



Auditor's Report on MAPFRE, S.A. and subsidiaries

(Together with the annual accounts and consolidated Management Report MAPFRE, S.A. and subsidiaries for the year ended 31 December 2022)

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



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

Independent Auditor's Report on the Consolidated Annual Accounts

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

To the Shareholders of MAPFRE, S.A.

REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

Opinion

We have audited the consolidated annual accounts of MAPFRE, S.A. ("the Parent") and subsidiaries (the "Group"), which comprise the balance sheet at December 31, 2022, the income statement, the statement of comprehensive income, the statement of changes in equity, the cash flow statement and the notes to the financial statements, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Group as at 31 December 2022 and of its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for Opinion

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

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

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



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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of mathematical provisions for direct insurance (13,904.6 million of Euros)

See notes 5.15 and 6.13 of the notes to the consolidated annual accounts

Key audit matter	How the issue was addressed in our audit
The Group calculates mathematical provisions for commitments relating to life insurance with its policyholders, including some very long-term. Estimating mathematical provisions requires the use of actuarial calculations and methods that employ key assumptions involving a high degree of judgement and uncertainty, among which are the future evolution of mortality, morbidity, administration costs, interest rates, etc. In addition, the IFRS-EU require that the adequacy of insurance contract liabilities be tested, including life insurance liabilities, in order to determine whether sufficient provision has been made on the basis of projected future cash flows associated with contracts in force, taking into account the most up-to-date assumptions available. These tests also require the use of actuarial methods, where the assumptions used have a significant impact. The use of inadequate assumptions in actuarial methods can have a significant impact on the consolidated annual accounts, therefore it has been considered a key audit matter.	Our audit approach included testing the design and implementation of key controls established by the Group in the process of estimating mathematical provisions, including controls on the definition of key assumptions and on the completeness and accuracy of the data bases used when estimating these provisions. Our substantive procedures in relation to the mathematical provisions, which were carried out in collaboration with our actuarial specialists consisted primarily of the following: • Based on our knowledge and experience of the sector, we assessed the reasonableness of the actuarial models and the key assumptions used in calculating the mathematical provisions, comparing them to best actuarial practices, regulatory requirements and market trends. • We have analyzed the reasonability over the amounts accounted for, considering the economic and technical conditions of the insurance contracts and those established in prevailing legislation. • We have recalculated the actuarial provision for a sample of policies selected on the basis of our risk assessment, having previously tested the databases used in these calculations for integrity and accuracy. We also assessed the adequacy of the information disclosed in the consolidated annual accounts regarding the mathematical provisions, considering the requirements of IFRS-EU.



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Valuation of the provision for non-life direct insurance and reinsurance accepted claims (11,604.5 million of Euros)

See notes 5.15 and 6.13 of the notes to the consolidated annual accounts.

Key audit matter	How the issue was addressed in our audit
The Group recognises the provision for non-life insurance claims to cover the estimated cost of events occurring up to the closing date. Estimating this provision is complex and requires actuarial methods and calculations based on judgement and significant assumptions, particularly for those lines of business where the claim settlement period can be very long, such as in auto, civil liability, fire, aviation and transport. When valuing the claims provision, estimates are used on a case-by-case basis, as well as actuarial projection methods based on past information and assumptions on their future evolution. These estimates include assumptions related to the amount of the expected settlement and claim payment patterns, and due to their nature, there is a significant degree of uncertainty and a change in assumptions could significantly impact the consolidated annual accounts, therefore it has been considered a key audit matter.	Our audit procedures included testing the design and implementation of key controls established by the Group in the process of estimating the claims provision, including controls on the definition of key assumptions, as well as on the completeness and accuracy of the data bases used when estimating these provisions. Our substantive procedures in relation to the claims provision, which were carried out in collaboration with our actuarial specialists and for a representative sample of lines of business selected based on our risk assessment and their significance, consisted primarily of the following: • Testing the completeness and accuracy of the data bases used in the actuarial calculations. • Based on our knowledge and experience of the sector, we assessed the reasonableness of the actuarial models and the assumptions used in calculating the claims provision, comparing them to best actuarial practices, regulatory requirements, market assumptions and historical trends. • We estimated the claims provision and, based on our experience, determined a range for assessing its reasonableness. We also assessed the adequacy of the information disclosed in the annual accounts on the provisions for non-life insurance claims, considering the requirements of IFRS-EU.



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Valuation of financial instruments not quoted on active markets and recognized at fair value (8,334.1 million of Euros)

See notes 5.5, 5.6, 6.4 and 6.5 of the notes to the consolidated annual accounts.

<i>Key audit matter</i>	<i>How the issue was addressed in our audit</i>
The classification of the financial instruments in the different existing portfolios in the applicable financial standards determines the criteria to be applied in their subsequent valuation. The majority of the MAPFRE Group's financial instruments are valued using market prices in active markets. Nonetheless, where there is no quoted price in an active market, the fair value of financial instruments is determined using valuation techniques that consider factors such as non-observable market inputs or complex valuation models that require a high degree of judgement. Changes in the assumptions considered, market events or new regulations can also have a significant impact on valuation. We have considered that there is a significant inherent risk associated with the valuation of financial instruments accounted for at fair value and that are classified hierarchically for valuation purposes by the Group as financial instruments at level 3 (use of some significant input information that is not based on observable market data) and level 2 (significant input information based on directly or indirectly observable market data), in both cases, by the use of complex valuation models, which has been considered a key audit matter .	Our audit approach included assessing the key controls linked to the processes of valuing financial instrument portfolios and performing substantive testing thereon. In collaboration with our specialists in financial instruments, we selected representative samples of the population of the Group's financial instruments, for which its adequate valuation was evaluated, through the performance of various substantive procedures, which included the recalculation of fair value and the evaluation of the reasonableness of the data used for the valuation models, especially those not directly observable in the market. Additionally, we assessed whether the information disclosed in the consolidated annual accounts on financial instruments adequately reflects the Group's exposure to the risk of valuing financial instruments, and whether it complies with the disclosure requirements of IFRS-EU.

Valuation of goodwill and portfolio acquisition costs (1,944.2 million of Euros)

See notes 5.1 and 6.1 of the notes to the consolidated annual accounts

Key audit matter	How the issue was addressed in our audit
The Group has recognised significant goodwill and portfolio acquisition costs from the acquisition of entities or businesses. Valuing these assets requires determination of the cash-generating units (CGUs), the calculation of carrying amount of each CGU, the estimation of the recoverable amount and the identification of facts that may determine the existence of impairment indicators in subsequent closings. Determining the recoverable amount of each CGU includes among other issues, financial projections that consider assumptions about macroeconomic developments, internal circumstances of the entity and competitors, discount rates or future business performance. The Group performs at least on an annual basis for goodwill, or when indications of impairment are identified for both goodwill and registered portfolio acquisition costs, an evaluation to determine if there is impairment in these assets. In this sense, our assessment has focused mainly on goodwill and portfolio acquisition costs of the most significance and those whose estimated recoverable value is closer to the carrying amount of the net assets or may be affected by current macroeconomic conditions. Given the complexity of the estimates and the use of assumptions that, in general, include uncertainty and judgment, we consider that the valuation of goodwill and portfolio acquisition costs has a significant inherent risk associated and, therefore, has been considered as a key audit matter.	Our audit procedures included testing the design and implementation of key controls established by the Group in the process of identifying CGUs, evaluating impairment indicators, having financial projections approved by the Management and defining the assumptions and calculation methods used to estimate the recoverable amount of CGUs. Based on our knowledge and experience, we assessed the reasonableness of the methods used by the Group to estimate the recoverable amounts of CGUs, considering IFRS-EU and best market practices. Our substantive procedures, which were performed for a sample of CGUs, including the most relevant ones, have consisted, basically, in the following: • Evaluating the existence of goodwill and portfolio acquisition cost impairment indicators considering external and internal factors such as macroeconomic indicators, sector expectations, the financial performance of CGUs and management's expectations. • In collaboration with our valuation specialists, analysing the discount and growth rates used by the Group to estimate the recoverable amount of CGUs. • Assessing the reasonableness of the financial projections prepared by management, comparing them to the historical financial information of the CGUs, to business plans approved by the Group and to market expectations in the sectors in which they operate. • Performing a sensitivity analysis of the key assumptions and financial projections used to estimate the recoverable amount of CGUs. We also assessed the adequacy of the information disclosed in the annual accounts on goodwill and portfolio acquisition costs, considering the requirements of IFRS-EU.



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Other Information. Consolidated Management Report

Other information solely comprises the 2022 consolidated Management Report, the preparation of which is the responsibility of the Parent's Directors and which does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not encompass the consolidated Management Report. Our responsibility regarding the information contained in the consolidated Management Report, in conformity with prevailing audit regulations in Spain, entails:

- a) Checking only that the consolidated non-financial information statement, certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.
- b) Assessing and reporting on the consistency of the remaining information included in the consolidated Management Report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated Management Report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described in the preceding paragraphs, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated Management Report is consistent with that disclosed in the consolidated annual accounts for 2022 and its content and presentation are in accordance with applicable regulations.

Directors' and Audit and Compliance Committee's Responsibility for the Consolidated Annual Accounts

The Parent's directors are responsible for the preparation of the accompanying consolidated annual accounts in such a way that they give a true and fair view of the consolidated equity, consolidated financial position and consolidated financial performance of the Group in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent's audit and compliance committee is responsible for overseeing the preparation and presentation of the consolidated annual accounts.



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Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts_

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these consolidated annual accounts.

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

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's directors.
- Conclude on the appropriateness of the Parent's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



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We communicate with the audit and compliance committee of the Parent regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent's audit and compliance committee with a statement that we have complied with the applicable ethical requirements, including those regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit and compliance committee of the Parent, we determine those that were of most significance in the audit of the consolidated annual accounts of the current period and which are therefore the key audit matters.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of MAPFRE, S.A. and subsidiaries for the 2022 financial year, which include the XHTML file containing the consolidated financial statements for the year, and the XBRL files as labeled by the entity, which will form part of the annual financial report.

The directors of MAPFRE, S.A. are responsible for submitting the annual financial report for the 2022 financial year, in accordance with the formatting and mark-up requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this respect, they have incorporated the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration by reference in the consolidated management report.

Our responsibility consists of examining the digital files prepared by the directors of the parent company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the consolidated financial statements included in the aforementioned digital files correspond in their entirety to those of the consolidated financial statements that we have audited, and whether the consolidated financial statements and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital files examined correspond in their entirety to the audited consolidated financial statements, which are presented and have been marked up, in all material respects, in accordance with the ESEF Regulation.



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Additional Report to the Audit and Compliance Committee of the Parent_____

The opinion expressed in this report is consistent with our additional report to the Parent's audit and compliance committee dated 8 February 2023.

Contract Period _____

We were appointed as auditor of the Group by the shareholders at the ordinary general meeting on 12 March 2021 for a period of 3 years, from the year ended 31 December 2021.

Previously, we had been appointed as auditors by the shareholders of MAPFRE, S.A. for a period of 3 years, and have been auditing uninterrupted the Group's consolidated Annual Accounts since the year ended 31 December 2015.

KPMG Auditores, S.L.
On the Spanish Official
Register of Auditors ("ROAC") with No. S0702

(Signed on original in Spanish)

Ángel Crespo Rodrigo
On the Spanish Official
Register of Auditors ("ROAC") with No. 21.033
8 February 2023

**CONSOLIDATED ANNUAL ACCOUNTS
AND
CONSOLIDATED MANAGEMENT REPORT**

**2022
MAPFRE S.A.**

CONSOLIDATED ANNUAL ACCOUNTS

2022

MAPFRE S.A.

CONSOLIDATED ANNUAL ACCOUNTS 2022

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A) CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, 2022 AND 2021

ASSETS	Notes	2022	2021
A) INTANGIBLE ASSETS	6.1	2,915.3	2,911.2
I. Goodwill	6.1	1,445.6	1,472.4
II. Other intangible assets	6.1	1,469.7	1,438.8
B) PROPERTY, PLANT AND EQUIPMENT	6.2	1,301.9	1,295.0
I. Real estate for own use	6.2	1,084.7	1,071.8
II. Other property, plant and equipment	6.2	217.2	223.2
C) INVESTMENTS		34,691.3	39,243.0
I. Real estate investments	6.2	980.8	1,260.0
II. Financial investments			
1. Held-to-maturity portfolio	6.4	1,381.2	1,527.8
2. Available-for-sale portfolio	6.4	25,052.6	28,961.5
3. Trading portfolio	6.4	5,189.6	5,754.1
III. Investments recorded by applying the equity method		888.2	657.0
IV. Deposits established for accepted reinsurance		956.9	835.0
V. Other investments		242.0	247.6
D) INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK	6.5	3,037.1	2,957.3
E) INVENTORIES		53.4	54.0
F) PARTICIPATION OF REINSURANCE IN TECHNICAL PROVISIONS	6.13	6,215.4	6,084.6
G) DEFERRED TAX ASSETS	6.20	642.0	299.6
H) RECEIVABLES	6.6	5,991.8	5,594.7
I. Receivables on direct insurance and co-insurance operations	6.6	4,102.4	3,892.0
II. Receivables on reinsurance operations	6.6	685.5	791.7
III. Tax receivables			
1. Tax on profits receivable	6.20	306.5	191.4
2. Other tax receivables		141.0	173.7
IV. Corporate and other receivables	6.6	756.4	545.9
V. Shareholders' called capital		—	—
I) CASH		2,574.6	2,887.6
J) ACCRUAL ADJUSTMENTS	5.11	2,057.2	1,902.5
K) OTHER ASSETS		96.7	247.4
L) NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	6.9	49.1	377.3
TOTAL ASSETS		59,625.8	63,854.2

Figures in millions of euros

A) CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, 2022 AND 2021

EQUITY AND LIABILITIES		Notes	2022	2021
A) EQUITY		6.10	8,360.2	9,666.6
I. Paid-up capital		6.10	308.0	308.0
II. Share premium		6.10	1,506.7	1,506.7
III. Reserves			7,414.0	7,102.4
IV. Interim dividend		4.2	(184.8)	(184.8)
V. Treasury Stock		6.10	(41.4)	(62.9)
VI. Result for the period attributable to controlling company		4.1	642.1	765.2
VII. Other equity instruments			0.3	—
VIII. Valuation change adjustments		6.10	(922.4)	805.3
IX. Currency conversion differences		6.22	(1,433.2)	(1,776.3)
Equity attributable to the controlling company's shareholders			7,289.3	8,463.6
Non-controlling interests			1,070.9	1,203.0
B) SUBORDINATED LIABILITIES		6.11	1,627.0	1,122.2
C) TECHNICAL PROVISIONS		6.13	38,159.6	39,968.3
I. Provisions for unearned premiums and unexpired risks		6.13	8,066.5	7,638.6
II. Provisions for life insurance		6.13	16,227.2	19,089.5
III. Provision for outstanding claims		6.13	12,632.8	11,986.1
IV. Other technical provisions		6.13	1,233.1	1,254.1
D) TECHNICAL PROVISIONS FOR LIFE INSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK		6.13	3,037.1	2,957.3
E) PROVISIONS FOR RISKS AND EXPENSES		6.14	522.2	653.6
F) DEPOSITS RECEIVED ON CEDED AND RETROCEDED REINSURANCE		6.15	74.1	82.4
G) DEFERRED TAX LIABILITIES		6.20	208.0	537.7
H) DEBT		6.16	7,293.3	8,441.8
I. Issue of debentures and other negotiable securities		6.12	863.5	862.8
II. Due to credit institutions		6.12	444.3	1,106.5
III. Other financial liabilities		6.12	1,991.0	2,368.6
IV. Due on direct insurance and co-insurance operations			1,033.3	915.0
V. Due on reinsurance operations		6.16	1,095.2	1,252.8
VI. Tax liabilities				
1. Tax on profits to be paid		6.20	150.9	65.2
2. Other tax liabilities		6.16	326.3	341.0
VII. Other debts		6.16	1,388.8	1,529.9
I) ACCRUAL ADJUSTMENTS		5.11	332.6	300.5
J) LIABILITIES LINKED TO NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS		6.9	11.7	123.8
TOTAL EQUITY AND LIABILITIES			59,625.8	63,854.2

