it is established that the Corporate Internal Audit Area has the role of monitoring the suitability and effectiveness of the Internal Control System. To carry out this function, the Corporate Internal Audit Area follows an internal methodology based on assessments of the audits carried out in the last three fiscal years, review of internal IT control and compliance with the recommendations, and evaluation of the effectiveness of the ICFR. This methodology was previously approved by the Audit and Compliance Committee and the result of its application is described in the Internal Control System Assessment Report.

Every year the Audit and Compliance Committee analyzes the assessments and any recommendations issued by the Corporate Internal Audit Area on the Internal Control System (which includes those from the ICFR).

Additionally, and in relation to the supervision of the ICFR, the different Internal Audit units in the MAPFRE Group carry out:

Ongoing supervision through specific procedures to validate the financial controls, carried out when audit work is performed. Additionally, the Corporate Internal Audit Area carries out a check on the work performed throughout the year by the different Internal Audit units in relation to the ICFR.

Periodic supervision, focused on both the analysis of the documentation, evaluation of the design, and evaluation of the effective operation of the ICFR. The results of these evaluations are reflected in the aforementioned Internal Control System Assessment Reports, prepared by the different Internal Audit units and by the Corporate Internal Audit Area.

The Corporate Internal Audit Area assesses the performance of the Internal Control System for the main IT systems, as indicated in section F.3.2 of this report.

Likewise, as part of the audit procedures performed to validate the annual financial statements, the external auditor issues a memorandum of recommendations after their interim visit, which is presented to the Audit and Compliance Committee.

F.5.2 Whether there is a procedure for discussion whereby the account auditor (pursuant to the provisions of the NTAs), the internal audit function and other experts can notify the executive management and the audit committee or company executives of any significant weaknesses in internal control identified during procedures to review the financial statements or others that have been entrusted to them. Also indicate whether there is an action plan that endeavors to correct or mitigate the weaknesses observed.

The previous section F.5.1 indicates the procedure used by the Corporate Internal Audit Area to report assessments of aspects relating to internal control.

Communication with the external auditor is very frequent and fluid in the MAPFRE Group. Both at the beginning, during and at completion of work to review the company's annual accounts by the external auditors, planning, follow-up and coordination meetings are held and attended by the external auditors, internal auditors, General Counsel and the Corporate Finance and Resources Area. Additionally, on completion of the work a meeting is held with the Group Chief Internal Audit Officer to discuss the results and conclusions detected. The external auditor attends the Audit and Compliance Committee when the agenda includes topics regarding the review of the annual and half-yearly accounts, their preliminary review, and whenever required on account of other issues.

### F.6. Other relevant information.

There is no other relevant information about the ICFR that has not been included in this report.

### F.7. External auditor report.

Indicate:

F.7.1 Whether the ICFR information sent to the markets has been reviewed by the external auditor. If so, the company should attach the relevant report as an annex. Otherwise, state the reasons.

The ICFR information has been reviewed by the external auditor, whose report is attached as an appendix.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

### G. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

---

Indicate the extent to which the company follows the recommendations of the Code of Good Governance for listed companies.

In the event that any recommendation is not followed or is partially followed, a detailed explanation of the reasons should be included so that shareholders, investors and the market in general have enough information to assess the conduct of the company. No general explanations will be accepted.

1. The bylaws of listed companies should not place a maximum limit on the votes that can be cast by a single shareholder or impose other obstacles to the takeover of the company by purchasing their shares on the market.

Compliant  Explain

2. When the company is controlled by another company within the meaning of Article 42 of the Commerce Code, listed or otherwise, and has directly or through its subsidiaries, a business relationship with said company or any of its subsidiaries (other than those of the listed company) or if it undertakes activities related to those of any of them, it makes accurate public disclosure of these regarding:

- a) The respective areas of activity and possible business relations between the Company or its subsidiaries on the one hand and the parent company or its subsidiaries on the other.
- b) The mechanisms in place to resolve possible conflicts of interest.

Compliant  Partially compliant  Explain

3. During the Annual General Meeting, in addition to broadcasting the annual corporate governance report, the chairman of the board of directors must inform the shareholders verbally, in sufficient detail, of the most relevant corporate governance aspects of the company and, in particular:

- a) The changes that have occurred since the last Ordinary Annual General Meeting.
- b) The specific reasons why the company does not follow any of the recommendations of the Corporate Governance Code and, if applicable, the alternative rules that it applies on these matters.

Compliant  Partially compliant  Explain



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

4. The company shall define and promote a new policy on communication and contact with shareholders and institutional investors as part of their engagement with the company, and with proxy advisors that is fully respectful of the rules against market abuse and treats all shareholders in the same position equally. The company shall make this policy public through its website, including information relating to the way in which it has been put into practice and identifying the interlocutors or those responsible for this happening.

And, without prejudice to legal obligations regarding the dissemination of privileged information and other regulated information, the company also has a general policy regarding the disclosure of financial and non-financial information and corporate information through the channels it deems appropriate (mass media, social media or other channels) that helps maximize the dissemination and quality of the information available to the market, investors and other stakeholders.

Compliant  Partially compliant  Explain

5. At the Annual General Meeting, the board of directors shall not put forward a proposal for delegating powers to issue shares or convertible values, excluding the right of first refusal, for more than 20 percent of the capital at the time of delegation.

When the Board of Directors approves any issuance of shares or convertible bonds, excluding the right of first refusal, the company shall publish the reports on this exclusion, referred to by corporate legislation, on its website immediately.

Compliant  Partially compliant  Explain

6. The listed companies that prepare the reports indicated below, whether on a mandatory or voluntary basis, shall publish them on their website with sufficient notice before the Annual General Meeting is held, even if their distribution is not mandatory:

- a) Report on the independence of the auditor.
- b) Report on the operation of the Audit Committee and the Appointments and Remuneration Committee.
- c) Report of the Audit Committee on related operations.

Compliant  Partially compliant  Explain

7. The company shall broadcast the Annual General Meeting live on its website.

And the company has mechanisms in place that allow for proxy voting and remote voting by telematic means and even, as a highly capitalized company and to the extent that this is proportionate, attendance and active participation in the General Meeting.