Figures in millions of euros

B) CONSOLIDATED STATEMENT OF INCOME AND COMPREHENSIVE INCOME FOR YEARS ENDING DECEMBER 31, 2022 AND 2021

B.1) CONSOLIDATED INCOME STATEMENT

ITEM	Notes	2022	2021
I. REVENUE FROM INSURANCE BUSINESS			
1. Premiums earned, net			
a) Written premiums, direct insurance	7.A.2	20,472.0	18,127.6
b) Premiums from accepted reinsurance	7.A.2	4,068.5	4,027.0
c) Premiums from ceded reinsurance	6.19	(4,619.2)	(4,307.8)
d) Variations in provisions for unearned premiums and unexpired risks			
Direct insurance	6.13	(473.6)	(450.3)
Accepted reinsurance	6.13	(130.8)	(181.7)
Ceded reinsurance	6.19	(105.1)	249.3
2. Share in profits from equity-accounted companies		16.7	9.3
3. Revenue from investments			
a) From operations	6.17	2,136.3	2,227.1
b) From equity	6.17	202.4	180.0
4. Gains on investments on behalf of life insurance policyholders bearing the investment risk	6.5	90.5	254.6
5. Other technical revenue		59.0	87.7
6. Other non-technical revenue		84.0	283.1
7. Positive foreign exchange differences	6.22	1,736.1	1,628.2
8. Reversal of the asset impairment provision	6.7	17.0	13.9
TOTAL REVENUE FROM INSURANCE BUSINESS		23,553.8	22,148.0
II. EXPENSES FROM INSURANCE BUSINESS			
1. Incurred claims for the year, net			
a) Claims paid and variation in provision for claims, net			
Direct insurance	5.15	(12,821.4)	(11,725.5)
Accepted reinsurance	5.15	(2,751.0)	(2,743.8)
Ceded reinsurance	6.19	2,873.5	2,229.4
b) Claims-related expenses	6.18	(789.6)	(760.5)
2. Variation in other technical provisions, net	5.15	318.3	190.2
3. Profit sharing and returned premiums		(77.8)	(55.2)
4. Net operating expenses			
a) Acquisition expenses	6.18	(5,086.2)	(4,611.0)
b) Administration expenses	6.18	(831.8)	(766.8)
c) Commissions and participation in reinsurance	6.19	764.4	722.4
5. Share in losses from equity-accounted companies		(1.6)	(2.0)
6. Investment expenses			
a) From operations	6.17	(1,246.4)	(910.0)
b) From equity and financial accounts	6.17	(98.4)	(53.1)
7. Losses on investments on behalf of life insurance policyholders bearing the investment risk	6.5	(258.9)	(70.3)
8. Other technical expenses	6.18	(132.6)	(352.8)
9. Other non-technical expenses	6.18	(172.4)	(152.9)
10. Negative foreign exchange differences	6.22	(1,676.8)	(1,574.2)
11. Allowance to the asset impairment provision	6.7	(20.3)	(29.0)
TOTAL EXPENSES FROM INSURANCE BUSINESS		(22,009.0)	(20,665.1)
RESULT FROM THE INSURANCE BUSINESS		1,544.8	1,482.9
III. OTHER ACTIVITIES			
1. Operating revenue		527.2	315.6
2. Operating expenses	6.18	(600.5)	(408.0)
3. Net financial income			
a) Financial income	6.17	83.2	84.9
b) Financial expenses	6.17	(111.9)	(108.5)
4. Results from non-controlling interests			
a) Share in profits from equity-accounted companies		14.2	8.2
b) Share in losses from equity-accounted companies		(2.6)	(6.3)
5. Reversal of asset impairment provision	6.7	2.7	11.1
6. Allowance to the asset impairment provision	6.7	(22.7)	(11.6)
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations		23.5	—
RESULT FROM OTHER ACTIVITIES		(86.9)	(114.6)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	3.3	(60.3)	(13.2)
V. RESULT BEFORE TAX FROM ONGOING OPERATIONS		1,397.6	1,355.1
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	6.20	(313.8)	(319.5)
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS		1,083.8	1,035.6
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS		—	—
IX. RESULT FOR THE PERIOD		1,083.8	1,035.6
1. Attributable to non-controlling interests	6.25	441.7	270.4
2. Attributable to the controlling company	4.1	642.1	765.2

Figures in millions of euros

Earnings per share (Euros)			
Basic	4.1	0.21	0.25
Diluted	4.1	0.21	0.25

B.2) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

ITEM	NOTES	2021	2020
A) CONSOLIDATED RESULT FOR THE YEAR		1,083.8	1,035.6
B) OTHER COMPREHENSIVE INCOME – HEADINGS NOT RECLASSIFIED TO RESULTS		—	—
C) OTHER COMPREHENSIVE INCOME – HEADINGS THAT CAN BE RECLASSIFIED SUBSEQUENT TO RESULTS		(1,387.1)	-371.0
1. Financial assets available for sale	6.4		
a) Valuation gains (losses)		(4,634.9)	(2,141.7)
b) Amounts transferred to the income statement		(93.8)	(179.0)
c) Other reclassifications		(2.1)	-4.7
2. Currency conversion differences	3.3 & 6.22		
a) Valuation gains (losses)		393.7	163.1
b) Amounts transferred to the income statement		0.2	1.4
c) Other reclassifications		0.1	-0.2
3. Shadow accounting			
a) Valuation gains (losses)	6.13	2,334.0	1,610.4
b) Amounts transferred to the income statement		14.9	3.6
c) Other reclassifications		—	—
4. Equity-accounted entities			
a) Valuation gains (losses)		13.0	(3.6)
b) Amounts transferred to the income statement		—	—
c) Other reclassifications		—	—
5. Other recognized revenue and expenses		15.1	15.1
6. Tax on profits		572.7	164.6
TOTAL COMPREHENSIVE INCOME FOR THE YEAR (A+B+C)		(303.3)	664.6
1. Attributable to the controlling company		(742.5)	439.2
2. Attributable to non-controlling interests		439.2	225.4

Figures in millions of euros

C) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS ON DECEMBER 31, 2022 AND 2021

EQUITY ATTRIBUTABLE TO CONTROLLING COMPANY												
ITEM	NOTES	SHAREHOLDERS' EQUITY									NON-CONTROLLING INTERESTS	TOTAL EQUITY
		SHARE CAPITAL	SHARE PREMIUM	RESERVES	INTERIM DIVIDEND	TREASURY STOCK	RESULT FOR THE YEAR ATTRIBUTABLE TO CONTROLLING COMPANY	OTHER EQUITY INSTRUMENTS	VALUATION CHANGE ADJUSTMENTS	CURRENCY CONVERSION DIFFERENCES		
OPENING BALANCE AS ON JANUARY 1, 2021		308.0	1,506.7	7,057.2	(154.0)	(63.4)	526.5	—	1,270.7	(1,915.7)	1,301.8	9,837.8
1.	Changes in accounting policies	—	—	—	—	—	—	—	—	—	—	—
2.	Correction of errors	—	—	—	—	—	—	—	—	—	—	—
ADJUSTED BALANCE AS ON JANUARY 1, 2021		308.0	1,506.7	7,057.2	(154.0)	(63.4)	526.5	—	1,270.7	(1,915.7)	1,301.8	9,837.8
I.	TOTAL COMPREHENSIVE REVENUE (EXPENSES)	—	—	—	—	—	765.2	—	(465.4)	139.4	225.4	664.6
II.	OPERATIONS WITH THE CONTROLLING COMPANY'S SHAREHOLDERS AND NON-CONTROLLING INTERESTS	—	—	(315.5)	(184.8)	0.5	—	—	—	—	(329.2)	(829.0)
1.	Capital increases (decreases)	—	—	—	—	—	—	—	—	—	90.9	90.9
2.	Distribution of dividends	4.2 & 6.25	—	(230.8)	(184.8)	—	—	—	—	—	(187.0)	(602.6)
3.	Increases (decreases) from business combinations	6.24	—	(0.8)	—	—	—	—	—	—	(216.6)	(217.4)
4.	Other operations with the controlling company's shareholders and non-controlling interests		—	(83.8)	—	—	—	—	—	—	(16.5)	(100.3)
5.	Operations with treasury stock and own shares	6.10	—	(0.1)	—	0.5	—	—	—	—	—	0.4
III.	OTHER VARIATIONS IN EQUITY	—	—	360.7	154.0	—	(526.5)	—	—	—	5.0	(6.8)
1.	Transfers among equity items		—	372.5	154.0	—	(526.5)	—	—	—	—	—
2.	Other variations		—	(11.8)	—	—	—	—	—	—	5.0	(6.8)
CLOSING BALANCE AS ON DECEMBER 31, 2021		308.0	1,506.7	7,102.4	(184.8)	(62.9)	765.2	—	805.3	(1,776.3)	1,203.0	9,666.6

Figures in millions of euros

EQUITY ATTRIBUTABLE TO CONTROLLING COMPANY												
ITEM	NOTES	SHAREHOLDERS' EQUITY									NON-CONTROLLING INTERESTS	TOTAL EQUITY
		SHARE CAPITAL	SHARE PREMIUM	RESERVES	INTERIM DIVIDEND	TREASURY STOCK	RESULT FOR THE YEAR ATTRIBUTABLE TO CONTROLLING COMPANY	OTHER EQUITY INSTRUMENTS	VALUATION CHANGE ADJUSTMENTS	CURRENCY CONVERSION DIFFERENCES		
OPENING BALANCE AS ON JANUARY 1, 2022		308.0	1,506.7	7,102.4	(184.8)	(62.9)	765.2	—	805.3	(1,776.3)	1,203.0	9,666.6
1.	Changes in accounting policies	—	—	—	—	—	—	—	—	—	—	—
2.	Correction of errors	—	—	—	—	—	—	—	—	—	—	—
ADJUSTED BALANCE AS ON JANUARY 1, 2022		308.0	1,506.7	7,102.4	(184.8)	(62.9)	765.2	—	805.3	(1,776.3)	1,203.0	9,666.6
I.	TOTAL COMPREHENSIVE REVENUE (EXPENSES)	—	—	—	—	—	642.1	—	(1,727.7)	343.1	439.2	(303.3)
II.	OPERATIONS WITH THE CONTROLLING COMPANY'S SHAREHOLDERS AND NON-CONTROLLING INTERESTS	—	—	(265.4)	(184.8)	21.5	—	0.3	—	—	(562.9)	(991.3)
1.	Capital increases (decreases)	—	—	—	—	—	—	—	—	—	30.0	30.0
2.	Distribution of dividends	4.2 & 6.25	—	(261.7)	(184.8)	—	—	—	—	—	(421.7)	(868.2)
3.	Increases (decreases) from business combinations	6.24	—	—	—	—	—	—	—	—	(81.7)	(81.7)
4.	Other operations with the controlling company's shareholders and non-controlling interests	6.8	—	—	—	—	—	0.3	—	—	(89.5)	(89.2)
5.	Operations with treasury stock and own shares	6.10	—	—	(3.7)	—	21.5	—	—	—	—	17.8
III.	OTHER VARIATIONS IN EQUITY	—	—	577.0	184.8	—	(765.2)	—	—	—	(8.4)	(11.8)
1.	Transfers among equity items	—	—	580.4	184.8	—	(765.2)	—	—	—	—	—
2.	Other variations	—	—	(3.4)	—	—	—	—	—	—	(8.4)	(11.8)
CLOSING BALANCE AS ON DECEMBER 31, 2022		308.0	1,506.7	7,414.0	(184.8)	(41.4)	642.1	0.3	(922.4)	(1,433.2)	1,070.9	8,360.2

Figures in millions of euros

D) CONSOLIDATED CASH FLOW STATEMENT FOR YEARS ENDING DECEMBER 31, 2022 AND 2021

ITEM	NOTES	2022	2021
1. Insurance activity:		1,324.5	283.7
Cash received from insurance activity		25,277.0	21,161.5
Cash payments from insurance activity		(23,952.5)	(20,877.8)
2. Other operating activities:		(370.8)	(420.4)
Cash received from other operating activities		743.2	457.1
Cash payments from other operating activities		(1,114.0)	(877.5)
3. Receipt (payment) of income tax		(376.9)	(349.2)
NET CASH FLOWS FROM OPERATING ACTIVITIES		576.8	(485.9)
1. Proceeds from investment activities:		24,799.6	21,692.3
Property, plant and equipment		2.6	6.7
Real estate investments		225.5	119.0
Intangible fixed assets		—	247.7
Financial instruments		21,458.4	18,010.3
Equity instruments		2,063.4	1,850.3
Controlled companies and other business units	6.8	233.7	375.1
Interest collected		654.8	948.6
Dividends collected		115.6	87.4
Other proceeds related to investment activities		45.6	47.2
2. Payments from investment activities:		(24,998.1)	(20,377.5)
Property, plant and equipment	6.2	(66.8)	(36.1)
Real estate investments	6.2	(40.3)	(215.9)
Intangible fixed assets		(162.7)	(89.6)
Financial instruments		(22,162.8)	(17,193.7)
Equity instruments		(2,468.8)	(2,655.7)
Controlled companies and other business units	6.8 & 6.24	(47.4)	(125.0)
Other payments related to investment activities		(49.3)	(61.5)
NET CASH FLOWS FROM INVESTMENT ACTIVITIES		(198.5)	1,314.8
1. Proceeds from financing activities		1,151.8	868.7
Subordinated liabilities		500.0	—
Proceeds from issuing of equity instruments and capital increases		30.0	91.7
Proceeds from sale of treasury stock	6.10	17.8	0.3
Other proceeds related to financing activities		604.0	776.7
2. Payments from financing activities		(1,876.1)	(1,238.1)
Dividends paid to shareholders		(876.4)	(614.3)
Interest paid		(79.9)	(73.5)
Subordinated liabilities		—	(0.4)
Payments on return of shareholders' contributions		(16.8)	—
Purchase of treasury stock	6.10	—	—
Other payments related to financing activities	6.8	(903.0)	(549.9)
NET CASH FLOW FROM FINANCING ACTIVITIES		(724.3)	(369.4)
Conversion differences in cash flow and cash balances		33.0	9.2
NET INCREASE(DECREASE) IN CASH FLOW		(313.0)	468.7
OPENING CASH BALANCE		2,887.6	2,418.9
CLOSING CASH BALANCE		2,574.6	2,887.6

Figures in millions of euros

E) FINANCIAL INFORMATION BY SEGMENT - CONSOLIDATED INCOME STATEMENT FOR YEAR ENDING DECEMBER 31, 2022

ITEM	IBERIA	LATAM NORTH	LATAM SOUTH	BRAZIL	NORTH AMERICA
I. REVENUE FROM INSURANCE BUSINESS					
1 Premiums earned, net					
a) Written premiums, direct insurance	7,602.0	2,101.5	1,997.9	4,851.5	2,550.7
b) Premiums from accepted reinsurance	23.6	15.6	9.0	—	38.9
c) Premiums from ceded reinsurance	(1,011.8)	(678.1)	(916.8)	(1,109.9)	(794.6)
d) Variations in provisions for unearned premiums and unexpired risks, net					
Direct insurance	(75.0)	245.1	(109.9)	(571.5)	(67.6)
Accepted reinsurance	(1.7)	0.2	(3.2)	—	0.3
Ceded reinsurance	15.7	(233.7)	51.3	132.0	7.9
2 Share in profits from equity-accounted companies	17.2	—	—	—	—
3 Revenues from investments					
From operations	1,144.5	85.4	226.6	284.2	80.8
From equity	105.4	13.5	11.0	2.1	56.8
4 Unrealized gains on investments on behalf of life insurance policyholders bearing the investment risk	44.4	5.1	—	41.0	—
5 Other technical revenue	30.4	3.7	(0.3)	1.5	16.9
6 Other non-technical revenue	77.9	0.4	3.2	0.2	0.6
7 Positive foreign exchange differences	26.1	40.4	32.8	3.9	—
8 Reversal of the asset impairment provision	13.9	—	—	—	—
TOTAL REVENUE FROM INSURANCE BUSINESS	8,012.6	1,599.1	1,301.6	3,635.0	1,890.7
II. EXPENSES FROM INSURANCE BUSINESS					
1 Incurred claims for the financial year, net					
a) Claims paid and variation in provision for outstanding claims, net					
Direct insurance	(5,412.7)	(1,265.9)	(1,458.0)	(2,131.5)	(1,476.4)
Accepted reinsurance	(7.8)	(9.4)	(0.6)	—	(12.8)
Ceded reinsurance	654.9	285.0	875.2	742.3	307.8
b) Claims-related expenses	(401.8)	(25.7)	(39.2)	(63.7)	(183.8)
2 Variation in other technical provisions, net	117.9	28.7	(101.5)	(88.2)	(0.3)
3 Profit sharing and returned premiums	(40.1)	(19.5)	1.7	(18.5)	—
4 Net operating expenses					
a) Acquisition expenses	(1,174.8)	(412.2)	(433.5)	(1,241.7)	(554.8)
b) Administration expenses	(159.1)	(80.9)	(64.6)	(191.8)	(200.6)
c) Commissions and participation in reinsurance	145.2	75.6	108.8	137.7	225.4
5 Share in losses from equity-accounted companies	(11.6)	—	—	—	—
6 Investment expenses					
a) From operations	(662.2)	(32.9)	(15.2)	(82.3)	(5.6)
b) From equity and financial accounts	(87.7)	(1.3)	(1.1)	—	(4.8)
7 Unrealized losses on investments on account of life insurance policyholders bearing investment risk	(240.0)	(10.2)	(1.0)	—	—
8 Other technical expenses	(77.7)	(18.3)	(8.8)	(0.9)	—
9 Other non-technical expenses	(164.9)	(1.1)	(2.6)	—	(1.3)
10 Negative foreign exchange differences	(24.6)	(42.7)	(21.2)	—	(0.5)
11 Allowance to the asset impairment provision	(13.0)	(0.1)	(0.9)	—	—
TOTAL EXPENSES FROM INSURANCE BUSINESS	(7,560.0)	(1,530.9)	(1,162.5)	(2,938.6)	(1,907.7)
RESULT FROM THE INSURANCE BUSINESS	452.6	68.2	139.1	696.4	(17.0)
III. OTHER ACTIVITIES					
1 Operating revenue	342.6	7.4	39.3	12.9	4.0
2 Operating expenses	(301.7)	(6.4)	(31.5)	(12.2)	(5.7)
3 Net financial income					
a) Financial income	20.7	5.2	3.8	10.5	0.2
b) Financial expenses	(4.9)	(4.5)	(0.4)	(2.6)	—
4 Result from non-controlling interests					
a) Share in profits from equity-accounted companies	2.9	—	—	—	—
b) Share in losses from equity-accounted companies	—	—	—	—	—
5 Reversal of asset impairment provision	2.6	—	—	—	—
6 Allowance to the asset impairment provision	(3.2)	—	—	—	—
7 Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	—	—	—	—	—
RESULT FROM OTHER ACTIVITIES	59.0	1.7	11.2	8.6	(1.5)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	—	—	(41.7)	—	—
V. RESULT BEFORE TAX FROM ONGOING OPERATIONS	511.6	69.9	108.6	705.0	(18.5)
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	(101.4)	(16.8)	3.2	(186.3)	1.7
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS	410.2	53.1	111.8	518.7	(16.8)
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	—	—	—	—	—
IX. RESULT FOR THE PERIOD	410.2	53.1	111.8	518.7	(16.8)
1 Attributable to non-controlling interests	34.7	7.2	0.5	375.0	—
2 Attributable to the controlling company	375.5	45.9	111.3	143.7	(16.8)

Figures in millions of euros

E) FINANCIAL INFORMATION BY SEGMENT - CONSOLIDATED INCOME STATEMENT FOR YEAR ENDING DECEMBER 31, 2022

ITEM	EURASIA	ASISTENCIA	GLOBAL RISKS	REINSURANCE	CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS	TOTAL
I. REVENUE FROM INSURANCE BUSINESS						
1 Premiums earned, net						
a) Written premiums, direct insurance	1,302.9	65.5	—	—	—	20,472.0
b) Premiums from accepted reinsurance	14.4	148.2	1,550.6	5,670.7	(3,402.5)	4,068.5
c) Premiums from ceded reinsurance	(366.8)	(32.4)	(1,302.2)	(1,809.1)	3,402.5	(4,619.2)
d) Variations in provisions for unearned premiums and unexpired risks, net						
Direct insurance	44.8	60.5	—	—	—	(473.6)
Accepted reinsurance	(6.6)	6.7	(22.9)	(245.2)	141.6	(130.8)
Ceded reinsurance	(4.5)	11.0	11.0	45.8	(141.6)	(105.1)
2 Share in profits from equity-accounted companies	0.2	—	—	—	(0.7)	16.7
3 Revenues from investments						
From operations	141.8	0.7	8.8	177.3	(13.8)	2,136.3
From equity	14.3	—	—	1.0	(1.7)	202.4
4 Unrealized gains on investments on behalf of life insurance policyholders bearing the investment risk	—	—	—	—	—	90.5
5 Other technical revenue	6.7	—	—	0.3	(0.2)	59.0
6 Other non-technical revenue	1.8	—	—	—	(0.1)	84.0
7 Positive foreign exchange differences	68.2	—	572.3	992.4	—	1,736.1
8 Reversal of the asset impairment provision	—	—	1.2	1.9	—	17.0
TOTAL REVENUE FROM INSURANCE BUSINESS	1,217.2	260.2	818.8	4,835.1	(16.5)	23,553.8
II. EXPENSES FROM INSURANCE BUSINESS						
1 Incurred claims for the financial year, net						
a) Claims paid and variation in provision for outstanding claims, net						
Direct insurance	(1,028.0)	(48.9)	—	—	—	(12,821.4)
Accepted reinsurance	(22.3)	(72.1)	(1,222.9)	(3,647.3)	2,244.2	(2,751.0)
Ceded reinsurance	192.2	9.7	1,049.1	1,001.5	(2,244.2)	2,873.5
b) Claims-related expenses	(48.5)	(28.3)	—	(0.9)	2.3	(789.6)
2 Variation in other technical provisions, net	362.7	—	—	(1.0)	—	318.3
3 Profit sharing and returned premiums	(1.4)	—	—	—	—	(77.8)
4 Net operating expenses						
a) Acquisition expenses	(267.8)	(99.9)	(152.6)	(1,320.2)	571.3	(5,086.2)
b) Administration expenses	(107.0)	(9.4)	—	(26.2)	7.8	(831.8)
c) Commissions and participation in reinsurance	149.1	3.9	113.6	376.1	(571.0)	764.4
5 Share in losses from equity-accounted companies	—	—	—	—	10.0	(1.6)
6 Investment expenses						
a) From operations	(391.0)	(0.2)	(1.4)	(58.1)	2.5	(1,246.4)
b) From equity and financial accounts	(0.5)	—	—	(3.1)	0.1	(98.4)
7 Unrealized losses on investments on account of life insurance policyholders bearing investment risk	(7.7)	—	—	—	—	(258.9)
8 Other technical expenses	(7.5)	(7.0)	—	(12.6)	0.2	(132.6)
9 Other non-technical expenses	(2.5)	—	—	—	—	(172.4)
10 Negative foreign exchange differences	(31.7)	(1.2)	(576.8)	(978.1)	—	(1,676.8)
11 Allowance to the asset impairment provision	(6.3)	—	—	—	—	(20.3)
TOTAL EXPENSES FROM INSURANCE BUSINESS	(1,218.2)	(253.4)	(791.0)	(4,669.9)	23.2	(22,009.0)
RESULT FROM THE INSURANCE BUSINESS	(1.0)	6.8	27.8	165.2	6.7	1,544.8
III. OTHER ACTIVITIES						
1 Operating revenue	4.2	218.4	(0.1)	(0.2)	(101.3)	527.2
2 Operating expenses	(3.5)	(231.6)	—	—	(7.9)	(600.5)
3 Net financial income						
a) Financial income	—	10.1	—	—	32.7	83.2
b) Financial expenses	—	(14.6)	—	—	(84.9)	(111.9)
4 Result from non-controlling interests						
a) Share in profits from equity-accounted companies	—	—	—	—	11.3	14.2
b) Share in losses from equity-accounted companies	—	—	—	—	(2.6)	(2.6)
5 Reversal of asset impairment provision	—	—	—	—	0.1	2.7
6 Allowance to the asset impairment provision	—	—	—	—	(19.5)	(22.7)
7 Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	—	23.5	—	—	—	23.5
RESULT FROM OTHER ACTIVITIES	0.7	5.8	(0.1)	(0.2)	(172.1)	(86.9)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	(16.6)	(2.0)	—	—	—	(60.3)
V. RESULT BEFORE TAX FROM ONGOING OPERATIONS	(16.9)	10.6	27.7	165.0	(165.4)	1,397.6
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	0.1	(3.4)	(6.9)	(42.4)	38.4	(313.8)
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS	(16.8)	7.2	20.8	122.6	(127.0)	1,083.8
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	—	—	—	—	—	—
IX. RESULT FOR THE PERIOD	(16.8)	7.2	20.8	122.6	(127.0)	1,083.8
1 Attributable to non-controlling interests	12.8	0.3	—	—	11.2	441.7
2 Attributable to the controlling company	(29.6)	6.9	20.8	122.6	(138.2)	642.1

Figures in millions of euros

E) FINANCIAL INFORMATION BY SEGMENT - CONSOLIDATED INCOME STATEMENT FOR YEAR ENDING DECEMBER 31, 2021

ITEM	IBERIA	LATAM NORTH	LATAM SOUTH	BRAZIL	NORTH AMERICA
I. REVENUE FROM INSURANCE BUSINESS					
1 Premiums earned, net					
a) Written premiums, direct insurance	7,575.0	2,178.7	1,617.4	3,340.1	1,972.8
b) Premiums from accepted reinsurance	21.4	9.0	0.3	—	100.3
c) Premiums from ceded reinsurance	(930.5)	(988.5)	(743.0)	(707.5)	(595.1)
d) Variations in provisions for unearned premiums and unexpired risks, net					
Direct insurance	(42.8)	(245.1)	(54.7)	(330.3)	39.7
Accepted reinsurance	(1.0)	(0.1)	2.6	—	(5.8)
Ceded reinsurance	19.8	224.8	20.0	67.1	(6.9)
2 Share in profits from equity-accounted companies	27.4	—	—	—	—
3 Revenues from investments					
From operations	1,349.4	79.0	136.3	138.2	67.7
From equity	79.2	10.4	9.8	1.3	60.3
4 Unrealized gains on investments on behalf of life insurance policyholders bearing the investment risk	229.3	9.4	0.6	8.7	—
5 Other technical revenue	22.5	8.4	33.3	1.1	13.5
6 Other non-technical revenue	279.4	0.7	2.2	—	0.3
7 Positive foreign exchange differences	19.2	15.0	12.6	—	—
8 Reversal of the asset impairment provision	11.0	—	0.1	—	—
TOTAL REVENUE FROM INSURANCE BUSINESS	8,659.3	1,301.7	1,037.5	2,518.7	1,646.8
II. EXPENSES FROM INSURANCE BUSINESS					
1 Incurred claims for the financial year, net					
a) Claims paid and variation in provision for outstanding claims, net					
Direct insurance	(6,063.2)	(1,251.8)	(611.6)	(1,720.6)	(1,054.5)
Accepted reinsurance	(5.7)	(6.9)	(0.2)	—	(22.5)
Ceded reinsurance	619.0	379.8	140.9	614.4	206.8
b) Claims-related expenses	(391.9)	(17.1)	(31.3)	(46.9)	(158.5)
2 Variation in other technical provisions, net	354.0	30.9	(67.7)	(66.0)	(0.4)
3 Profit sharing and returned premiums	(38.0)	(15.4)	(0.6)	0.6	—
4 Net operating expenses					
a) Acquisition expenses	(1,207.5)	(317.3)	(355.7)	(904.6)	(444.3)
b) Administration expenses	(157.8)	(67.2)	(53.6)	(136.0)	(180.6)
c) Commissions and participation in reinsurance	154.6	69.9	85.6	91.0	152.8
5 Share in losses from equity-accounted companies	(2.0)	—	—	—	—
6 Investment expenses					
a) From operations	(625.3)	(23.8)	(21.1)	(56.2)	(4.9)
b) From equity and financial accounts	(43.8)	(0.7)	(1.5)	—	(5.0)
7 Unrealized losses on investments on account of life insurance policyholders bearing investment risk	(57.6)	(2.3)	—	(10.4)	—
8 Other technical expenses	(273.3)	(13.9)	(29.1)	(0.8)	—
9 Other non-technical expenses	(134.9)	(1.7)	(4.3)	—	(8.8)
10 Negative foreign exchange differences	(12.9)	(12.8)	(7.6)	(1.5)	—
11 Allowance to the asset impairment provision	(19.9)	—	(2.8)	—	(2.9)
TOTAL EXPENSES FROM INSURANCE BUSINESS	(7,906.2)	(1,250.3)	(960.6)	(2,237.0)	(1,522.8)
RESULT FROM THE INSURANCE BUSINESS	753.1	51.4	76.9	281.7	124.0
III. OTHER ACTIVITIES					
1 Operating revenue	293.6	8.1	10.7	10.5	1.3
2 Operating expenses	(250.8)	(7.9)	(8.2)	(7.4)	(3.6)
3 Net financial income					
a) Financial income	8.1	1.8	1.3	19.5	(1.7)
b) Financial expenses	(3.1)	(1.4)	(0.2)	(1.8)	—
4 Result from non-controlling interests					
a) Share in profits from equity-accounted companies	2.5	—	—	—	—
b) Share in losses from equity-accounted companies	—	—	—	—	—
5 Reversal of asset impairment provision	3.1	—	—	—	—
6 Allowance to the asset impairment provision	(4.0)	—	—	—	—
7 Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	—	—	—	—	—
RESULT FROM OTHER ACTIVITIES	49.4	0.6	3.6	20.8	(4.0)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	—	—	(12.0)	—	—
V. RESULT BEFORE TAX FROM ONGOING OPERATIONS	802.5	52.0	68.5	302.5	120.0
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	(188.7)	(13.4)	(12.0)	(71.2)	(31.2)
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS	613.8	38.6	56.5	231.3	88.8
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	—	—	—	—	—
IX. RESULT FOR THE PERIOD	613.8	38.6	56.5	231.3	88.8
1 Attributable to non-controlling interests	73.1	11.8	2.4	157.0	—
2 Attributable to the controlling company	540.7	26.8	54.1	74.3	88.8

Figures in millions of euros

E) FINANCIAL INFORMATION BY SEGMENT - CONSOLIDATED INCOME STATEMENT FOR YEAR ENDING DECEMBER 31, 2021

ITEM	EURASIA	MAPFRE ASISTENCIA	MAPFRE GLOBAL RISKS	MAPFRE RE	CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS	TOTAL
I. REVENUE FROM INSURANCE BUSINESS						
1 Premiums earned, net						
a) Written premiums, direct insurance	1,346.8	83.4	—	—	13.4	18,127.6
b) Premiums from accepted reinsurance	14.0	403.0	1,283.0	4,991.6	(2,795.6)	4,027.0
c) Premiums from ceded reinsurance	(390.8)	(126.9)	(1,059.5)	(1,557.6)	2,791.6	(4,307.8)
d) Variations in provisions for unearned premiums and unexpired risks, net						
Direct insurance	112.3	75.6	—	—	(5.0)	(450.3)
Accepted reinsurance	1.2	(10.2)	(4.1)	(260.4)	96.1	(181.7)
Ceded reinsurance	0.2	(20.3)	(16.2)	55.8	(95.0)	249.3
2 Share in profits from equity-accounted companies	0.3	—	—	—	(18.4)	9.3
3 Revenues from investments						
From operations	248.8	8.8	19.0	184.4	(4.5)	2,227.1
From equity	21.5	—	—	0.1	(2.6)	180.0
4 Unrealized gains on investments on behalf of life insurance policyholders bearing the investment risk	6.6	—	—	—	—	254.6
5 Other technical revenue	8.4	—	—	0.7	(0.2)	87.7
6 Other non-technical revenue	0.6	—	—	—	(0.1)	283.1
7 Positive foreign exchange differences	66.1	1.5	1,351.4	140.6	21.8	1,628.2
8 Reversal of the asset impairment provision	—	—	0.4	2.4	—	13.9
TOTAL REVENUE FROM INSURANCE BUSINESS	1,436.0	414.9	1,574.0	3,557.6	1.5	22,148.0
II. EXPENSES FROM INSURANCE BUSINESS						
1 Incurred claims for the financial year, net						
a) Claims paid and variation in provision for outstanding claims, net						
Direct insurance	(969.5)	(44.8)	—	—	(9.5)	(11,725.5)
Accepted reinsurance	(17.6)	(150.5)	(704.1)	(3,328.1)	1,491.8	(2,743.8)
Ceded reinsurance	148.8	41.6	570.4	999.1	(1,491.4)	2,229.4
b) Claims-related expenses	(50.3)	(64.7)	—	(0.8)	1.0	(760.5)
2 Variation in other technical provisions, net	(89.2)	—	—	28.6	—	190.2
3 Profit sharing and returned premiums	(1.8)	—	—	—	—	(55.2)
4 Net operating expenses						
a) Acquisition expenses	(302.0)	(212.4)	(138.3)	(1,248.8)	519.9	(4,611.0)
b) Administration expenses	(135.2)	(19.4)	—	(22.6)	5.6	(766.8)
c) Commissions and participation in reinsurance	174.7	54.1	103.2	357.5	(521.0)	722.4
5 Share in losses from equity-accounted companies	—	—	—	—	—	(2.0)
6 Investment expenses						
a) From operations	(120.9)	(5.5)	(5.6)	(38.7)	(8.0)	(910.0)
b) From equity and financial accounts	(1.8)	—	—	(0.2)	(0.1)	(53.1)
7 Unrealized losses on investments on account of life	—	—	—	—	—	(70.3)
8 Other technical expenses	(9.3)	(16.9)	—	(9.4)	(0.1)	(352.8)
9 Other non-technical expenses	(3.2)	—	—	—	—	(152.9)
10 Negative foreign exchange differences	(36.8)	(1.1)	(1,354.2)	(145.2)	(2.1)	(1,574.2)
11 Allowance to the asset impairment provision	(2.0)	—	—	(0.4)	(1.0)	(29.0)
TOTAL EXPENSES FROM INSURANCE BUSINESS	(1,416.1)	(419.6)	(1,528.6)	(3,409.0)	(14.9)	(20,665.1)
RESULT FROM THE INSURANCE BUSINESS	19.9	(4.7)	45.4	148.6	(13.4)	1,482.9
III. OTHER ACTIVITIES						
1 Operating revenue	2.7	73.2	(0.2)	—	(84.3)	315.6
2 Operating expenses	(2.2)	(81.8)	—	—	(46.1)	(408.0)
3 Net financial income						
a) Financial income	0.2	7.8	—	—	47.9	84.9
b) Financial expenses	—	(3.9)	—	—	(98.1)	(108.5)
4 Result from non-controlling interests						
a) Share in profits from equity-accounted companies	—	—	—	—	5.7	8.2
b) Share in losses from equity-accounted companies	—	—	—	—	(6.3)	(6.3)
5 Reversal of asset impairment provision	—	—	—	—	8.0	11.1
6 Allowance to the asset impairment provision	—	—	—	—	(7.6)	(11.6)
7 Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	—	—	—	—	—	—
RESULT FROM OTHER ACTIVITIES	0.7	(4.7)	(0.2)	—	(180.8)	(114.6)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	—	(0.7)	—	—	(0.5)	(13.2)
V. RESULT BEFORE TAX FROM ONGOING OPERATIONS	20.6	(10.1)	45.2	148.6	(194.7)	1,355.1
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	(6.5)	12.4	(11.3)	(30.8)	33.2	(319.5)
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS	14.1	2.3	33.9	117.8	(161.5)	1,035.6
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	—	—	—	—	—	—
IX. RESULT FOR THE PERIOD	14.1	2.3	33.9	117.8	(161.5)	1,035.6
1 Attributable to non-controlling interests	13.2	1.7	—	—	11.2	270.4
2 Attributable to the controlling company	0.9	0.6	33.9	117.8	(172.7)	765.2