Compliant  Partially compliant  Explain





## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

8. The audit committee ensures that the financial statements the board of directors submits to the annual general meeting are drawn up in accordance with accounting regulations. And where the auditor has included in their audit report any exception, the chairman of the audit committee clearly explains in the general meeting the audit committee's opinion on its content and scope, and makes a summary of that opinion available to shareholders at the time of publication of the call of the meeting, along with the board's other proposals and reports.

Compliant [ X ]      Partially compliant [   ]      Explain [   ]

9. On its website, the company shall make publicly and permanently available the requirements and procedures that it shall accept to support the ownership of shares, the right to attend the Annual General Meeting and voting or proxy voting.

These requirements and procedures shall promote attendance and the exercising of rights of the shareholders and must be applied in a non-discriminatory manner.

Compliant [ X ]      Partially compliant [   ]      Explain [   ]

10. When, prior to the Annual General Meeting, any entitled shareholder has exercised the right to complete the agenda or present new proposals for resolution, the company:
- a) Shall immediately broadcast these new and additional proposals for resolution.
  - b) Shall publicize the model attendance card or proxy or distance vote form with the necessary modifications so that they can vote on the new points in the agenda and proposed alternatives for resolution in the same terms as those proposed by the board of directors.
  - c) Shall submit all of those points and proposed alternatives to voting and apply the same voting rules as those set by the Board of Directors, including, in particular, the presumptions or inferences on how to vote.
  - d) Following the Annual General Meeting, it shall communicate the breakdown of the vote on those additional points or proposed alternatives.

Compliant [ X ]      Partially compliant [   ]      Explain [   ]

11. If the company plans to pay attendance premiums for the Annual General Meeting, it shall establish a general policy on those premiums previously and this policy must be permanent.

Compliant [ X ]      Partially compliant [   ]      Explain [   ]      Not applicable [   ]





## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

12. The Board of Directors shall perform its functions with a unified purpose and independent judgment, treat all shareholders in the same position equally and be guided by corporate interest, understood as a profitable business that is sustainable in the long term and that promotes the continuation and maximization of the economic value of the company.

In the pursuit of corporate interest, in addition to compliance with the laws and regulations and a behavior based on good faith, ethics and in compliance with the commonly accepted uses and good practices, it shall seek to reconcile, as appropriate, corporate interest with the legitimate interests of its employees, providers, clients and those of the other stakeholders that may be affected, as well as the impact of the company's activities on the community as a whole and the environment.

Compliant [ X ]      Partially compliant [   ]      Explain [   ]

13. The board of directors shall be of the required size to permit its efficient and participatory operation, meaning that it is advisable for it to comprise between five and 15 members.

Compliant [ X ]      Explain [   ]

14. The board of directors approves a policy aimed at promoting an appropriate composition of the board of directors and:

- a) It is specific and verifiable.
- b) It ensures that the appointment or reappointment proposals are based on a prior analysis of the required competencies of the board of directors;
- c) It promotes diversity of knowledge, experience, age and gender. For these purposes, working toward the company having a significant number of female senior executives is deemed to promote gender diversity.

The results of the prior analysis of the required competencies of the board of directors shall be included in the explanatory report of the appointments committee that is published when the Annual General Meeting is called, to which the ratification, appointment or reappointment of each board director is submitted.

The appointments committee shall verify the compliance with this board policy annually and shall inform on this in the annual corporate governance report.

Compliant [ X ]      Partially compliant [   ]      Explain [   ]



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

15. The nominee and independent board directors shall constitute a large majority of the board of directors, and the number of executive board directors should be the minimum required to deal with the complexity of the corporate group and reflect the percentage of shares held in the company by the executive board directors.

And the number of female board directors will account for at least 40% of members of the board of directors by the end of 2022 and thereafter remain above 30% until then.

Compliant  Partially compliant  Explain

16. The percentage of nominee board directors of the total number of non-executive board directors should not be greater than the ratio between the company capital represented by these board directors and the rest of the capital.

This criterion can be relaxed:

- a) In large cap companies where there are few equity stakes that are legally considered as significant.
- b) In companies with a plurality of shareholders represented on the board of directors who are not related.

Compliant  Explain

17. Independent directors should account for at least half of the total number of board directors.

However, when the company is not large cap, or when, even though it is, it has one or several shareholders acting in unison controlling more than 30% of the share capital, the number of independent board directors should represent at least a third of all board directors.

Compliant  Explain

18. Companies shall publish the following board director particulars on their website and keep them permanently updated:

- a) Professional and biographical profile.
- b) Other boards to which they belong, whether or not listed companies, as well as other paid activities performed, whatever their nature.
- c) An indication as to whether the directorship is executive, indicating shareholder-nominated or independent; in the case of nominee directors, stating the shareholder they represent or to whom they are affiliated.
- d) The date of first and subsequent appointments as a company board director, as well as later reappointments.
- e) Company shares, and share options, of those which are held.

Compliant  Partially compliant  Explain



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

19. The annual corporate governance report, following verification by the appointments committee, shall disclose the reasons for the appointment of nominee board directors at the behest of shareholders controlling less than three percent of capital; and it should explain any rejection of a formal request for a board place from shareholders whose equity stake is equal to or greater than that of others appointed for a nominee directorship.

Compliant  Partially compliant  Explain

20. Nominee board directors must resign when the shareholders they represent transfer their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to nominee board directors, the number of such nominee board directors should be reduced accordingly.

Compliant  Partially compliant  Explain

21. The board of directors must not propose the removal of independent board directors before the expiry of their term in office pursuant to the bylaws, except where due cause is found by the board of directors, based on a report from the appointments committee. In particular, it must be understood that there is just cause when the director takes on new positions or contracts new obligations that prevent him/her from devoting the necessary time to the performance of the functions of a director, fails to comply with the work inherent to his/her position or is involved in any of the circumstances that cause the loss of his/her independent status, in accordance with that established in applicable legislation.

The removal of independent directors can also be proposed as a result of public takeover bid, merger or similar corporate actions that cause changes in the capital structure of the company, when these changes in the structure of the Board of Directors are supported by the proportionality criteria, indicated in recommendation 16.