Figures in millions of euros

F) SUPPLEMENTARY FINANCIAL INFORMATION BY PRODUCT AND GEOGRAPHICAL AREA

1. CONSOLIDATED ORDINARY REVENUES FROM EXTERNAL CLIENTS IN FINANCIAL YEARS ENDING DECEMBER 31, 2022 AND 2021

The breakdown of consolidated ordinary revenues, by product and country, in line with the segments broken down in Note 2.2, is as follows:

1.a) Information by product

Products	2022	2021
Life	4,506.0	4,257.5
Automobile	5,912.4	5,388.4
Homeowners and commercial risks	2,670.1	2,349.8
Health	1,569.0	1,374.0
Accidents	253.6	222.6
Other Non-Life	5,858.4	5,128.1
Reinsurance	7,274.1	6,274.6
Other Activities	1,116.7	911.4
Consolidation adjustments	(4,092.8)	(3,436.2)
TOTAL	25,067.5	22,470.2

Figures in millions of euros

1.b) Information by country

Geographic Area / Countries	2022	2021
IBERIA		
Spain	7,824.6	7,759.4
Portugal	143.5	130.4
LATAM NORTH		
Mexico	1,029.1	1,325.5
Panama	254.8	223.7
Other	840.3	646.5
LATAM SOUTH		
Argentina	221.5	191.2
Chile	398.0	338.9
Colombia	411.2	367.9
Peru	732.5	517.1
Other	282.8	213.3
BRAZIL	4,864.5	3,350.7
NORTH AMERICA		
United States of America	2,225.5	1,738.0
Puerto Rico	368.0	336.3
EURASIA		
Italy	197.8	217.8
Malta	339.1	406.7
Turkey	369.4	304.9
Other	415.0	434.2
ASISTENCIA	432.0	559.6
GLOBAL RISKS	1,550.6	1,283.0
REINSURANCE	5,670.7	4,991.6
CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS	(3,503.4)	(2,866.5)
TOTAL	25,067.5	22,470.2

Figures in millions of euros

Direct insurance and accepted reinsurance premiums, as well as operating revenues from non-insurance activities are considered as ordinary revenues.

No client contributes, on an individual basis, more than 10 percent of the Group's ordinary revenues.

2. NON-CURRENT ASSETS AT DECEMBER 31, 2022 AND 2021

The breakdown of non-current assets in line with the segments broken down in Note 2.2, is as follows:

Geographic Area / Countries	2022	2021
IBERIA		
Spain	1,998.6	2,065.2
Portugal	41.0	42.9
LATAM NORTH		
Mexico	156.9	153.1
Panama	43.9	56.0
Other	71.4	63.6
LATAM SOUTH		
Argentina	41.7	34.8
Chile	27.2	24.9
Colombia	22.0	27.0
Peru	160.4	126.5
Other	28.5	24.1
BRAZIL	694.7	564.1
NORTH AMERICA		
United States of America	258.1	251.9
Puerto Rico	73.8	54.2
EURASIA		
Italy	70.9	81.9
Malta	226.5	231.9
Turkey	47.4	22.7
Other	21.6	253.3
ASISTENCIA	110.3	81.7
GLOBAL RISKS	—	—
REINSURANCE	72.5	63.8
CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS	489.7	829.0
TOTAL	4,657.1	5,052.6

Figures in millions of euros

Non-current assets include intangible fixed assets other than goodwill and portfolio acquisition expenses, property, plant and equipment, real estate investments, inventories, tax receivables, corporate and other receivables, other assets, and non-current assets held for sale and from discontinued operations, with information in Note 6.9 herein regarding the latter.

G) CONSOLIDATED ANNUAL REPORT

1. GENERAL INFORMATION REGARDING THE COMPANY AND ITS ACTIVITIES

MAPFRE S.A. (hereinafter the "controlling Company") is a listed public limited company and parent of a number of controlled companies engaged in insurance activity in its various lines of business, both Life and Non-Life, finance, securities investment, and services.

MAPFRE S.A. is a subsidiary of CARTERA MAPFRE, S.L. Single-Member Company (hereinafter, CARTERA MAPFRE), fully controlled by Fundación MAPFRE.

The scope of activity of the controlling company and its subsidiaries (hereinafter "MAPFRE", "the Group" or "MAPFRE Group") includes the Spanish territory, European Economic Area countries, and other countries.

The controlling company was incorporated in Spain and has its registered office in Majadahonda (Madrid), Carretera de Pozuelo 52.

In 2022, the MAPFRE Group business activities were carried out through the organizational structure comprising four Business Units (Insurance, Assistance, Global Risks and Reinsurance), and six Regional Areas (Iberia - Spain and Portugal - Brazil, LATAM North - Mexico, the Central America subregion and Dominican Republic - LATAM South - Argentina, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay and Venezuela - North America - United States and Puerto Rico - and EURASIA - Europe, Middle East, Africa and Asia-Pacific).

The Insurance Business Unit is organized according to the regional areas of MAPFRE, which comprise the geographical units that plan, support and supervise in the region.

The Reinsurance and Global Risks business comprise the legal entity MAPFRE RE.

The activity of the various Business Units is complemented by the Corporate Areas (Internal Audit, Strategy and M&A, Finance and Resources, Investment, Business and Clients, People and Organization, External Relations and Communications, General Counsel and Legal Affairs, Operational Transformation, Technology and Operations) which have global responsibilities for all the Group's companies worldwide regarding the development, implementation, and monitoring of global, regional and local corporate policies.

MAPFRE pushes for multi-channel distribution, adapting its commercial structure to the different legislations in which it operates.

The focus on the client, the global product offer, and the adaptation to the legal and commercial particularities of each of the markets in which it is present are some of the key factors of success of the company's business model.

The individual and consolidated annual accounts were prepared by the Board of Directors on February 8, 2023 using the single electronic reporting format set out in the Delegated Regulation (EU) 2019/815. They are expected to be approved by the Annual General Meeting. Spanish regulations provide for the possibility of modifying the consolidated annual accounts if they are not approved by the aforementioned sovereign body.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED ANNUAL ACCOUNTS

2.1. BASIS OF PRESENTATION

The Group's consolidated annual accounts were prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (EU-IFRS), with all companies having carried out the requisite standardization adjustments.

The consolidated annual accounts have been prepared on the cost model basis, except for financial assets available for sale, financial assets for trading and derivative instruments, which are recorded at their fair value.

There was no early application of the rules and interpretations which, having been approved by the European Commission, had not entered into force at the close of 2022. However, had there been any, their early adoption would not have affected the Group's financial situation and results, with the exception of what is indicated in Note 2.5 below.

The figures presented in the Consolidated Annual Accounts have been rounded for ease of reporting. Therefore, the totals of the rows or columns may not coincide with the arithmetic sums of the amounts included therein.

2.2. FINANCIAL INFORMATION BY SEGMENT

Section E) of the consolidated annual accounts contains the financial information broken down by operating segment, which is aligned with the Group organizational structure and with the information provided to Management and to the market.

The organizational structure identifies the following operating segments based on the activities of the Business Units:

- INSURANCE
 - IBERIA
 - BRAZIL
 - LATAM NORTH
 - LATAM SOUTH
 - NORTH AMERICA
 - EURASIA
- ASSISTANCE
- GLOBAL RISKS
- REINSURANCE

Revenues and expenses from the Insurance business also include complementary activities relating to asset and real estate management, and from medical services, assistance, funeral services, technology services, and others. The operating segment corresponding to the Insurance Unit presents its information according to the structure of the Group's regional areas and taking into account the quantitative thresholds established in prevailing regulations.

The operating segments corresponding to the Assistance, Global Risks and Reinsurance Business Units include insurance and reinsurance activity, regardless of the geographic location.

Transactions between segments are recorded at fair value and eliminated in the consolidation process.

The amounts shown under "Corporate Areas and consolidation adjustments" include expenses for services rendered by the Corporate Areas and the adjustments made on consolidation.

The Consolidated Management Report contains additional information on business performance and characteristics.

2.3. FINANCIAL INFORMATION BY PRODUCT AND GEOGRAPHIC AREA

Section F) of the consolidated annual accounts contains supplementary financial information broken down by product and geographical area.

The information by product is presented for the main activity lines, which are:

- Life
- Automobile

- Homeowners and commercial risks
- Health
- Accidents
- Other Non-Life
- Reinsurance
- Other Activities

The information shown for each geographic area is broken down by the main countries comprising the Group's regional areas, as indicated in Note 1 herein.

2.4. CHANGES IN ACCOUNTING POLICIES, CHANGES IN ESTIMATES AND ERRORS

In 2022, there have been no relevant changes in accounting policies, estimates or errors that could have impacted the Group financial position or results.

2.5. COMPARISON OF INFORMATION

There are no reasons preventing the consolidated annual accounts of this reporting period from being compared with those of the previous period.

The present consolidated annual accounts have been prepared in line with the international standards approved by the European Commission and which were in force at the close of the year.

At the date when these annual accounts were prepared, the following information is noteworthy:

EU-IFRS 17

EU-IFRS 17 "Insurance Contracts", which will substitute the current EU-IFRS 4 "Insurance Contracts", will be applicable to annual periods starting January 1, 2023.

The 2023 consolidated annual accounts will be presented following this new standard, including restated comparative information from 2022, recording in the transition reserve any valuation differences between the two standards.

The EU-IFRS 17 "Insurance Contracts" and EU-IFRS 9 "Financial Instruments" requires the company to revise its accounting processes and internal controls, which MAPFRE Group has already been working on in recent years, and is currently in the final stages of the assessment and verification of the new controls and systems implemented.

This note includes the most relevant judgements and estimates used to date, considering that the new standard allows for certain accounting elections, which MAPFRE Group is finalizing reviews of, and which can affect transition impacts.

The following is a breakdown of the transition methods that will be used and the valuation standards that will be applied to insurance and reinsurance contracts.

Transition

MAPFRE Group will use a retrospective approach for the majority of Non-Life insurance contracts as well as Life insurance contracts with a duration of less than one year, and those in which, although duration is greater than one year, it is not expected that the assessment varies materially from the building block approach (BBA). To this end:

- All contract groups have been identified, recognized and measured as if EU-IFRS 17 had always been applicable.
- Any items recorded in the financial statements which would not exist if EU-IFRS 17 had always been applicable have been derecognized, and
- Any net difference that could arise is recorded in equity.

Additionally, the fair value approach will be used for those Non-Life and Life insurance contracts, as well as accepted and retroceded reinsurance contracts, for which the retrospective approach is impracticable. The fair value approach considers the determination of the Contractual Service Margin (hereinafter CSM) or the loss component at the date of the transition for a contract group based on the difference between the fair value and the fulfillment cash flows for the group of contracts at that date. The Group measures fair value of the insurance contracts as the sum of the present value of IFRS 17 fulfillment cash flows adjusted to reflect the perspective of a market participant, plus an additional margin that a market participant would require to provide coverage.

MAPFRE is making use of the optional exemption to not apply the requirement to group annual cohorts for certain insurance products sold in Spain. These include those products which, for solvency purposes, use the matching adjustment, and insurance contract groups with direct participation features measured using the variable fee approach (hereinafter VFA).

Further, the Group will provide, in both Life business measured using the BBA in Spain and insurance contracts with direct participation components (VFA), a breakdown of financial revenue and expenses from insurance, retroactively in net equity when relevant.

Valuation approaches for insurance contracts

EU-IFRS 17, fulfilling its purpose of homogenizing international insurance accounting practices, includes three valuation approaches for insurance contracts:

- General Assessment Approach (Building Block Approach, BBA), default approach.
- Variable Fee Approach (VFA)
- Premium Allocation Approach (PAA)

MAPFRE Group, based on technically defined directives, will assess insurance and reinsurance contracts as follows:

Insurance contracts	
Life and Non-Life lines with duration of less than one year *	PAA
Burial line	BBA
Life contracts with duration greater than one year	BBA
Contracts with a direct participation component (i.e. Unit Linked, some Life products with profit-sharing)	VFA
Reinsurance contracts	
Ceded	PAA
Accepted	PAA/ BBA
Retroceded	BBA

*Non-Life contracts with duration greater than one year but with no material difference from the BBA expected will also be measured using the PAA.

Given the composition of the Group portfolio, the PAA will be used for products that represent approximately 70 percent of premiums.

When assessing insurance and reinsurance contract groups, all future cash flows falling within the boundary of each contract in the group will be included.

A substantive obligation to provide services will be considered to be over when:

- The company has the practical ability to reassess the risks of the particular policyholder and, as a result, can set a price or level of earnings that fully reflects these risks; or
- The company has the practical ability to reassess the risks of the portfolio of insurance contracts that contain the contract and, as a result, can set a price or level of earnings that fully reflects the risk of that portfolio. This repricing shall not take into account the risks that relate to periods after the reassessment date.

EU-IFRS 17 establishes that if a group of contracts is estimated to generate losses, these must be fully recognized on the income statement as soon as this is known.

The following is an explanation of the valuation methods established by the standard:

I. Building Block Approach (BBA)

The amount recognized on the balance sheet for each insurance/reinsurance contract group valued using this method comprises the liability for remaining coverage (LFRC) and the liability for incurred claims (LFIC). The liability for remaining coverage includes cash flows from allocated future service obligations and the CSM.

All future cash flows are included in the valuation of a group of insurance contracts, using the current information to make estimates for these flows, as well as discount rates and non-financial risk adjustment.

The liability for incurred claims comprises those fulfillment cash flows coming from claims incurred but not paid. Claims incurred but not reported will also be included. These flows are adjusted for the time value of money and the financial risk effect. The adjustment for non-financial risk is also included in this liability for incurred claims. Under this approach, insurance contract groups are valued at their initial recognition as the total of:

A. Fulfillment cash flows, which include:

- Expected future cash flows that will arise over the length of the contract;
- An adjustment to reflect the time value of money and other financial risks related to future cash flows where the financial risks have not been included in the future cash flow estimates.
- An explicit risk adjustment for non-financial risk

B. Contractual Service Margin (CSM)

The CSM is a component of the liability or asset or liability for the group of insurance or reinsurance contracts that represents the unearned profit that will be recognized as services are provided in the future. The accrued part of the CSM is recognized as Insurance revenue in each period to reflect the services provided.

At the end of each period, the CSM is the amount recorded at the beginning of the year, adjusted for:

- The effect of new contracts added;
- The interests accredited to the CSM, calculated according to the discount rates determined at the date of initial recognition;
- The changes in fulfillment cash flows where the change is related to future services, unless the change comes from a change in fulfillment cash flows assigned to a group of underlying insurance contracts that does not affect the CSM.
- The impact of currency differences on the CSM; and
- The amount recognized in the result for the period due to the services provided in the period.

The general criteria for releasing CSM will be based primarily on insured services, depending on the product type, considering that the method reflects insurance coverage provided in each period. The amount of services expected for policyholders at each moment depending on the different levels of coverage will be considered for this.

II.Variable Fee Approach (VFA)

The VFA will be required to be applied for those contracts that meet the criteria of contracts with direct participation features.

The MAPFRE Group criteria to classify an insurance contract as having direct participation is the following:

- The contract clauses specify that the policyholder participates in a combination of clearly identified underlying elements, i.e. when the contractual terms and conditions (including both explicit and implicit contract terms) specify a clearly identifiable combination of underlying elements.

In the Transition portfolio this requirement will be considered to be met if, though the investment portfolio information or the associated underlying elements are not initially recognized in the conditions, the company has been providing the Policyholders with said information prior to the Transition (bond, information on allocated assets) or keeps the investment and management information of the different managed portfolios, and their corresponding volume of associated liabilities, identified.

- The company expects to pay the policyholder an amount equal to a substantial part of the fair value yield of the underlying elements. It establishes that participation percentages of greater than 80 percent in the underlying assets at fair value transfer a substantial part of the return to be paid to the policyholder.
- The company expects, in the initial recognition, that a substantial part of any change in the amounts to be paid to the policyholder varies with the change in fair value of the underlying elements.