Compliant  Explain



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

22. Companies shall establish rules obliging board directors to inform the board of directors of any circumstance that might undermine the organization's name or reputation, tendering their resignation when situations arise affecting them that are related or not to their conduct in the company, with particular mention of any criminal charges brought against them and the progress of any subsequent proceedings.

And companies shall examine the case as soon as possible and decide, following a report from the appointments and remuneration committee, whether or not to take any measures such as the opening of an internal investigation, request the resignation of the director or propose their removal if the board has been informed or otherwise become aware of any of the situations mentioned in the preceding paragraph. Companies shall inform on such matters in the annual corporate governance report unless special circumstances exist that would justify their omission, where such circumstances should be recorded in the minutes. This is without prejudice to the information the company must disclose, if appropriate, when adopting due measures.

Compliant  Partially compliant  Explain

23. The board directors should clearly express their opposition when they consider that a resolution submitted to the board of directors may go against the corporate interest. In particular, independent board directors and other board directors unaffected by the potential conflict of interest should challenge any decision that could go against the interests of shareholders lacking representation in the board of directors.

When the board of directors adopts important or reiterated resolutions on issues about which a board director has expressed serious reservations, it must draw the pertinent conclusions. If chosen to resign, the reasons for this must be set out in the letter referred to in the following recommendation.

This recommendation should also apply to the secretary of the board of directors, even if the secretary is not a board director.

Compliant  Partially compliant  Explain  Not applicable

24. When a board director leaves their position prior to the end of their term of office, he/she should adequately explain the reasons for their resignation or, in the case of non-executive directors, their opinion of the reasons for the removal by the general meeting in a letter to all the members of the board of directors.

And the company shall publish as soon as possible the resignation, including sufficient explanation of the reasons or circumstances cited by the board director, without prejudice to provision of due explanations in the annual corporate governance report, in so far as the matter is significant to investors.

Compliant  Partially compliant  Explain  Not applicable



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

25. The appointments committee must ensure that non-executive board directors have sufficient time available to perform their functions correctly.

The board regulations establish the maximum number of company directorships that can form part of their board directors.

Compliant  Partially compliant  Explain

26. The board of directors should meet with the necessary frequency to perform its functions properly, and at least eight times a year, following the schedule of dates and matters established at the beginning of the fiscal year, to which each board director may propose the addition of other items individually.

Compliant  Partially compliant  Explain

27. Board directors should keep their absences to a bare minimum. Absences should be quantified in the annual corporate governance report. When they have to be absent, they should delegate their representation with instructions.

Compliant  Partially compliant  Explain

28. When board directors or the company secretary express concerns about a proposal or, in the case of board directors, about the company's performance, and such concerns are not resolved by the board of directors, the person expressing them may request that they be recorded in the minutes.

Compliant  Partially compliant  Explain  Not applicable

29. The company must establish the appropriate channels for the board directors to obtain precise advice for the fulfillment of their functions, including, if the circumstances demand it, external advice at the company's expense.

Compliant  Partially compliant  Explain

30. Irrespective of the knowledge demanded of the board directors to perform their functions, companies also offer refresher programs, when the circumstances so dictate.

Compliant  Explain  Not applicable



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

31. The agenda of the sessions must clearly indicate the points about which the Board of Directors must make a decision or a resolution that enables the board directors to study or previously obtain the information required for this to take place.

When, in exceptional circumstances, as a matter of urgency, the board director wishes to submit decisions or resolutions that are not part of the agenda to the board of directors, prior and express consent must be obtained from the directors present, which must be duly recorded in the minutes.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

32. The board directors must be informed periodically on the transactions of the shareholders and the opinions that the significant shareholders, investors and ratings agencies have on the company and group.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

33. The chairman, as the person responsible for the effective functioning of the board of directors, in addition to exercising the functions that he has been legally and statutorily assigned, must prepare and submit to the board of directors a program of dates and matters to be discussed; organize and coordinate the periodic evaluation of the board, as well as, where appropriate, that of the company's chief executive; and must be responsible for the management of the board and the effectiveness of its operation; and must ensure that sufficient discussion time is devoted to strategic issues, and agree and review refresher programs for each board director, when the circumstances so dictate.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

34. When there is a lead board director, the bylaws or regulations of the board of directors, as well as the powers that are legally entitled, he/she is assigned the following: to chair the board of directors in the absence of the chairman and vice chairmen, if applicable, voice the concerns of the non-executive board directors, maintain contact with investors and shareholders to be aware of their points of view in order to form an opinion on their concerns, particularly in relation to the corporate governance of the company, and coordinate the succession of the chairman.

Compliant [ ]      Partially compliant [ X ]      Explain [ ]      Not applicable [ ]

The company complies with the entire recommendation, except with respect to assigning the Lead Board Director the power to chair the Board of Directors in the absence of the Chairman, to maintain contact with investors and shareholders and to coordinate the succession of the Chairman. The Regulations of the Board of Directors assign the Lead Board Director the power to request the convening of the Board of Directors or the inclusion of new points in the agenda of a previously convened board meeting, to coordinate and bring together the non-executive Board Directors and, if required, to direct the periodic evaluation of the Chairman of the Board of Directors.

In accordance with the Board of Directors Regulations, in the absence of the Chairman and Vice Chairmen, the oldest board director is called upon to chair the meeting. However, the Lead Board Director is also the Second Vice Chairwoman of the Board and, accordingly, is entrusted with chairing meetings in the absence of the Chairman and the First Vice Chairman.

With regard to relations with shareholders and investors, in accordance with the provisions of Article 22 of the Regulations of the Board of Directors, the Board of Directors itself is responsible for establishing and supervising appropriate mechanisms of communication and relations with shareholders and investors, establishing in the Policy for Communication with Shareholders, Investors and Proxy Advisors and for Communication of Financial, Non-Financial and Corporate Information the communication channels to be used with them. The company considers that this configuration ensures better and more efficient coordination of the company's relationships with its investors and shareholders.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Finally, the Board of Directors' Regulations assign the Appointments and Remuneration Committee the power to examine and organize the succession of the Chairman of the Board, as established in Article 529 of the Companies Act.