As a result, MAPFRE Group will use the VFA to measure Unit-Linked, products "with profit" sold in Malta and traditional products with profit-sharing sold in Spain.

Under this valuation approach, changes in obligations to pay the policyholder an amount equal to the fair value of the underlying elements are not related to future service and do not impact the CSM. However, changes in Group participation in the fair value of the underlying elements is related to future service and therefore impact the CSM.

Contractual Service Margin (CSM)

As mentioned, the CSM will be a significant component of the liability of those contracts valued using the BBA and VFA, and it will represent the expected earnings from those contracts which will be released on the P&L as insurance services are provided.

III.Premium Allocation Approach (PAA)

The Premium Allocation Approach is used to measure the liability for remaining coverage for those contract groups in which the period of coverage of each contract is one year or less, or in those contracts with a coverage period greater than one year, in which this simplification is not initially expected to vary materially from the BBA. The liability for incurred claims will be calculated including all those future fulfillment cash flows related to claims that are incurred but not yet paid, using the discount rates and the adjustment for non-financial risk.

In the initial recognition, the asset/liability for remaining coverage will consist of:

- Premiums received in the initial recognition;
- Minus the insurance acquisition cash flows at that date.
- Plus or minus the amount arising from cancelling in the accounts at that date the asset or liability recognized for those insurance acquisition cash flows.

The Group has opted to not recognize insurance acquisition cash flows as expenses when they occur, as these have been included in the valuation of the liability for remaining coverage.

Given the composition of the Group portfolio, the majority of the insurance contracts (70 percent of the premiums, approximately) are valued using this method. However, as this is the method that is the most similar to the current EU-IFRS 4, there will not be a material equity impact on the first application.

Initially, as well as over the contract coverage period, an evaluation will be carried out to determine if there are facts and circumstances indicating that said contracts generate losses. A contract group is considered to be loss-making when the fulfillment cash flows exceed the book value. In these cases, a loss is recognized in the result for the year and the liability is increased for the remaining coverage, which will be amortized over the course of the contracts' effective period.

Valuation of ceded and retroceded reinsurance contracts

The PAA has been used to assess the value of ceded reinsurance contract groups, and the BBA, the general method, is used for retroceded reinsurance. The hypotheses used to estimate the present value of future cash flows for these contracts on congruent with the assumptions used to estimate the present value of future cash flows for underlying insurance contract groups, including the effect of any default risk and also the effects of possible collateral guarantees and losses from litigation.

In the initial retroceded reinsurance contract recognition, an asset or liability is recognized for the CSM or the recovery of the loss component, respectively, based on whether this is expected to generate losses or earnings.

Insurance revenue

Revenue from ordinary insurance activity includes amounts related with changes in the liability for remaining coverage and the allocation of the part of the premium that is related to recovering insurance acquisition cash flows.

On the other hand, insurance service expenses include claims and other incurred insurance service expenses, the amortization of insurance acquisition cash flows, changes related to past services (i.e. changes in cash flows related to the liability for incurred claims); and losses on groups of contracts and reversals of such losses.

The loss component corresponds to those losses attributable to each group of contracts - both those that are onerous at the initial recognition as well as those that become onerous subsequently.

The loss component is released based on the systemic allocation of fulfillment cash flows. Further, it is updated for subsequent changes in estimates for fulfillment cash flows related to future services.

Ordinary insurance revenue and insurance service expenses exclude any investment component, with the amounts that an insurance contract requires a policyholder be reimbursed if there is no insured event being understood as such.

Financial result from insurance

Insurance financial expenses and income comprise changes in the book value of insurance contract groups that arise from the effect of the time value of money and changes thereof; and from the effect of financial risk and changes thereof, excluding any change for groups of contracts with direct participation component that would adjust the CSM but do not in the circumstances included in the expenses for insurance services.

In the recognition of financial expenses and income from insurance contracts that arise as a result of a change in the discount rate, (both from the effect of the time value of money and changes thereof as well as the effect of financial risk and changes thereof), the criteria adopted by MAPFRE Group is the following:

- For product portfolios valued using the simplified method (PAA), including reinsurance portfolios, the accounting policy of not disaggregating between OCI and P&L will be used. Similarly, this option will be used for some products valued using the VFA, like Unit-Linked.
- For product portfolios valued using the general method (BBA), including reinsurance portfolios, the accounting policy of disaggregating between OCI and the annual income statement will be chosen. Similarly, some contracts valued using the VFA will also opt to disaggregate.

On the other hand, the Group has chosen to disaggregate changes in the risk adjustment between financial and non-financial risk, so that the change in value from the risk adjustment resulting from the effect of the time value of money and changes thereof is recorded as financial result from insurance.

Discount rate

Estimated cash flows are discounted at a risk free curve, adjusted, in the case of business valued under BBA or VFA, to include characteristics of the liability cash flows and the referenced investments and liabilities that cover them

To this end, the Group prefers a "Top Down" approach to determine a spread between reference portfolios of assets and the corresponding risk free curves. In a first step, these spreads will adjust to eliminate credit risk, much in the same way as the Solvency II volatility adjustment. In a later step, an adjustment is made to reflect the differences between the characteristics of the insurance contracts and the reference portfolios of assets.

In the recognition of financial expenses and revenue from insurance contracts that arise as a result of a change in the discount rate (both from the effect of the time value of money and changes thereof as well as the effect of financial risk and changes thereof), the standard allows the option of:

- Including all these financial expenses and incomes in the result for the period.
- Disaggregating these financial expenses and incomes between P&L and equity.

The chosen option must be applied to all groups of contracts in a portfolio.

From the analysis carried out, it is clear that the majority of the Group financial investments could continue to be measured at market value and recognized in OCI, therefore the option of disaggregating financial income and expenses from insurance between P&L and equity will be the most appropriate in order to avoid asymmetries in the valuation and recognition of the financial investments and the insurance contracts. As such, initially, this is the treatment that will be followed for products with longer duration, that is those valued under BBA.

Risk adjustment for non-financial risk calculation

The risk adjustment for non-financial risk represents the compensation required to handle uncertainty regarding the amount and schedule of associated cash flows.

The risk adjustment has been estimated using a percentile-method approach, based on calculations of Value at Risk (VaR) for obligations associated with the Life and Non-Life business, using the Solvency II calibration. An 85 percent percentile is used for Life insurance and burial business and a 65 percent percentile is used for Non-Life insurance business.

The risk adjustment for each segment and country is calculated consistently with the non-financial risks managed, and is distributed between groups of contracts consistently, using methodologies based on a rational and systematic distribution, considering only diversification benefits within each entity.

Main changes in the financial statements as a result of EU-IFRS 17

The entry into force of EU-IFRS 17 implies a significant change in the valuation and presentation of insurance and reinsurance contracts on the balance sheet and the income statement. The following is an explanation of the most relevant changes:

Balance sheet

On the balance sheet, the changes imply the elimination of those insurance assets and liabilities, like technical provisions for insurance and reinsurance, as well as all receivables and debts related to insurance and reinsurance activity. With the new standard of valuation for insurance contracts, all cash flows coming from these items will be included in two headings: one for liabilities or assets for insurance contracts and another identical heading for reinsurance.

The following is a breakdown of liabilities for insurance contracts that will be included on the balance sheet:

INSURANCE CONTRACT LIABILITIES
I. BBA Liabilities for remaining coverage valuation
Estimates of present value of future cash flows
• Present value of future cash flows • Present value of future cash flows Loss component
Non-financial risk adjustment
Contractual service margin
II. BBA Liabilities for incurred claims valuation
Estimates for present value of future cash flows
Non-financial risk adjustment
III. VFA Liabilities for remaining coverage valuation
Estimates of present value of future cash flows
• Present value of future cash flows • Present value of future cash flows Loss component
Non-financial risk adjustment
Contractual service margin
IV. VFA Liabilities for incurred claims valuation
Estimates of present value of future cash flows
Non-financial risk adjustment
V. PAA Liabilities for remaining coverage valuation
Premiums allocated to future periods
Acquisition expenses allocated to future periods
Loss component
VI. PAA Liabilities for incurred claims valuation
Estimates of present value of future cash flows
Non-financial risk adjustment

The amounts for assets and liabilities from insurance contracts are broken down by valuation method and also within each method differentiating liabilities for remaining coverage (LFRC) and liabilities for incurred claims (LFIC).

MAPFRE Group will mainly measure insurance contracts using the PAA, recording in the heading for premiums allocated to future periods the part of the premium that is unearned, and the corresponding expenses in a separate line. As previously mentioned, a breakdown will be given of the loss component of onerous contract groups where the loss was initially recognized and said loss will be released on the income statement as the service is provided.

Additionally, another change is that the adjustment for non-financial risk will be broken down in the liability for incurred claims.

In the case of the BBA and VFA, all components will be broken down separately in the liability for remaining coverage:

- Present value of future cash flows, separating those corresponding to onerous contracts.
- The amount of the adjustment for non-financial risk, and
- Contractual Service Margin.

Ceded reinsurance contracts will be presented similarly.

EU-IFRS 17 eliminates the possibility of applying shadow accounting established in EU-IFRS 4 to avoid asymmetries, as a result of valuation differences between insurance assets and liabilities.

This elimination will be partially resolved as EU-IFRS 17, in the recognition of financial income and expenses from insurance contracts arising from a change in the discount rate (both from the effect of the time value of money and changes thereof as well as the effect of financial risk and changes thereof), allows the option of:

- Including all financial income and expenses in the income statement for the period, or
- Disaggregating the financial income and expenses between the income statement for the period and OCI.

Income statement

Revenue from premiums is eliminated from the income statement and replaced with insurance revenue, which will include the release of the liabilities for remaining coverage, which will basically consist of the release of the CSM in the contracts valued using BBA and VFA and the release of the premium in contracts valued using PAA, the simplified method, as well as the non-financial risk adjustment.

The presentation of insurance contracts in the income statement will be the following:

INSURANCE REVENUE
<i>Release of Liabilities for remaining coverage</i>
Claims and other expected insurance service expenses
Changes in non-financial risk adjustment
Release of CSM
Release of PAA premium
<i>Release of acquisition expenses allocated to the period</i>
INSURANCE SERVICE EXPENSES
Claims and other insurance service expenses
• Claims • Fulfillment expenses
Acquisition expenses
Losses in groups of onerous contracts and reversals of such losses
Changes in liabilities for incurred claims

The heading “Losses in groups of onerous contracts and reversals of such losses” will record both the initially recorded loss as well as the release thereof which will take place over the course of the contract life.

Initially, as on the balance sheet, reinsurance contracts will give a similar breakdown to the above.

Alternate performance measures.

The implementation of the standard implies significant changes in the valuation and presentation of the financial statements, with special emphasis on the following:

- The substitution of premiums with real figures for insurance revenue which includes estimated amounts.
- Technical provisions disappear and are substituted for assets and liabilities for insurance contracts, excluding investment components.
- The presentation of results by both financial as well as insurance business margins versus revenue and expenses from the insurance and other activities.

Additionally, the changes also modify the composition and the result of the ratios and alternative performance measures used by the company.

The following are the main changes in indicators:

EU-IFRS 4	EU-IFRS 17
Premiums	Insurance revenue
Technical provisions net of deferred acquisition costs and unpaid unearned premiums.	Assets and liabilities from insurance contracts
ROE Average annualized attributable result / Average shareholders' equity	ROE Average annualized attributable result / Average shareholders' equity *The result will change in valuation
Non-Life Combined Ratio Non-Life loss ratio + Non-Life expense ratio	Combined Ratio Insurance service expenses / Insurance revenue

EU-IFRS 17 New KPIs
Contractual Service Margin (CSM) Unearned profit recognized by the company as the service is being provided
CSM release pattern Criteria to recognize revenues based on the coverage units defined for each year and the part of the service already provided
Importance of new business (%) CSM of insurance contracts issued / Total CSM

EU-IFRS 9

EU-IFRS 9 “Financial Instruments” which will substitute EU-IAS 39 “Financial Instruments: Recognition and Measurement” will be applied starting on January 1, 2023, as the Group made use of a temporary EU-IFRS 9 application deferral for companies with primarily insurance operations, regarding the classification and measurement of financial assets and liabilities, the impairment of financial assets and hedge accounting.

The Group plans to provide comparative figures for 2022 in the 2023 annual accounts using an overlay approach, and accordingly it will report comparative information for financial assets applying only the IFRS 9 measurement and classification criteria to avoid accounting asymmetries.

EU-IFRS 9 is a new method for classifying and measuring financial assets, which reflects the business model used to manage assets and their cash flow characteristics, and it provides three categories to classify financial assets: at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss. Additionally, it eliminates the categories existing in the EU-IAS 39 for investments held to maturity, loans and receivables, available for sale and for trading.

Two tests are required for the classification of financial instruments at amortized cost or at fair value through other comprehensive income: the business model and the assessment of the contractual cash flow, most commonly known as the "Solely payment of principal and interest criterion" (hereafter, SPPI Test).

The purpose of the SPPI Test is to determine if, according to the contractual characteristics of the instrument, its cash flows only represent the return of its principal and interests, understood basically as compensation for the time value of money and the credit risk.

The Group has reviewed the existing business models and the contractual characteristics of portfolios to establish its classification under EU-IFRS 9, and it has defined criteria to determine the acceptable frequency as well as the reasons for sales so that the instrument can be held in the category that makes it possible to receive contractual cash flows.

Portfolio reclassifications will have a negligible impact on the transition shareholders' equity, in view of the analysis made thus far.

As with EU-IAS 39, the majority of the portfolio is classified as financial assets at fair value through other comprehensive income, since 98% of the fixed income assets included in the available-for-sale portfolio pass the SPPI Test, and therefore their current measurement can be maintained in almost all cases, with barely any change in equity resulting from the regulatory change.

Additionally, some portfolio reclassifications will be made, although no significant impact is expected.

As established in the standard, gains and losses from equity instruments at fair value through other comprehensive income will be recognized in reserves, with no impairment losses being recognized in the income statement and with no reclassification of gains or losses on disposal in the income statement.

EU-IFRS 9 substitutes the "incurred loss" model under EU-IAS 39 for an "expected loss" model. The new impairment model is applied to financial assets valued at amortized cost as well as to financial assets at fair value through other comprehensive income, except for investments in equity instruments, as no recycling in profit and loss is made. Likewise, all financial instruments at fair value through other comprehensive income are excluded from the impairment model.

2.6. CHANGES IN THE SCOPE OF CONSOLIDATION

The companies that were included in the scope of consolidation are listed in Annex 1, along with all the other changes to said scope.

Annex 2 includes the main companies of the Group, with their equity and results information.

Detailed information regarding the key results for the period arising from the loss of control in controlled companies as a result of their exit from the consolidation scope are provided in Note 6.9 (Annex 1 includes a breakdown of the above mentioned losses of control).

The overall effect on the Group's consolidated equity, financial position and results in 2022 and 2021 derived from other changes in the scope of consolidation with respect to the preceding year is described in the corresponding notes of the consolidated annual report.

2.7. ACCOUNTING JUDGMENTS AND ESTIMATES

In the preparation of the consolidated annual accounts under EU-IFRS, the controlling company's Board of Directors has made judgments and estimates based on assumptions about the future and uncertainties that basically refer to:

- The technical provisions (Note 6.13).
- Impairment losses on certain assets (Notes 6.1, 6.2 and 6.4).
- The calculation of provisions for risks and expenses (Note 6.14).
- The actuarial calculation of post-employment remuneration-related commitments and liabilities (Note 6.21).

- The useful life of intangible assets and of property, plant & equipment items (Notes 5.3 and 6.2).
- The fair value of certain non-listed assets (Note 6.4).
- The fair value of assets and liabilities from lease contracts (Note 6.3).

The estimates and assumptions used are reviewed regularly and are based on past experience and other factors that may have been deemed more reasonable in each instance. If these reviews lead to changes in estimates in a given period, their effect shall be applied during that period and, where relevant, in subsequent periods.

3. CONSOLIDATION

3.1. CONTROLLED COMPANIES, ASSOCIATED UNDERTAKINGS AND JOINT ARRANGEMENTS

The controlled companies, associated undertakings and joint arrangements included in the consolidation are listed, indicating the integration method, in the table of shareholding of controlled companies attached as Annex 1 to the consolidated annual report.

Companies are configured as controlled companies when the controlling company holds power over the investee entity, has exposure or rights to variable returns, and has the capacity to influence those returns through the power exercised in the entities. Controlled companies are consolidated from the date when the Group acquires control, and are excluded from the consolidation on the date when it ceases to have such control.

When control of a subsidiary is lost, the book value at the date of loss of control of the assets and liabilities from the subsidiary are eliminated from the accounts, and the fair value of the compensation received is recognized, recording the difference as a loss or gain in the result for the period.

In controlled companies where 50 percent or less of the economic rights are held, the classification as "controlled company" is based on the provisions set out in the shareholder agreements, which can contemplate the following scenarios:

- The administration of the companies is carried out by a Board of Directors, which is responsible for their operating and financial strategies as well as their administration and management, and for overseeing their financial and operating policies, among others. In these cases the Board of Directors is made up of an even number of members and the chairman is always appointed at the recommendation of MAPFRE. The chairman has the casting vote, therefore exercising control over the company.
- MAPFRE is granted the power to appoint and revoke the CEO, Finance Manager, Actuarial Manager, and any other key personnel for the management and control of the company.
- The political rights established do not coincide with the economic rights, which means that MAPFRE has the majority of the voting rights in the Annual General Shareholders' Meeting. Additionally, in these cases the Board of Directors is made up of an even number of members and in the event of a tie one of the directors appointed at the recommendation of MAPFRE has the casting vote.

Non-controlling interests in controlled companies acquired since January 1, 2004 are recorded at the fair value of the percentage of purchased net assets identifiable at the acquisition date. Those acquisitions made prior to the above mentioned date were recorded at the percentage of purchased net assets at the date of the first consolidation.

Non-controlling interests are shown in consolidated equity separately from the equity attributable to the controlling company shareholders. Non-controlling interests of controlled companies in the consolidated results for the period (and in the total comprehensive consolidated result for the period) are also shown separately in the consolidated income statement (consolidated statement of comprehensive income).

Associated undertakings are companies in which the controlling company exercises a significant influence but which are neither controlled companies nor joint arrangements.

Significant influence is understood as the power to intervene in decisions on financial and operating policies of the investee company, but without controlling or jointly controlling these policies, presuming that there is significant influence when, either directly or indirectly through its controlled companies, at least 20 percent of the voting rights of the investee company is owned.

Interests in associated undertakings are consolidated by the equity method, including, in the value of interests, the net goodwill identified at the date of acquisition.

When the Group's participation in the losses of an associated undertaking is equal to or higher than the book value of its stake, including any unsecured receivable, the Group does not record additional losses, unless obligations have been incurred or payments have been made on behalf of the associated undertaking.

To determine if an investee company is controlled or associated, the purpose and design of the investee company have been taken into account to ascertain the relevant activities, the way that decisions are taken on these activities, who has the current capacity to direct these activities and who receives their financial returns. The potential voting rights held and exercisable such as purchase options on shares, debt instruments convertible into shares or other instruments giving the controlling company the possibility to increase their voting rights have also been considered.

A joint arrangement is considered to exist when two or more entities undertake an economic activity subject to shared control regulated by means of contractual agreement.

A joint arrangement is classified as a joint venture when the parties have rights to the net assets, in which case their acquisitions are recorded in the consolidated annual accounts using the equity-accounted method.

A joint arrangement is classified as a joint operation when the parties have rights to the net assets and obligations for the liabilities, in which case their interests are recorded in the consolidated annual accounts using the proportionate consolidation method.

The financial statements of the controlled companies, associated undertakings and joint arrangements used for the consolidation correspond to the years ending December 31, 2022 and 2021.

3.2. MUTUAL FUNDS

Mutual funds managed by Group companies with greater than 40 percent participation are consolidated using the global integration method. However, starting at 20 percent participation, the relevance of changes in the exposure to their returns is analyzed.

3.3. CONVERSION OF ANNUAL ACCOUNTS OF FOREIGN COMPANIES INCLUDED IN THE CONSOLIDATION

The functional and presentation currency of the MAPFRE Group is the euro. Accordingly, the balances and operations of Group companies with a different functional currency are translated into euros using the closing exchange rate for balance sheet balances and the average exchange rate weighted for the volume of operations for transactions.

The exchange differences resulting from applying the aforementioned procedure, as well as those arising from the conversion of loans and other foreign currency hedging instruments for investments in foreign activities, are presented as a separate component in the "Consolidated Statement of Other Comprehensive Income" and are shown under equity in the "Currency conversion differences" account, deducting the part of the difference that corresponds to non-controlling interests.

Goodwill and fair value adjustments of assets and liabilities arising from the acquisition of Group companies whose presentation currency is not the euro are treated as assets and liabilities of overseas activities. As such, they are stated in the functional currency of the overseas undertaking and translated at the closing exchange rate.

Hyperinflationary economies

The financial statements of the companies registered in countries with a high inflation rate or hyperinflationary economies are adjusted or restated for the effects of changes in prices before their conversion into euros. Adjustments for inflation are performed in line with IAS 29 "Financial reporting in hyperinflationary economies".

In 2021, Venezuela and Argentina were considered to be countries with hyperinflationary economies, and in 2022 Turkey has also been considered as such, as a result of reaching, during 2022, accumulated inflation greater than 100 percent in the last three years.

MAPFRE AND SUBSIDIARIES

The Group accounting policy for recording operations in hyperinflationary economies consists of recording in Currency conversion differences both the revaluation of non-monetary items and the currency conversion differences generated from the conversion to euros of the restated financial statements of subsidiaries in these countries.

The amounts recognized in Currency conversion differences in the last two years from these effects are the following:

Item	Balance 12.31.20	Variation 2021	Balance 12.31.21	Variation 2022	Balance 12.31.22
Restatement for inflation	582.5	20.7	603.2	92.6	695.8
Currency conversion differences	(1,127.6)	(6.4)	(1,134.0)	(434.5)	(1,568.5)
Net	(545.1)	14.3	(530.8)	(341.9)	(872.7)

Figures in millions of euros

The variation in currency conversion differences in 2022 includes 386.6 million euros from subsidiaries in Turkey coming from previous years.

The following chart gives details about other data related to the conversion of the annual accounts from companies operating in hyperinflationary economies:

Country	Inflation (%)		Exchange rate (units of currency per euro)		Results from restatement		Equity	
	2022	2021	2022	2021	2022	2021	2022	2021
Argentina	95	51	189	117	(43.5)	(12.7)	95.7	73.2
Venezuela	250	351	40	11	(0.2)	(0.5)	5.2	5.8
Turkey	64	36	20	15	(16.6)	—	49.6	62.9
Total					(60.3)	(13.2)	150.5	141.9

Figures in millions of euros

Regarding the exchange rate shown for Venezuela, given that there is not reliable official information, both at the close of 2022 and 2021, for the consolidation of the financial statements, an exchange rate based on the estimated inflation in the country has been considered.

Starting October 1, 2021, due to the devaluation of the Sovereign Bolivar, this currency was substituted by the Digital Bolivar (which value is obtained by dividing the Sovereign Bolivar by one million).

The results of the restatement are included in the Consolidated Income Statement and represent the loss of purchasing power of the net monetary assets from inflation.

Adjustments to the opening balance

The adjustments to opening balance columns in the different tables of the consolidated annual report include the variations that occurred as a result of applying a different conversion exchange rate to the figures for overseas subsidiaries.

The variations in the technical provisions shown in the consolidated income statement differ from those obtained from the difference between the previous balances on the consolidated balance sheets for this year and the previous year as a result of applying a different conversion exchange rate to the figures for overseas subsidiaries.

4. EARNINGS PER SHARE AND DIVIDENDS

4.1. EARNINGS PER SHARE

The calculation of the basic earnings per share—which matches the diluted gains per share, since there is no potential ordinary share—is shown in the accompanying chart:

Item	2022	2021
Net profit attributable to controlling company's shareholders (million euros)	642.1	765.2
Weighted average number of ordinary shares outstanding (million)	3,054.6	3,049.4
Basic earnings per share (euros)	21.0	25.1

4.2. DIVIDENDS

The breakdown of the dividends paid by the controlling company in the last two years is shown in the accompanying chart:

Item	Total dividend (million euros)		Dividend per share (euro cents)	
	2022	2021	2022	2021
Interim dividend	184.8	184.8	6.06	6.06
Final dividend	261.6	261.7	8.55	8.57
TOTAL	446.4	446.5	14.61	14.63

The dividends per share indicated in the table above correspond to the amount for all outstanding shares, at the date of payment of the dividend (to December 31, 2022 in the case of the final dividend of this year).

The total dividend for 2022 was proposed by the Board of Directors and is pending approval by the Ordinary Annual General Meeting.

The planned dividend payout complies with the requirements and limitations that are set out in the legal regulations and the corporate bylaws, and is based on an exhaustive and careful analysis of the Group situation, without compromising its future solvency or the protection of policyholders' and clients' interests, and is carried out in the context of the supervisory recommendations in this respect.

In 2022 the controlling company distributed an interim dividend equivalent to a total amount of 184,761,730.50 euros, which is recorded in equity under the heading "Interim dividend". The liquidity statement prepared by the Board of Directors for the distribution is shown in the accompanying chart.

Item	Date of Resolution 10/27/2022
Cash available on date of the resolution	68.7
Increases in cash forecast within one year	892.4
(+) From expected current collection transactions	664.4
(+) From financial transactions	228.0
Decreases in cash forecast within one year	(624.8)
(-) From expected current payment transactions	(99.6)
(-) From expected financial transactions	(525.2)
Cash available within one year	336.3

Figures in millions of euros

5. ACCOUNTING POLICIES

The accounting policies applied to the following entries are indicated below:

5.1. INTANGIBLE ASSETS

GOODWILL

Goodwill on merger

This represents the excess of cost paid on a business combination over the fair value of the identifiable assets and liabilities at the date of the merger.

Consolidation differences

- Goodwill on consolidation

This represents the excess net acquisition costs paid over the fair value of the interest in the equity of the controlled company at the date of acquisition, except for acquisitions realized before January 1, 2004, which correspond to goodwill net of amortization recorded in line with Spanish legislation in force at the time. In the case of acquisitions of stakes in the controlled company from non-controlling interests subsequent to the initial one, the controlling company recognizes this excess as a lower amount of reserves.

- Negative consolidation difference

Where the value of the identifiable assets acquired less the value of accepted liabilities is higher than the acquisition cost, this difference is recorded as revenue in the consolidated income statement.

Goodwill impairment

After its initial recognition and allocation to a cash-generating unit, its possible loss in value is assessed at least once a year. When the recoverable amount of said cash-generating unit is below the net book value, the corresponding loss in value is recognized immediately in the consolidated income statement.

OTHER INTANGIBLE ASSETS

Other intangible assets from an independent acquisition

Intangible assets acquired from third parties in a market operation are valued at cost. If their useful life is finite they are amortized based on that life and, if their useful life is indefinite, the value impairment tests are undertaken at least once a year.

Internally-generated intangible assets

Research expenses are directly recognized on the consolidated income statement for the year in which they are incurred. Development expenses are recorded as an asset when their probability, feasibility and future recoverability can be reasonably ensured. They are valued by the disbursements made.

The capitalized development expenses are amortized during the period in which revenues or yields are expected to be obtained without prejudice to the valuation that would be made if impairment occurs.

Amortization of limited useful life intangible assets

- Portfolio acquisition costs

These costs are amortized over the life of the portfolios, in a maximum period of 30 years, and depending on their cancellation.

- Other intangible assets

These are amortized based on their useful life following a linear method. The amortization has been recorded as "Provision for amortization" in the expense account by nature. IT platforms are mostly amortized between four and eight years.

5.2. BUSINESS COMBINATIONS

The controlling company identifies a business combination when the assets acquired and the liabilities assumed in a transaction constitute a business. The combinations are recorded by applying the acquisition method.

On the acquisition date, which is when control of the acquired business or company is obtained, the goodwill, the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquired business are recognized separately.

Goodwill represents the excess of cost, including deferred payments, whether certain or contingent, over the net amount on the date of acquisition of the identifiable assets acquired and the liabilities assumed. In line with the provisions under EU-IFRS 3, the Group has chosen not to increase goodwill in proportion to non-controlling interests.

Initially, the identifiable assets and liabilities assumed are recorded at fair value on the acquisition date. Any acquisition-related costs incurred by the acquirer are recognized as an expense in the period in which they are incurred, except in the case of any costs incurred in issuing debt or shares.

Subsequently, the acquiring company measures the assets acquired, liabilities assumed and equity instruments issued in the business combination in line with the valuation rules applied to those items, according to their nature.

In business combinations carried out in stages, on the date on which control of the acquisition is obtained, the controlling company once again measures its interests in the acquiree's equity previously held at their acquisition-date fair value, and recognizes any resulting gain or loss in the consolidated income statement. Likewise, any valuation change adjustments pending allocation to the result for the period are transferred to the consolidated income statement.

When the valuation process necessary to apply the acquisition method cannot be concluded on the closing date of the fiscal year, annual accounts are prepared with provisional data. These values are adjusted within the necessary period to complete the initial accounting, which period shall never exceed one year from the date of acquisition.

When the business combinations have been recognized in the accounts, any modifications to contingent payments are recorded, for combinations undertaken on or after January 1, 2010, in the consolidated income statement; combinations undertaken earlier are recorded as a change in the business combination cost.

5.3. PROPERTY, PLANT AND EQUIPMENT AND REAL ESTATE INVESTMENTS

Property, plant and equipment and real estate investment are valued at their net acquisition cost minus their accumulated amortization and, if applicable, accumulated impairment losses.

Investments classified as real estate investments are those non-current real estate assets intended to obtain rental income, gains or both.

Costs incurred after their acquisition are recognized as an asset only when the future financial profits related to them are likely to revert to the Group and the cost of the item may be accurately determined. All other expenses associated with maintenance and repair are charged to the consolidated income statement during the year in which they are incurred.

The depreciation of these elements is calculated linearly based on the cost of acquisition of the asset, less its residual value and the value of the land according the following periods of useful life:

ITEM GROUP	YEARS	ANNUAL RATIO
Buildings and other structures	50-25	2%-4%
Vehicles	6	16%
Furniture	10	10%
Fittings	20-10	5%-10%
Data processing equipment	4	25%

The residual value and the useful life of assets are reviewed and adjusted if necessary at the close of each year.

These assets are written off in the accounts when they are transferred or when future economic profit derived from their continuous use is not expected to be obtained. The gains or losses resulting from writing the aforementioned elements off are included on the consolidated income statement.

5.4. LEASING

The Company considers that a contract constitutes, or contains, a lease when it entails the right to control the use of a specified asset for a certain period of time in exchange for compensation.

The leases in which inherent all risks and benefits of the leased property are transferred to the lessee are classified as financial leases.

Leases in which the lessor maintains a significant part of the risks and benefits derived from ownership of an underlying asset are classified as operating leases.

Lease term

The lease term is determined according to the non-cancellable period, bearing in mind as well the periods covered with the option of extending or cancelling the lease when there is reasonable certainty that the lessee will exercise this option.

Should there be a change during the non-cancellable period of a lease, the term of said lease will be revised.

Recognition and measurement

As a lessee, the Group recognizes at the date the lease enters into force a right-of-use asset and a lease liability, in line with the payments established in the contract and its estimated term. The initial measurement of the asset is made at cost, and that of the liability is made at the present value of future payments discounted at the incremental interest rate of the debt for said lease.

Subsequently, the right-of-use asset will be measured at cost minus amortization and the accumulated losses for the impairment in value, and adjusted where necessary by new measurement of the liability. In the case of contract review, the liability will be newly measured, discounting the modified lease payments.

The result for the period will recognize amortizations expenses and interest on the liability, and where relevant the variable lease payments not included in the initial measurement.

As a lessor, the Group recognizes the assets it holds as financial leases for the amount equal to the net lease investment measured using the implicit interest for the lease, and presenting them as a caption pending collection. Subsequently, financial income is recognized during the lease term, recording a constant periodic return on net investment. For operation leases, income from payments for the lease are recognized linearly or through another systematic method if it is more representative.

Exemptions

The Group, as a lessee, applies the exemptions contemplated to not include short-term contracts (by underlying asset class) as leases, and for those in which the underlying asset has limited value (contract by contract), recognizing lease payments as expenses linearly for the lease term, or through another systematic method if it is more representative.

5.5. FINANCIAL INVESTMENTS

Recognition

Financial assets traded on secondary securities markets are generally recognized on the settlement date.

Classification

Financial investments are classified in the following portfolios:

- Held-to-maturity portfolio

This includes the securities for which there is the intention and proven financial capacity to hold them until their maturity.

- Available-for-sale portfolio

This includes debt securities not classified in other portfolios and the capital instruments of companies that are not controlled, associated or joint arrangements and that are not included in the "Trading portfolio".

- Trading portfolio

This includes financial assets originating or acquired with the objective of selling them in the short term, that are part of a portfolio of financial instruments identified and managed together for which there is proof of recent actions to obtain gains in the short term.

Derivative instruments not assigned to a hedging operation and hybrid financial assets completely valued at their fair value are also part of this portfolio.

Financial swaps of cash flow exchanges are recognized at the accrued amount for the principal operations, recording in accounting the total amount from cash flows in the headings "Other financial liabilities" and "Corporate and other receivables", as relevant.

In hybrid financial assets that simultaneously include a main contract and a financial derivative, these two components are separated and treated independently for the purpose of classifying and valuing them. When this separation is not possible, they are valued at their fair value.

Valuation

In their initial recognition on the balance sheet, all financial investments are recognized at the fair value of the compensation received plus, in the case of financial investments not classified in the "trading portfolio", the transaction costs that are directly attributable to their acquisition. Fair value is the price that would be received for the sale of a financial asset through a transaction ordered between market participants on the date of valuation.

Subsequently, financial investments are measured at their fair value without deducting any transaction cost that may be incurred due to their sale or any form of disposition, with the following exceptions:

- a. Financial investments included in the "held-to-maturity portfolio", which are measured at their amortized cost using the effective interest rate method.
- b. Financial assets that are capital instruments whose fair value cannot be reliably estimated, as well as derivatives that are underlying for these instruments and that are settled by providing them, and that are measured at cost.