35. The secretary of the Board of Directors should in particular ensure that Board of Directors has the recommendations on good governance at hand during its actions and decisions applicable to the company. These are contained in this Good Governance Code.

Compliant  Explain

36. The board of directors should evaluate and adopt an action plan in full once a year, if applicable, that corrects the weaknesses detected, in relation to:
- a) The quality and efficiency of the operational aspects of the board of directors.
  - b) The operational aspects and composition of its committees.
  - c) The diversity in the composition and responsibilities of the Board of Directors.
  - d) The performance of the Chairman of the Board of Directors and the chief executive of the company.
  - e) The performance and contribution of each board director, paying special attention to those responsible for the different board committees.

The various committees are evaluated on the basis of the report that they present to the board of directors, and for the latter, on the report presented to the appointments committee.

Every three years, the board of directors shall be assisted by an external advisor to perform the evaluation, the independence of whom shall be verified by the appointments committee.

The business relationships maintained by the advisor or any company in its group with the company or any company in its Group must be indicated in the Annual Corporate Governance Report.

The process and the areas evaluated must be described in the annual corporate governance report.

Compliant  Partially compliant  Explain

37. When there is an executive committee, there must be at least two non-executive members, at least one of whom should be independent; and its secretary should be the secretary of the board of directors.

Compliant  Partially compliant  Explain  Not applicable

38. The board of directors should be kept fully informed of the matters discussed and resolutions adopted by the executive committee. To this end, all members of the board of directors should receive a copy of the executive committee's minutes.

Compliant  Partially compliant  Explain  Not applicable



**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES**

---

39. Members of the audit committee, particularly its chairman, should be appointed with regard to their financial and non-financial knowledge and experience in accounting, auditing and risk management matters.

Compliant [ X ]      Partially compliant [   ]      Explain [   ]

40. Under the supervision of the Audit Committee, there should be a unit that assumes the internal audit function that ensures the proper performance of the information and internal control systems, and functionally operates under the non-executive director of the Board or the Audit Committee.

Compliant [ X ]      Partially compliant [   ]      Explain [   ]

41. The head of the unit handling the internal audit function should present an annual work program to the audit committee, for approval by this committee or the board, inform it directly of any incidents or scope limitations arising during its implementation, the results and monitoring of its recommendations, and submit an activity report at the end of each year.

Compliant [ X ]      Partially compliant [   ]      Explain [   ]      Not applicable [   ]





## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

42. In addition to the provisions of the law, the audit committee has the following functions:

1. In relation to the information and internal control systems:
  - a) To monitor and evaluate the preparation process and the integrity of the financial and non-financial information, as well as the control and management systems for financial and non-financial risks related to the company and, where appropriate, to the group – including operating, technological, legal, social, environmental, political and reputational risks or those related to corruption – reviewing compliance with regulatory requirements, the accurate demarcation of the consolidation perimeter, and the correct application of accounting principles.
  - b) To monitor the independence of the unit handling the internal audit function; propose the selection, appointment and removal of the head of the internal audit service; propose the service's budget; approve or make a proposal for approval to the board of the priorities and annual work program of the internal audit unit, ensuring that it focuses primarily on the main risks the company is exposed to (including reputational risk); receive regular report-backs on its activities; and verify that senior management are acting on the findings and recommendations of its reports.
  - c) To establish and supervise a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report irregularities of potential significance, including financial and accounting irregularities, or those of any other nature, related to the company, that they notice within the company or its group. This mechanism must guarantee confidentiality and, in any case, envision situations where communications can be made anonymously, respecting the rights of the whistleblower and the accused party.
  - d) Ensure in general that the internal control policies and systems established are effectively implemented in practice.
2. With respect to the external auditor:
  - a) Should the external auditor resign, to examine the circumstances leading to the resignation.
  - b) To ensure that the remuneration of the external auditor for his/her work does not compromise his/her quality or independence.
  - c) To ensure that the company notifies any change of external auditor through the CNMV, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.
  - d) To ensure that the external auditor holds an annual plenary meeting of the board of directors to inform them about the work performed, the accounting situation and any risks to the company.
  - e) To ensure that the company and the external auditor respect the prevailing standards on the provision of services other than auditing, the limits on the concentration of the auditor's business and, in general, other standards established to guarantee auditors' independence.

Compliant [ X ]

Partially compliant [ ]

Explain [ ]



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

43. The audit committee can summon any company employee or executive, even ordering their appearance without the presence of another executive.

Compliant  Partially compliant  Explain

44. The audit committee must be informed of any corporate and structural modifications which the company plans to make so that, in advance of the next board of directors meeting, the committee can analyze these modifications and draw up a report about any economic conditions and accounting impact, particularly as regards the proposed exchange ratio.

Compliant  Partially compliant  Explain  Not applicable

45. Risk control and management policy should identify or establish at least:

- a) The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks, and risks relating to corruption), with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks.
- b) A risk control and management model based on different levels, of which a specialized risk committee will form part when sector regulations so provide or the company deems it appropriate.
- c) The level of risk that the company considers acceptable.
- d) The measures established to mitigate the impact of the risks identified, should they materialize.
- e) The internal oversight and reporting systems that will be used to control and manage these risks, including contingent liabilities and off-balance-sheet risks.

Compliant  Partially compliant  Explain

46. Under the direct supervision of the Audit Committee, or, if applicable, a specialized committee of the Board of Directors, there should be an internal risk control and management function performed by a unit or department within the company that is expressly assigned the following functions:

- a) To ensure that the risk control and management systems function properly and, in particular, that they identify, manage and quantify all the significant risks that affect the company.
- b) To actively participate in the development of the risk strategy and important decisions regarding its management.
- c) Ensure that the risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the board of directors.

Compliant  Partially compliant  Explain



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

47. The members appointed to the Appointments and Remuneration Committee—or the Appointments Committee and Remuneration Committee if separate—must have the knowledge, skills and experience appropriate for the functions that they are called to fulfill. The majority of these members should be independent directors.