The fair value measurement of financial investments included in the available-for-sale portfolio and the trading portfolio are classified according to the levels of the variables used in their valuation:

- Level 1. Quoted price: Unadjusted price quoted in active markets.
- Level 2. Observable data: Prices quoted in active markets for instruments similar to the one being valued or other valuation techniques in which all the significant variables are based on observable market data. The valuation is made via a model that discounts future financial flows, including the reimbursement value, using a rate curve with two main components:
 - Zero coupon swap curve of the currency of the issuance, which is considered to be the best approximation to the risk-free interest rate.
 - Spread of the additional risk, which will be the spread added to or subtracted from the zero coupon swap curve that reflects the risks inherent to the issuance being valued, such as credit, liquidity or optionality risk.
- Level 3. Other valuations: Variables specific to each case. For these purposes, it is possible to distinguish between:
 - Equity assets, where in general the realizable value is estimated according to the individual characteristics of the asset.

- Fixed-income assets with complex future flow structures (interest rates linked to financial variables, with caps and/or floors) and one or more early redemptions, and in which the issuer has no similar issuances on the market or any unquoted issuances from an issuer with no similar issuances. In these cases, the assets are usually valued by requesting a valuation from a benchmark third party.

Impairment

The book value of financial investments is corrected under the consolidated income statement when there is objective evidence that an event which entails a negative impact on its future cash flows has occurred or in any other circumstance that would indicate the inability to recover the investment cost of the financial instrument. The amount of losses due to impairment is equal to the difference between its book value and the current value of its future estimated cash flows.

For fixed-income securities in which there is a defaulted interest and/or principal, the potential loss is estimated according to the situation of the issuer. For all other fixed-income securities, an analysis is undertaken based on their credit quality and the degree of solvency of the issues, proceeding to record the impairment if the risk of non-payment is considered to be likely.

For equity instruments, an individual analysis of the investments is undertaken to determine whether or not impairment has occurred. Furthermore, impairment is considered to have occurred when there are prolonged (18 months) or significant (40 percent) decreases in market value in terms of its cost.

The amount of estimated impairment losses is recognized on the consolidated income statement, also including any reduction of the fair value of the investments previously recognized in "Valuation change adjustments". The reversal is recognized in the consolidated income statement, except for in the case of equity instruments. In this case, the valuation adjustment recorded in prior years is not recognized in the income statement, but rather any increase in value is taken directly to equity.

5.6. INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK

These are made in fixed-income securities, equities and mutual funds which are measured at the acquisition cost when they are underwritten or purchased. The acquisition cost is adjusted as greater or lower value of the investment, as applicable, according to its fair value at the close of the period, determined as follows:

- Equities: at their market value (Level 1).
- Fixed-income securities: at the market value if this is representative (Level 1); if this is not the case, by restating the future flows, including the redemption value (Level 2).
- Mutual funds holdings: at their net asset value (Level 1).

Revaluations and depreciations of these assets are recorded as revenues or expenses in the consolidated income statement corresponding to the segment of the insurance unit.

5.7. IMPAIRMENT OF OTHER ASSETS

At the close of each financial year the Group assesses whether there are any signs that the asset items may have suffered a loss in value. If there are such signs, the recoverable value of the asset is estimated.

For assets that are not fit for use and intangible assets with an indefinite useful life, the recoverable value is estimated whether or not there are signs of impairment.

If the book value exceeds the recoverable amount, a loss is recognized for this excess, reducing the book value of the asset to its recoverable amount.

If there is an increase of the recoverable value of an asset other than the goodwill, the previously recognized impairment loss is reversed, increasing the book value of the asset to its recoverable value. This increase never exceeds the book value net of amortization that would have been recorded if an impairment loss had not been recognized in previous years. The reversal is recognized in the consolidated income statement, unless the asset has already been revalued against "Valuation change adjustments", in which case the reversal is treated as a revaluation increase. After this reversal, the amortization cost is adjusted in the following periods.

5.8. INVENTORIES

Inventories, which include mainly parcels of land, are recognized at the lower amount between their net acquisition cost and their net realizable value.

5.9. RECEIVABLES

These assets are generally valued using the amortized cost, calculated according to the effective interest rate method, deducting, if applicable, the provisions for losses due to noted impairment in value.

For receivables with a maturity exceeding one year and where the parties have not expressly agreed on the applicable interest, the receivables are discounted by taking the current market interest rate for public debt securities with the same or similar maturity as the receivables as the implicit financial interest, without prejudice to taking into account the relevant risk premium.

When there is objective evidence that an impairment loss was incurred, the corresponding provision is constituted for the amount estimated not to be recoverable. This amount is equivalent to the difference between the book value of the asset and the current value of the future cash flows, discounted at the original effective interest rate of the financial asset, and the loss is recognized on the year's consolidated income statement.

The impairment loss corresponding to premiums pending collection is calculated separately for each line or risk, is presented in the consolidated income statement as a lower amount of written premiums, and consists of the part of the insurance premium accrued in the period which, based on past experience, is unlikely to be collected, taking into account the impact of reinsurance.

The impairment is recognized in the consolidated income statement as an overall amount according to the age of the premiums pending collection, or on an individual basis where dictated by the circumstances and status of receivables.

Receivables for claim recoveries are only capitalized when their realization is considered as certain.

Contingent assets are not subject to recognition in the financial statements. However, when income realization is practically certain, the corresponding asset is not considered contingent and therefore is recognized.

5.10. CASH

Cash consists of cash (cash in hand and bank deposits) and cash equivalents, which correspond to highly liquid short-term investments (maximum three months) that can be easily converted into fixed amounts of cash and are subject to insignificant risk of change in value.

5.11. ACCRUAL ADJUSTMENTS

Under this heading of the asset, what are basically included are commissions and other acquisition expenses corresponding to the accrued premiums that can be allocated to the period between the closing date and the end of coverage of the contracts. The expenses are allocated to the results actually incurred in the period in accordance with the limit stipulated in the technical conditions.

At the same time, under this liability heading, commissions and other acquisition expenses for the ceded reinsurance that have to be allocated to the year or following years in accordance with the coverage period of the ceded policies are included.

5.12. NON-CURRENT ASSETS HELD FOR SALE AND ASSOCIATED LIABILITIES

These are generally valued, if applicable, at the lower amount between their book value and fair value, deducting sale costs. Sales costs are understood as marginal costs directly attributable to the disposal, excluding, if applicable, financial costs and tax on profit expenses.

Non-current assets classified as held-for-sale are not amortized and losses due to the impairment of their book value are recognized on the consolidated income statement. Likewise, if a recovery of the value occurs this is recognized on the consolidated income statement up to an amount equal to the impairment loss previously recognized.

5.13. TREASURY STOCK

Treasury stock is measured at cost of acquisition and recognized in equity. Expenses incurred in acquisition are recognized in equity as a decrease in the value of reserves.

All transactions performed with treasury stock are recognized in equity as a change in the value of shareholders' equity.

5.14. FINANCIAL LIABILITIES AND SUBORDINATED LIABILITIES

Financial liabilities classified as held-for-trading

In their initial recognition, these are recorded at the gross amount received, allocating transaction costs directly to results. Subsequently, they are recorded at fair value, allocating changes to the income statement.

Other financial liabilities

In their initial recognition on the balance sheet, they are recorded at fair value, which is the net amount received, deducting transaction costs which are directly attributable to the issuance of the financial liability, like commissions, formalization costs, taxes, fees, etc.... Subsequently, these liabilities are measured at their amortized cost, applying the effective interest rate for financial liabilities.

5.15. INSURANCE OPERATIONS

A) PREMIUMS

Direct insurance

Premiums from the Non-Life business and Life annual renewable contracts are recognized as revenues throughout the validity of the contracts, in accordance with the period of time elapsed, and accrued by means of the allowance to the provision for unearned premiums.

Premiums from the long-term Life business, whether single premiums or regular premiums, are recognized when the right to collection by the contract issuer arises.

Ceded reinsurance

These are recorded in accordance with underwritten reinsurance contracts and under the same criteria as those used for direct insurance.

Accepted and retroceded reinsurance

These are posted based on the accounts received from the ceding companies and additionally, in retroceded reinsurance operations, underwritten retrocession contracts are considered.

Co-insurance

These are recorded in line with the accounts received from the opening company and the participation in contracts underwritten.

B) TECHNICAL PROVISIONS

The main assumptions and methods used to establish the provisions are described below.

a. Direct insurance of companies belonging to the European Economic Area

Provision for unearned premiums

This is calculated on a policy-by-policy basis and reflects the insurance premium accrued during the period subject to allocation to future periods, less the security surcharge.

Provision for unexpired risks

This is calculated on an individual business line basis and supplements the provision for unearned premiums for the amount in which this provision does not sufficiently reflect the valuation of risks and expenses to be covered, corresponding to the coverage period not elapsed at the closing date.

For the Automobile line, this provision has been calculated taking into account all the guarantees covered with the products marketed by the different companies.

Provisions for Life insurance

- In Life insurance policies with a coverage period equal to or less than one year, the provision for unearned premiums is calculated on a policy-by-policy basis and reflects the insurance premium accrued in the period subject to allocation to future periods.

When this provision is not sufficient, the provision for unexpired risks is calculated to cover the valuation of risks and expenses to be covered, corresponding to the coverage period not elapsed at the closing date for the financial year.

- In Life insurance policies with a coverage period exceeding one year, the mathematical provision has been calculated on a policy-by-policy basis as the difference between the current actuarial value of the future obligations of the controlled companies operating in this line, and those of the policyholder or insured person. The calculation basis is the inventory premium accrued in the period, represented by the pure premium plus the surcharge for administration expenses, both determined using the best estimates for mortality, illness, investment yields and administration expenses when the contracts are issued, as specified in the technical conditions of the relevant products and types, and remaining unchanged throughout the life of the contract unless their inadequacy becomes evident, in which case the calculation of the mathematical provision would be changed.

Written policies that contain a profit sharing clause in force at the close of each period share, pro rata to their mathematical provisions or technical results and as specifically set out in each contract, in the net yields obtained from the investments allocated to covering these provisions. The amount resulting from this profit sharing is recorded as a greater amount than the technical provisions.

- This consolidated balance sheet heading also includes the provision for profit sharing and for premium returns, which includes the amount of profits accrued in favor of policyholders, insured persons or beneficiaries and the premiums that must be reimbursed to policyholders or insured persons.

Provision for outstanding claims

This represents the estimated appraisals of the pending liabilities arising from the claims occurring prior to the close of the period, less any advance payments already made. It includes the appraisals of claims pending settlement or payment and pending reporting, as well as the internal and external expenses involved in the settlement of claims. In the Life insurance business, it also includes maturities and redemptions pending payment. The calculations take into account any additional provisions for deviations in the appraisals of long-tail claims.

Other technical provisions

The most significant provision included under this heading is the "Burial Insurance Provision", which is calculated on a policy-by-policy basis as the difference between the current actuarial value of future obligations of the controlled companies operating in this line and those of the policyholder or insured person.

For certain portfolios, the Burial insurance provision is calculated using methods based on group capitalization, with a financial-actuarial restatement being made of projected flows of premiums and expected claims up to the expiration of the collective insurance.

Technical provisions for Life insurance where policyholders bear the investment risk

The provisions for Life insurance where the contract stipulates that the investment risk will be fully borne by the policyholder have been calculated on a policy-by-policy basis and are measured according to the assets specifically allocated to determine the value of the rights.

b. Direct insurance of companies outside the European Economic Area

Technical provisions are calculated in line with the local criteria in force in each country, except in the cases when their application could distort the true and fair image that must be shown in the financial statements, in which case they are adapted to the controlling company's criteria.

Life insurance provisions have been calculated in line with the operating assumptions, mortality tables and technical interest rate commonly used in the industry in the respective countries.

c. Ceded reinsurance

Technical provisions for cessions to reinsurers are shown in the balance sheet assets and are calculated according to the written reinsurance agreements and under the same criteria as those used for direct insurance.

d. Accepted reinsurance

Provision for unearned premiums

Reinsurance operations are recorded based on the accounts received from the ceding companies and the provision for unearned premiums is estimated by provisioning the recorded unearned premium according to the average period of policy coverage.

The acquisition expenses communicated by the ceding companies are accrued and included in the consolidated balance sheet under the heading "Accrual adjustment" of the asset, with these expenses corresponding to those actually incurred in the period. When the cedants do not communicate the acquisition expense amounts, they are accrued risk by risk for the facultative proportional reinsurance and globally for the rest of the proportional business.

Provision for unexpired risks

This is calculated on an individual business line basis and supplements the provision for unearned premiums for the amount in which this provision does not sufficiently reflect the valuation of risks and expenses to be covered corresponding to the coverage period not elapsed at the closing date.

Provision for outstanding claims

Provisions for outstanding claims are provided for the amounts communicated by the cedant or, in the lack thereof, for the withheld deposits, and include, where necessary based on available historic information, additional provisions for claims that were incurred but not reported (IBNR) as well as for deviations of the existing ones based on own experience. The final expected cost is estimated and provisioned based on experience and through the use of actuarial methods.

e. Retroceded reinsurance

Retroceded reinsurance operations and their corresponding technical provisions are recorded using the same criteria as those used for accepted reinsurance and according to the underwritten retrocession contracts.

f. Liability adequacy test

The recorded technical provisions are usually subject to a reasonability test for the purpose of determining their adequacy on the basis of projections of all future cash flows of current contracts, taking into account the temporary value of the money and using assumptions (economic, biometric, etc.), in line with the experience of each company. If the result of this test indicates the inadequacy of the provisions, they are adjusted and charged to the results for the period.

g. Shadow accounting

In order to mitigate the accounting asymmetries arising from applying different valuation methods for assets and liabilities, and to reflect the effect of profit sharing of the insured persons, EU-IFRS allow "shadow accounting", which means that losses or gains in the allocated assets are recognized when measuring technical provisions, up to the limit of the amounts assumed by the policyholder.

C) OTHER ASSETS AND LIABILITIES DERIVED FROM INSURANCE AND REINSURANCE CONTRACTS
a. Deposit components in insurance contracts

Some Life insurance contracts contain both an insurance component and a deposit component. The two components are not measured separately because all the rights and obligations arising from the deposit component are recognized.

b. Embedded derivatives in insurance contracts

Some Life insurance contracts contain embedded derivatives, essentially consisting of guaranteed surrender and maturity values. Embedded derivatives are not measured separately from the main insurance contract because they fulfill the conditions to be classified as insurance contracts, and their embedded value is therefore measured jointly with the main contract, pursuant to EU-IFRS 4.

c. Insurance contracts acquired in business combinations or portfolio transfers

Insurance contracts acquired in business combinations or portfolio transfers are recognized on the balance sheet as follows:

C.1) The liabilities arising from the insurance contracts are recorded pursuant to EU-IFRS 4.

C.2) An intangible asset is recorded, representing the difference between:

- The fair value of the rights acquired and all the other assumed contractual obligations, and
- The amount described in Section C.1) above.

This intangible asset is amortized in accordance with the policies in force at the time of the purchase and the future generation of profits from them.

D) CLAIMS

The estimated cost of claims, both from the Life and Non-Life business, is recognized on the date of their occurrence and includes all necessary expenses to be incurred up to the settlement of the claim.

The best estimate of the cost of IBNR claims prior to the end of each financial period, based on past experience, are reported through the IBNR provision.

Payments of claims are made against the previously recognized provision.

Claims corresponding to accepted reinsurance are recorded in line with the accounts received from the ceding companies, estimating the final expected cost. In the case of ceded and retroceded reinsurance, they are recorded according to the underwritten reinsurance contracts and under the same criteria used for the direct insurance and accepted reinsurance, respectively.

E) MOST SIGNIFICANT ASSUMPTIONS AND OTHER SOURCES FOR ESTIMATING UNCERTAINTIES

For assets, liabilities, revenues and expenses related to insurance contracts, as a general rule, the assumptions used are those that were made when issuing these contracts, as specified in the technical conditions.

In general, the estimates and assumptions used are reviewed regularly and are based on past experience and other factors that might have been deemed more reasonable. If these reviews lead to changes in estimates in a given period, their effect shall be applied during that period and, where relevant, in subsequent periods.

The main assumption is based on the behavior and development of the claims, using their frequency and costs in recent years. Likewise, estimates and assumptions about interest rates and foreign currency exchange, delays in paying claims and any other external factor that could affect the estimates are taken into account.

For liabilities, assumptions are based on the best possible estimate when issuing the contracts, and if an insufficiency became evident, the provisions required to cover it would be constituted.

F) IMPAIRMENT

When there is objective evidence that a loss was incurred due to impairment of the assets derived from insurance and reinsurance contracts, the general valuation criteria indicated in Note 5.9. Receivables is applied.

5.16. PROVISIONS FOR RISKS AND EXPENSES

These are recognized when there is a current obligation (whether legal or implicit) as a result of a past event and a reliable estimate of the obligation amount can be made.

If it is highly likely that part or all of a provision will be reimbursed, the reimbursement is recognized as a separate asset.