Compliant  Partially compliant  Explain

48. The large cap companies have a separate appointments committee and a remuneration committee.

Compliant  Explain  Not applicable

The company considers the issues regarding appointments and remuneration to be closely related, and it is therefore seen as appropriate for them to be analyzed by the same committee.

49. The appointments and remuneration committee must consult with the chairman of the board of directors and the chief executive, particularly with respect to matters relating to executive board directors.

Any board director may ask the appointments committee to take into consideration any candidates he/she deems suitable to fill a board director vacancy.

Compliant  Partially compliant  Explain

50. The remuneration committee must perform its functions independently and, in addition to the functions assigned by law, the following ones:

- a) To propose the basic conditions for the contracts of the top executives to the Board of Directors.
- b) To verify compliance with the compensation policy established by the company.
- c) To periodically review the compensation policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as guarantee that their individual remuneration is proportionate to that paid to the company's other directors and senior managers.
- d) To ensure that possible conflicts of interest do not compromise the independence of the external advice provided to the committee.
- e) To check the information on remuneration of board directors and top executives contained in the different corporate documents, included in the annual report on the remuneration of board directors.

Compliant  Partially compliant  Explain

51. The remuneration committee must consult with the chief executive, especially with respect to matters related to executive board directors and senior managers.

Compliant  Partially compliant  Explain



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

52. The rules governing the composition and operation of the supervision and control committees must be included in the regulations of the board of directors and be consistent with those applicable to legally obliged committees in line with the previous recommendations, including:
- a) They are formed exclusively of non-executive board directors, with a majority of independent board directors.
  - b) Their chairmen are independent board directors.
  - c) The board of directors should appoint the members of such committees with regard to the knowledge, skills and experience of its directors and each committee's terms of reference; discuss their proposals and reports; and provide report-backs on their activities and work at the first board plenary following each committee meeting.
  - d) The committees may engage external advice when it is considered necessary for the performance of their functions.
  - e) Minutes must be taken at their meetings and made available to all board directors.

Compliant [ X ]    Partially compliant [   ]    Explain [   ]    Not applicable [   ]

53. The task of supervising compliance with the policies and rules of the company in the environmental, social and corporate governance areas, and internal rules of conduct, should be assigned to one board committee or split between several, which could be the audit committee, the nomination committee, a committee specialized in sustainability or corporate social responsibility, or a dedicated committee established by the board of directors under its powers of self-organization. Such a committee should be made up solely of non-executive directors, the majority being independent and specifically assigned the following minimum functions.

Compliant [   ]    Partially compliant [ X ]    Explain [   ]

With regard to the minimum functions indicated in recommendation 54 below, the Audit and Compliance Committee is expressly responsible for functions a) and c), the latter with regard to the periodic evaluation and review of the corporate governance system, and the Risk and Sustainability Committee for functions c) and d) in environmental and social matters.

As indicated in recommendation 34), the Board of Directors itself is responsible for establishing and supervising appropriate communication mechanisms and relations with shareholders and investors and, therefore, it performs the indicated functions b) and e) of recommendation 54.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

54. The minimum functions referred to in the previous recommendation are as follows:
- a) To monitor compliance with the company's internal codes of conduct and corporate governance rules, and ensure that the corporate culture is aligned with its purpose and values.
  - b) To monitor the implementation of the general policy regarding the disclosure of economic-financial, non-financial and corporate information, as well as communication with shareholders and investors, proxy advisors and other stakeholders. Similarly, the way in which the company communicates and relates with small and medium-sized shareholders should be monitored.
  - c) To periodically evaluate and review the company's corporate governance system and environmental and social policy, in order to confirm that they fulfilling their mission to promote the corporate interest and catering, as appropriate, to the legitimate interests of other stakeholders.
  - d) To ensure that the company's environmental and social practices are in accordance with the established strategy and policy.
  - e) Supervision and evaluation of the relational processes with other stakeholders.

Compliant [  ] Partially compliant [  ] Explain [  ]

See response to recommendation 53 above.

55. Environmental and social sustainability policies should identify and include at least:
- a) The principles, commitments, objectives and strategy regarding shareholders, employees, clients, suppliers, social welfare issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of corruption and other illegal conduct.
  - b) The methods or systems for monitoring compliance with policies, associated risks and their management.
  - c) The mechanisms for overseeing non-financial risk, including that related to ethical aspects and business conduct.
  - d) Channels of communication, participation and dialog with stakeholders.
  - e) Responsible communication practices that prevent information manipulation and protect honor and integrity.

Compliant [  ] Partially compliant [  ] Explain [  ]

56. The remuneration of directors must be sufficient to attract and retain board directors from the desired profile and reward the commitment, qualification and responsibility demanded by the position, but not so high that the independence of criteria for non-executive board directors is compromised.

Compliant [  ] Explain [  ]



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

57. The executive board directors must receive the variable remuneration relating to the performance of the company and their individual performance, as well as remuneration in the form of shares, options or rights on shares and instruments referenced to the share value and long-term saving systems such as pension plans, retirement systems or other social protection systems.

The delivery of shares shall be considered as remuneration for non-executive board directors on condition that the shares are held for the duration of the directorship. This does not apply to the shares that a board director needs to transfer, if necessary, to meet the costs related to their acquisition.

Compliant  Partially compliant  Explain

58. In the case of variable remuneration, the compensation policies must include the limits and specific technical safeguards to ensure that the remuneration reflects the professional performance of the beneficiaries and not simply the general progress of the markets, the company sector or similar circumstances.

In particular, the variable elements of the remuneration:

- a) Are linked to performance criteria that are predetermined and measurable, and these criteria must take into account the risk accepted for achieving a result.
- b) Promote the sustainability of the company and include non-financial criteria that are suitable for creating long-term value, such as compliance with the internal rules and procedures of the company and its policies for risk control and management.
- c) These are established on the basis of a balance between the fulfillment of short-, medium- and long-term objectives that allow remuneration of performance for continued performance over a sufficient period of time for its contribution to the sustainable creation of value to be appreciated, so that the elements of measurement of that performance do not revolve solely around specific, occasional or extraordinary events.

Compliant  Partially compliant  Explain  Not applicable

59. The payment of the variable components of remuneration is subject to sufficient verification that previously established performance, or other, conditions have been effectively met. Entities should include in their annual directors' remuneration report the criteria relating to the time required and methods for such verification, depending on the nature and characteristics of each variable component.

Additionally, entities should consider establishing a reduction clause ('malus') based on deferral for a sufficient period of the payment of part of the variable components that implies total or partial loss of this remuneration in the event that prior to the time of payment an event occurs that makes this advisable.

Compliant  Partially compliant  Explain  Not applicable



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

60. Remuneration linked to the company's results takes into account any reservations that are mentioned in the external auditor's report and may compromise the results.

Compliant  Partially compliant  Explain  Not applicable

61. A significant percentage of the variable remuneration of the executive board directors is linked to the delivery of shares or financial instruments referenced to the share value.

Compliant  Partially compliant  Explain  Not applicable

62. Following the award of shares, options or financial instruments corresponding to the remuneration schemes, executive directors should not be able to transfer their ownership or exercise them until a period of at least three years has elapsed.

Except for the case in which the director maintains, at the time of the transfer or exercise, a net economic exposure to the variation in the price of the shares for a market value equivalent to an amount of at least twice his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The foregoing shall not apply to the shares that the director needs to dispose of to meet the costs related to their acquisition or, upon favorable assessment of the nomination and remuneration committee to address an extraordinary situation.

Compliant  Partially compliant  Explain  Not applicable

In fiscal year 2022, the Board of Directors of MAPFRE S.A., at the proposal of the Appointments and Remuneration Committee, approved the Medium-Term and Long-Term Incentive Plan of an extraordinary, non-vested and multi-year nature, consisting of three overlapping cycles, each with a three-year objectives measurement period (2022–2024, 2023–2025 and 2024–2026), of which executive directors are part in their capacity as senior executives.

The incentive corresponding to each cycle will be paid partially in cash and partially through the delivery of MAPFRE S.A. shares, with a deferral in both cases of 60 percent over a period of three years, by third parts. The Plan includes the obligation for the shares to be kept for a maximum period of two years, starting from the date on which the shares are issued.

63. The contractual agreements include a clause that allows the company to file a claim for re-payment of variable elements of remuneration when payment has not been adjusted to the performance conditions or when it has been awarded on the basis of data which is subsequently shown to be incorrect.

Compliant  Partially compliant  Explain  Not applicable



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

---

64. Termination payments should not exceed a fixed amount equivalent to two years of the director's total annual remuneration and should not be paid until the company confirms that he or she has met the predetermined criteria for receiving them.

For the purposes of this recommendation, payments for contractual termination include any payments whose accrual or payment obligation arises as a consequence of or on the occasion of the termination of the contractual relationship that linked the director with the company, including previously unvested amounts for long-term savings schemes and the amounts paid under post-contractual non-compete agreements.

Compliant [  ]      Partially compliant [  ]      Explain [  ]      Not applicable [  ]

For external directors, there is no compensation for leaving the position.

Regarding executive board directors, leaving the position means lifting the suspension of the relationship prior to the appointment as executive board director.

The early termination of the previous relationship (prior, in all cases, to the approval of the Good Governance Code for listed companies), except when there is good cause for dismissal, implies indemnification under the terms established by the workers' statute in relation to unfair dismissal.





## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

### H. OTHER USEFUL INFORMATION

1. If there is any relevant aspect regarding corporate governance in the company or in the group companies that has not been covered in the remaining sections of this report, but that should be included in order to provide more complete and explanatory information about the structure and governance practices of the company or group, please provide a brief explanation here.
2. This section may also include any other relevant information, clarification or detail related to previous sections of the report so long as they are relevant and not repetitive.

Specifically, indicate whether the company is subject to the corporate governance legislation of any country other than Spain and, if so, include the compulsory information to be provided when different from that required by this report.

3. The company may also indicate if it has voluntarily adhered to other codes of ethical principles or best practices, international, sectoral or of another scope. If applicable, the code in question and the date of accession will be identified. In particular, it shall mention whether it has adhered to the Code of Good Taxation Practices, of July 20, 2010:

#### SECTION C.2.1 CONTINUED

##### Audit and Compliance Committee

The Committee will be made up of a minimum of three and a maximum of five members. All must be non-executive, and the majority must be Independent Directors, one of which must be designated based on their knowledge and experience in the area of accounting or auditing or both. Overall, the members of the Committee should have the pertinent technical knowledge in relation to the company's sector of activity. Its Chair must be an Independent Board Director and they must be substituted in this position every four years, only to be reelected to the post one year after leaving that position. The secretary of this Committee will be the secretary to the Board of Directors. The Group Chief Internal Audit Officer shall attend the meetings as a guest.

In 2022 the Audit and Compliance Committee was responsible for, among other things, issuing an opinion on the Financial Statements for fiscal year 2021, supervising the efficacy of the Company's internal control, supervising the information of the Company and its Group in the framework of Solvency II, supervising the internal audit and the risk management systems of the Company and the Group, reporting on transactions with significant shareholders and senior management, approving extra fees from the External Auditor, reporting on the relationship with the External Auditor, being familiar with appointments in Internal Audit, being familiar with the intermediary financial information presented to the Spanish National Securities and Exchange Commission, being familiar with the activity carried out in 2021 by the Code of Ethics and Conduct Channel and by the Financial and Accounting Whistleblower Channel, and for ensuring the correct application within the company and Group of the good governance rules and external and internal regulations.

For more information, please consult the Report on the Composition and Functioning of the Committee during fiscal year 2022, available on the Company's website, which is made available to shareholders for the General Meeting.

\*\*\*

#### SECTION E.3 CONTINUED

In the remainder, a certain degree of market risk is assumed, as described below:

- The variable of interest rate risk management is the modified duration that is conditional on the limits established in the Investment Plan.
- Exposure to the exchange rate risk is minimized in the case of insurance liabilities. The Transferable Security and Real Estate Investment Plan establishes the maximum net position limit in currencies that can be adopted in asset management.
- The spread and concentration risks are mitigated by the higher proportion of fixed-income securities with an investment grade credit rating and through diversification by issuers.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

- Investments in shares are subject to a maximum limit of the investment portfolio.

- The risk limitations are established in easily-observable quantitative terms of variables. However, a probabilistic risk analysis is also performed based on historical volatilities and correlations.

With regard to credit risk, the policy is based on applying criteria of prudence in line with the issuer's solvency and seeking a high degree of geographical correspondence between the issuers of the assets and the commitments.

Thus, limits are established according to the risk profile of the counterparty or the investment instrument and in relation to the solvency of the counterparty, and there is a system for monitoring and reporting the exposure to credit risk.

The Security Committee also reviews the main exposures to insurance and reinsurance counterparties.

### 1. Strategic and Corporate Governance Risks

The ethical principles applied to business management, whose strict application is considered as the most effective action to mitigate this type of risk, have been a constant in MAPFRE and are part of its bylaws and daily work.

MAPFRE's global dimension and its presence in markets with very different corporate governance regulations suggest the need for basic regulations that contain the institutional and governance principles applicable to all of them. The regulation relating to Institutional, Business and Organizational Principles of the MAPFRE Group, along with the Code of Ethics and Conduct and the Corporate Governance Policy constitute the minimum framework binding on all companies that make up MAPFRE and their respective governing bodies.

Together with the foregoing, also of note are the Corporate Fiscal Policy, the Corporate Sustainability Policy, the Internal Code of Conduct relating to securities issued by MAPFRE, and the Policy for Management of Conflicts of Interest with Senior Roles of Representation and Management.

To reinforce the strict application of the ethical principles of business management and the corporate values set forth in these standards, MAPFRE has a corporate structure and executive organization that is determined by high and rigorous control and supervision at all levels: local, regional and global.

To ensure compliance and monitoring of any possible irregularities, MAPFRE has established channels for consultation and communication of complaints, which are accessible to employees:

- Ethical queries and complaints. The Code of Ethics establishes three channels of communication: Internet, accessible to employees and providers, available in Spanish, English, Portuguese, and Turkish; postal mail; and email. To guarantee confidentiality, the secretary of the Ethics Committee receives queries and complaints directly.

During fiscal year 2022, the Ethics Committee registered, through the different reporting channels, a total of 55 complaints/grievances, of which 48 were initially dismissed for dealing with matters outside the Code of Ethics and seven were processed and resolved. Information on the reports admitted for processing by the Ethics Committee in 2022 is detailed as follows:

- Three complaints from employees in Turkey, the United States and Panama regarding alleged personal grievances involving other employees in violation of the Code of Ethics and Conduct. The appropriate investigations were carried out and corrective measures were adopted.

- Complaint from an employee in Spain of the alleged collection of irregular commissions by other employees for the sale of a mortgage and the issuing of the associated life insurance. The appropriate investigation was carried out, concluding that there was no violation of the Code of Ethics and Conduct after it was proven that the people reported did not receive commissions for the sale of the mortgage or the issuing of the associated life insurance.

- Complaint from an insured party in Spain for alleged identity theft when taking out insurance. The appropriate investigation was carried out, concluding that there was no violation of the Code of Ethics and Conduct since the reported events took place within an employment relationship between the complainant and the accused party.

- Complaint from an employee in the United States of alleged discriminatory conduct by another employee. The appropriate investigation was carried out, concluding that there was no violation of the Code of Ethics and Conduct since the events reported, in the context in which they occurred, did not undermine people's dignity.

- Complaint from an employee in Spain of alleged personal grievances involving another employee. The appropriate investigation was carried out, concluding that there was no violation of the Code of Ethics and Conduct, as no evidence of any fact that could justify the complaint was provided.

- Financial and Accounting Whistleblower Channel, through which MAPFRE Group employees, as well as board directors, shareholders, providers, contractors and subcontractors can confidentially and, if they wish, anonymously report any potentially significant financial and accounting irregularities observed within the company or its Group to the Audit and Compliance Committee of MAPFRE S.A.

During the 2022 fiscal year, a total of 17 reports/complaints were received through the Financial and Accounting Whistleblower Channel, which were initially dismissed for dealing with matters unrelated to said channel.



## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED COMPANIES

Additionally, the Criminal Risk Prevention Model approved by the Board of Directors of MAPFRE S.A. establishes the basis of the Criminal Risk Prevention System adopted by MAPFRE, providing the organization with a supervisory model to prevent the commission of crimes that may be attributed to the Group companies. This model is used to raise awareness, stressing the regulatory aspects with criminal significance to which companies are exposed, and to establish the methodology for the management and evaluation of the controls implemented to prevent or mitigate potential crimes. The Criminal Risk Prevention Model applies to MAPFRE's legal representatives, its corporate administrators, its executives, employees and other persons who are subject to the authority or instructions of the aforementioned persons or who operate in their area of management, supervision, surveillance or control. This includes all groups of individuals who act in the name of, on behalf of, or in some way or other in the interest of the Group.

The application and monitoring of the set of rules described are the main mitigators against these types of risk.

### 2. Operational Risks

The quantification of operational risk in the Group's insurance and reinsurance companies of the European Economic Area is carried out in accordance with the standard formula established in the Solvency II regulations. In addition to quantification, the Group companies at the global level carry out the monitoring of risk indicators and controls, a set of procedures based on a dynamic qualitative analysis of processes, so that the managers of each area or department identify the potential risks that affect both the business and support processes and the effectiveness of the controls associated with each process. This control is conducted using risk self-evaluation questionnaires, internal control manuals, inventory of controls associated with risks, assessment of their effectiveness, and the corrective measures in place to mitigate or reduce the risks and/or improve the control environment.

With regard to tax risks, the Group's actions in this area have always been governed by compliance with current tax regulations in the territories in which it operates, which constitutes a practical application of the institutional principle of ethical and socially responsible taxation and the principles of the Corporate Tax Policy. These risks are managed in each jurisdiction internally by the Administration and Tax Affairs departments, subcontracting the tax consulting services required at any given time with relevant firms in the sector.

Among operational risks, it is worth highlighting the rise in the risk of external fraud concerning cybersecurity or Cyber Risk. The volume and sophistication of malicious cyber activity has increased substantially and poses an ongoing challenge to the security of corporate data and critical systems. The risk of fraud increases even more with cloud computing and digitalization of company operations, together with changes in client habits that demand agile and self-service models with high security standards. To manage this risk, operational processes have been adapted, and identification, authentication and biometric identifiers have been implemented to prevent the risk of identity theft fraud or even data theft. From an operational point of view, there are risks of cyberattacks that may lead to prolonged losses of availability of services provided to third parties, as well as mass client fraud using confidential client information that may have been previously compromised. For the management of Cyber Risk, the MAPFRE Group has advanced capabilities aimed at increasing operational resilience, including highly specialized certified personnel, specific technological tools and the Incident Response Monitoring Center. Furthermore, it has the MAPFRE Group Cyber Resilience Plan, promoted by the Corporate Security Division, that coordinates the evolution and improvement of the Group's position in matters of Cybersecurity, Privacy, Data Protection and Digital Operational Resilience, which is the backbone of cyber risk mitigation measures in the company. Additionally, in the event that a Cyber Risk materializes, the Group has specific insurance protection in this regard, aimed at reducing the possible economic impact that may occur.

\*\*\*

Since July 22, 2010, the company has adhered to and complies with the Code of Good Taxation Practices approved and sponsored by the Forum for Large Companies and the Spanish Tax Agency.

This annual report on corporate governance was approved by the company's Board of Directors at its meeting on:

[ 2/8/2023 ]

Indicate whether any board directors voted against the report or abstained.

[ ] Yes  
[ ✓ ] No



# MAPFRE, S.A.

Auditor's Report on the "Information concerning the System of Internal Control over Financial Reporting (ICFR)" of MAPFRE, S.A. for 2022

*(Free 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

## **Auditor's Report on the "Information concerning the System of Internal Control over Financial Reporting (ICFR)" of MAPFRE, S.A. for 2022**

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

To the directors of MAPFRE, S.A.

As requested by the Board of Directors of MAPFRE, S.A. (the "Company") and in accordance with our proposal letter dated 10<sup>th</sup> January 2023, we have applied certain procedures to the "Information concerning the ICFR" attached in section F of the Annual Corporate Governance Report of MAPFRE, S.A. for 2022, which summarises the Company's internal control procedures for annual financial reporting.

The Board of Directors is responsible for adopting appropriate measures to reasonably ensure the implementation, maintenance and oversight of an adequate system of internal control, the development of improvements to that system and the preparation and definition of the content of the information concerning the ICFR attached.

In this respect, it should be borne in mind that irrespective of the quality of the design and operation of the internal control system adopted by the Company in relation to annual financial reporting, the system may only provide reasonable, but not absolute assurance in relation to the objectives pursued, due to the limitations inherent in any internal control system.

In the course of our audit work on the annual accounts and in accordance with Technical Auditing Standards, our evaluation of the Company's internal control was solely aimed at enabling us to establish the scope, nature and timing of the audit procedures on the Company's annual accounts. Consequently, the scope of our evaluation of the internal control, performed for the purposes of the audit of accounts, was not sufficient to enable us to issue a specific opinion on the efficiency of this internal control over regulated annual financial reporting.



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

For the purposes of issuing this report, we have applied only the specific procedures described below and set out in the Guidelines for preparing the auditor's report on the information on the system of internal control over financial reporting of listed entities, published on the website of the Spanish National Securities Market Commission (CNMV), which defines the work to be performed, the minimum scope of the work and the content of this report. As the scope of the work resulting from these procedures is in any event limited and substantially less than that of an audit or review of the internal control system, we do not express an opinion on its effectiveness or design or operational efficiency, with respect to the Company's annual financial reporting for 2022 described in the attached Information concerning the ICFR. Consequently, had additional procedures other than those defined in the aforementioned Guidelines been applied, or an audit or review been performed of the internal control system in relation to regulated annual financial reporting, other events or matters could have been identified, which would have been reported to you.

Moreover, as this special engagement does not constitute an audit of accounts nor is it subject to prevailing legislation regulating the audit of accounts in Spain, we do not express an audit opinion in the terms envisaged in such legislation.

The procedures applied were as follows:

1. Reading and understanding of the information prepared by the Company in relation to the ICFR – disclosures included in the directors' report – and evaluation of whether it covers all the information required, taking into account the minimum content described in Section F, concerning the description of the ICFR, the Annual Corporate Governance Report model set out in Spanish National Securities Market Commission (CNMV) Circular 5/2013 of 12 June 2013 and subsequent amendments, the most recent being Circular 3/2021 of 28 September 2021 (hereinafter, the CNMV Circulars).
2. Inquiries of personnel responsible for preparing the information detailed in point 1 above in order to: (i) gain an understanding of the preparation process; (ii) obtain information that allows us to assess whether the terminology used conforms to the definitions contained in the reference framework; (iii) obtain information on whether the control procedures described are in place and operational in the Company.
3. Review of explanatory documentation supporting the information detailed in point 1 above, and which will mainly include that made directly available to those responsible for preparing the descriptive information on the ICFR. This documentation includes reports prepared by internal audit, senior management and other internal or external specialists supporting the audit and compliance committee.
4. Comparison of the information detailed in point 1 above with the understanding of the Company's ICFR gained as a result of the procedures performed within the framework of the audit work on the annual accounts.



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

5. Reading of the minutes of the meetings of the Board of Directors, audit and compliance committee and other committees of the Company for the purposes of assessing the consistency of the matters discussed at these meetings in relation to the ICFR with the information detailed in point 1 above.
6. Procurement of a representation letter concerning the work performed, duly signed by those responsible for preparing and drawing up the information detailed in point 1 above.

As a result of the procedures applied to the Information concerning the ICFR, no inconsistencies or incidents have come to light that could affect it.

This report has been prepared exclusively in the context of the requirements established in article 540 of the Revised Spanish Companies Act and the CNMV Circulars for the purposes of the description of the ICFR in Annual Corporate Governance Reports.

KPMG Auditores, S.L.

*(Signed on original in Spanish)*

Ángel Crespo

8 February 2023