5.17. DEBT

Valuations are generally carried out at the amortized cost using the effective interest rate method.

For debts with a maturity exceeding one year and when the parties have not expressly agreed on the applicable interest, they are discounted by taking the interest in force in the market for public debt securities with the same or similar term as the maturity of the debts as the implicit financial interest, without prejudice to taking into account the relevant risk premium.

5.18. GENERAL CRITERION FOR REVENUES AND EXPENSES

Recognition of revenue from non-insurance activities is made when the promised goods or services are transferred to a customer, in line with the contract between them, considering that a good or service has been transferred when the client obtains control of it (be it over a period of time or in a specific moment). The amount recognized corresponds to the amount of the consideration the company is entitled to for the transfer of the goods or services.

5.19 REMUNERATION FOR EMPLOYEES

Remuneration for employees may be short-term, post-employment benefits, compensation for termination, other medium and long-term remuneration, and share-based payments.

a. Short-term remuneration

These are recorded according to the services provided by employees on an accrual basis.

b. Post-employment benefits

These consist of defined contribution plans and defined benefit plans, as well as life insurance covering death between the ages of 65 and 77.

Defined contribution plans

These are plans in which the company in question makes pre-determined contributions to a separate company (whether linked to the Group or external) and has no legal or implicit obligation to make any additional contributions in the event of an insufficiency of assets to honor the payment of benefits. The amount of benefits to be received by employees is determined by the contributions made plus the yield obtained by the investments in which the fund was materialized.

Defined benefit plans

These are plans in which the benefits to be received by employees at the moment of their retirement, are normally set according to factors like remuneration.

The liability recognized on the balance sheet for defined benefit pension plans is equal to the current value of the obligation for benefits defined on the balance sheet date less, where applicable, the fair value of the assets set aside for the plan.

The obligation for defined benefits is determined separately for each plan using the actuarial valuation method of the projected credit unit.

Actuarial gains and losses are recorded in equity accounts.

c. Compensation for termination

This is recognized as a liability and expense when there is evidence of an agreement to rescind the work relationship before the normal date of employee retirement or when there is an offer to encourage voluntary rescission of the contracts.

d. Other medium and long-term remuneration and share-based payments

Other long-term remunerations besides those described in the preceding paragraphs and referring specifically to the reward for years of service or time with the company, are recorded in line with the aforementioned principles. The only exceptions are the cost of past services, which is recognized immediately and recorded as an offsetting entry under the heading "Provisions for risks and expenses", and actuarial gains and losses which are recorded on the consolidated income statement.

Incentive plans

On February 9, 2022,, the Board of Directors of MAPFRE S.A. approved an extraordinary, unvested incentive plan for the 2022-2026 period, comprising three overlapping cycles with a three-year target measurement period per cycle. This new plan is aimed at specific members of Management and key professionals of the Company and Group companies, including executive directors of the Company, and is dependent on the fulfillment of the targets established within the MAPFRE Group strategic plan as well as on the manager remaining in the employment of the Company or Group. Said incentive will be paid partially in cash and partially in MAPFRE S.A. shares, and payment is subject to malus or clawback clauses, as well as a certain period of required share ownership .

In 2019 a medium-term incentive plan was approved for certain members of the MAPFRE executive team. The plan is extraordinary, non-cumulative and multi-year, commencing January 1, 2019 and ending March 31, 2022, with payment of part of the incentives deferred to the period 2023-2025. The payment of incentives is dependent on fulfilling certain corporate and individual objectives, as well as remaining in the Group's employment. The incentives will be paid partly in cash (50 percent) and partly in MAPFRE S.A. shares (50 percent), and payment is subject to malus or clawback clauses.

At the close of each year, the fulfillment of objectives are evaluated and the amount accrued is recorded in the consolidated income statement under a liability heading for the part of the remuneration paid in cash and under an equity heading for the part corresponding to equity instruments. The valuation of the part of the incentive paid in MAPFRE S.A. shares takes into account the fair value of the equity instruments assigned at the transfer date, based on the terms and conditions of the plan.

Each year, until the vesting date, the number of equity instruments included in the calculation of the transaction amount is adjusted. No additional adjustments are made after the vesting date.

In 2021, MAPFRE launched a Stock-option plan for employees in Spain, with the aim of increasing their tie to the company's future profits and strategy. The plan has implied voluntarily dedicating an annual amount of remuneration toward acquiring MAPFRE S.A. shares, which have been delivered on a monthly basis over the course of 2022. 4,704 employees signed up for the plan, 43 percent of the company's total employees in Spain. In 2022, a new Stock-option plan was launched which will be carried out in 2023, without recording anything in accounting for this new plan.

5.20. REVENUES AND EXPENSES FROM INVESTMENTS

These are classified in line with the designation of the investments they come from; as operating expenses if they are assigned to cover technical provisions, or as equity if they are related to the materialization of shareholders' equity.

Changes in fair value are recorded according to the portfolio in which financial investments are classified:

a. Trading portfolio

Recorded directly in the consolidated income statement distinguishing between the part attributable to yields, which are recognized as interest or, if applicable, as dividends, and the part that is recorded as realized and unrealized results.

b. Held-to-maturity portfolio

Recorded when the financial instrument is disposed of and in case of impairment.

c. Available-for-sale portfolio

Recognized directly in the company's equity until it is written off or impairment occurs, at which time they are recorded in the consolidated income statement.

In all cases, the interest of financial instruments is recorded on the consolidated income statement by applying the effective interest rate method.

5.21. RECLASSIFICATION OF EXPENSES BY DESTINATION AND ALLOCATION TO ACTIVITY SEGMENTS

The criteria to follow for reclassifying expenses by destination are mainly based on the position held by each of the employees, distributing their direct and indirect cost according to this position.

For expenses directly or indirectly related to personnel, individual studies are undertaken, allocating them to the destination according to the use of these expenses.

The established destinations are as follows:

- Claims-related expenses
- Expenses allocated to investments
- Other technical expenses
- Other non-technical expenses
- Acquisition expenses
- Administration expenses

- Operating expenses from other activities

Expenses have been allocated to the different segments, according to the Business Unit or Regional Area in which the activity originated:

5.22. TRANSACTIONS AND BALANCES IN FOREIGN CURRENCY

With the exception of reinsurance activities, transactions in foreign currencies are translated into each Group company's functional currency at the exchange rate in force on the transaction date.

Reinsurance operations in foreign currency are recorded at the exchange rate established at the beginning of each quarter of the year. Subsequently, at the end of each quarter, they are all treated as one operation, being converted at the exchange rate in force at the time and recording the resulting difference on the consolidated income statement.

At year end, the existing balances in foreign currencies are translated at the exchange rate of the functional currency prevailing on that date, and all exchange differences are recorded in the consolidated income statement, the only exception being those which are directly allocated to "Currency conversion differences", i.e. those arising from the monetary items that form part of the net investment in a foreign operation and from the non-monetary ones measured at fair value, where changes in value are directly recognized in equity.

5.23. TAX ON PROFITS

Tax on profits is treated as an expense in the year and is recorded as such in the consolidated income statement, including both the tax charge for the current tax and the effect corresponding to the movement in deferred tax.

In order to determine this, the balance sheet method is followed, whereby the corresponding assets and deferred tax liabilities necessary to correct the effect of temporary differences are recorded. These are differences that may exist between the book value of an asset or liability and its valuation for tax purposes.

Temporary differences may be "Temporary tax differences", which result in higher tax payments in the future and which generally entail the recognition of a deferred tax liability; or "Deductible temporary differences", which result in lower tax payments in the future and, to the extent in which it is returnable, the registration of a deferred tax asset.

Meanwhile, tax on profits related to items where modifications in their value are directly recognized in equity is not allocated to the consolidated income statement but to equity, and the changes in value are recorded net of the tax effect.

a. Recognition of deferred tax liabilities

The Group recognizes deferred tax liabilities in all cases except those in which:

- They arise from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that does not affect the accounting result or the taxable income on the date of the transaction.
- They correspond to differences relating to investments in controlled, associated or joint arrangement companies over which the Group controls the moment of reversal and it is not probable that a reversal occurs in the foreseeable future.

b. Recognition of deferred tax assets

The Group recognizes deferred tax assets as long as:

- It is probable that there are sufficient future taxable profits to offset them. However, those assets that arise from the initial recognition of assets or liabilities in a transaction that is not a business combination and that does not affect the accounting result or the taxable income on the date of the transaction are not recognized.
- They correspond to temporary differences relating to investments in controlled, associated or joint arrangement companies to the extent that the temporary differences revert in the foreseeable future and positive future taxable benefits are expected to be generated to offset the differences.

c. Compensation

The Group only offsets assets and liabilities from tax on profits if there is a legal right to do so according to the tax authorities and it intends to liquidate debts coming from its net value or realize assets and liquidate debts simultaneously.

d. Deferred tax asset and liability valuation

The deferred tax assets and liabilities are valued by the tax rates applicable in the period in which assets are expected to be realized or liabilities paid.

The Group reviews the book value of the deferred tax assets and liabilities at the close of the period, and evaluates if conditions are fulfilled for recognizing deferred tax assets that had not previously been recognized.

6. BREAKDOWN OF FINANCIAL STATEMENTS

6.1. INTANGIBLE ASSETS

The following tables show the movements under this heading in the last two years:

2022

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance
<u>COST</u>						
GOODWILL	1,666.6	64.0	(91.5)	—	—	1,639.1
OTHER INTANGIBLE FIXED ASSETS						
Portfolio acquisition expenses	1,052.4	73.0	(82.5)	—	(11.9)	1,031.0
Software	1,386.6	65.0	(9.4)	176.7	(12.2)	1,606.7
Other	475.6	(18.0)	(0.1)	75.7	(51.5)	481.7
TOTAL COST	4,581.2	184.0	(183.5)	252.4	(75.6)	4,758.5
<u>CUMULATIVE AMORTIZATION</u>						
OTHER INTANGIBLE FIXED ASSETS						
Portfolio acquisition expenses	(511.0)	(27.7)	45.7	(48.9)	10.1	(531.8)
Software	(896.3)	(39.2)	9.2	(133.1)	6.8	(1,052.6)
Other	(55.4)	21.8	0.1	(28.8)	0.4	(61.9)
TOTAL CUMULATIVE AMORTIZATION	(1,462.7)	(45.1)	55.0	(210.8)	17.3	(1,646.3)
<u>IMPAIRMENT</u>						
GOODWILL	(194.2)	(8.8)	9.5	—	—	(193.5)
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	(10.5)	0.1	9.8	—	—	(0.6)
Software	(2.6)	(0.2)	—	—	—	(2.8)
Other	—	—	—	—	—	—
TOTAL IMPAIRMENT	(207.3)	(8.9)	19.3	—	—	(196.9)
TOTAL GOODWILL	1,472.4	55.2	(82.0)	—	—	1,445.6
TOTAL OTHER INTANGIBLE ASSETS	1,438.8	74.8	(27.2)	41.6	(58.3)	1,469.7
TOTAL INTANGIBLE ASSETS	2,911.2	130.0	(109.2)	41.6	(58.3)	2,915.3

Figures in millions of euros

The amounts shown in Changes to the scope in 2022 primarily come from the sale of shareholding in CAJA CASTILLA LA MANCHA VIDA Y PENSIONES, S.A.

Additions in the year mainly include advances from intangible fixed assets and launch of business-related operating systems.

2021

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance
COST						
GOODWILL	1,848.5	58.1	(0.6)	24.2	(263.6)	1,666.6
OTHER INTANGIBLE FIXED ASSETS						
Portfolio acquisition expenses	1,080.5	6.5	4.3	—	(38.9)	1,052.4
Software	1,234.9	21.2	(4.2)	150.8	(16.1)	1,386.6
Other	381.7	7.2	40.9	119.1	(73.3)	475.6
TOTAL COST	4,545.6	93.0	40.4	294.1	(391.9)	4,581.2
CUMULATIVE AMORTIZATION						
OTHER INTANGIBLE FIXED ASSETS						
Portfolio acquisition expenses	(493.5)	(1.5)	—	(47.7)	31.7	(511.0)
Software	(780.0)	(9.5)	2.2	(110.5)	1.5	(896.3)
Other	(36.0)	(8.1)	(17.6)	(11.5)	17.8	(55.4)
TOTAL CUMULATIVE AMORTIZATION	(1,309.5)	(19.1)	(15.4)	(169.7)	51.0	(1,462.7)
IMPAIRMENT						
GOODWILL	(438.7)	(9.3)	—	—	253.8	(194.2)
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	(17.3)	—	—	—	6.8	(10.5)
Software	—	(0.1)	—	(2.5)	—	(2.6)
Other	—	—	—	—	—	—
TOTAL IMPAIRMENT	(456.0)	(9.4)	—	(2.5)	260.6	(207.3)
TOTAL GOODWILL	1,409.8	48.8	(0.6)	24.2	(9.8)	1,472.4
TOTAL OTHER INTANGIBLE ASSETS	1,370.3	15.7	25.6	97.7	(70.5)	1,438.8
TOTAL INTANGIBLE ASSETS	2,780.1	64.5	25.0	121.9	(80.3)	2,911.2

Figures in millions of euros

The additions in Other intangible assets in 2021 were primarily from:

- The assignation of the final acquisition price of the stake in MAPFRE SANTANDER PORTUGAL carried out in 2020 (Note 6.24).
- Advances for intangible fixed assets for the amount of 40 million euros.
- The signing of an exclusive distribution and sale agreement in Mexico which included a payment of 24.2 million euros.

The amounts shown in the Disposals, cancellations or reductions column in 2021 were mainly from written-off Goodwill and Portfolio acquisition expenses and/or impaired in previous years.

Intangible assets with an indefinite useful life

The useful life of the following intangible assets is considered indefinite since these assets are expected to contribute to future revenues for the Group indefinitely:

Item	Book value	
	12/31/2022	12/31/2021
Goodwill on consolidation	1,416.1	1,442.9
Goodwill on merger	29.5	29.5

Figures in millions of euros

The following tables provide detailed information on the cash-generating units to which the different goodwill items and portfolio acquisition expenses are allocated, as well as their book value and, if applicable, the impairment amount and amortization over the last years.

• Goodwill

Cash-generating unit	Business and Geographic Area	Gross amount at source		Balance 12.31.2020	2021		Balance 12.31.2021	2022		Balance 12.31.2022
		Millions in original currency	Currency		Entries/ (write-offs)	Net impairment for the period		Entries/ (write-offs)	Net impairment for the period	
Goodwill on consolidation										
MAPFRE VIDA	Life insurance (Spain)	258.4	EUR	212.6	—	—	212.6	—	—	212.6
GLOBAL RISKS	Insurance for Companies	40.8	EUR	40.2	—	—	40.2	—	—	40.2
GRUPO CORPORATIVO, L.M.L.	Non-Life Insurance (Mexico)	407.9	MXN	16.7	0.8	—	17.5	2.1	—	19.6
MAPFRE WARRANTY	Extended Warranty	11.4	EUR	11.1	—	—	11.1	—	—	11.1
BB MAPFRE PARTICIPAÇÕES	Insurance (Brazil)	350.3	BRL	55.2	0.1	—	55.3	6.8	—	62.1
BANKINTER VIDA	Life insurance (Spain)	160.5	EUR	160.5	—	—	160.5	—	—	160.5
CCM VIDA Y PENSIONES	Life and Pensions insurance (Spain)	81.3	EUR	81.3	—	—	81.3	(81.3)	—	—
MAPFRE USA	Non-Life Insurance (USA)	882.4	USD	597.4	44.3	—	641.7	42.1	—	683.8
MAPFRE AMERICA CENTRAL	Insurance (Central America)	9.0	PAB	7.3	0.6	—	7.9	0.6	—	8.5
CENTURY AUTOMOTIVE	Insurance and reinsurance (USA)	24.9	USD	20.4	1.4	—	21.8	1.5	—	23.3
BANKINTER SEGUROS GENERALES	Non-Life Insurance (Spain)	12.5	EUR	12.5	—	—	12.5	—	—	12.5
FUNESPAÑA	Funeral services (Spain)	17.9	EUR	17.9	—	—	17.9	—	—	17.9
VERTI VERSICHERUNG AG	Non-Life insurance (Germany)	125.5	EUR	125.5	—	—	125.5	—	—	125.5
MAPFRE SANTANDER PORTUGAL	Non-Life Insurance (Portugal)	9.7	EUR	9.7	(9.7)	—	—	—	—	—
Other	—	—	—	35.5	1.6	—	37.1	1.4	—	38.5
TOTAL GOODWILL ON CONSOLIDATION				1,403.8	39.1	—	1,442.9	(26.8)	—	1,416.1
Goodwill on merger										
BANKINTER VIDA (branch in Portugal)	Life and Pensions insurance (Portugal)	5.3	EUR	5.3	—	—	5.3	—	—	5.3
GRUPO FUNESPAÑA	Funeral Services (Spain)	—	—	—	24.2	—	24.2	—	—	24.2
TOTAL GOODWILL ON MERGER				6.0	23.5	—	29.5	—	—	29.5
TOTAL GOODWILL				1,409.8	62.6	—	1,472.4	(26.8)	—	1,445.6
Goodwill in associated and multi-group undertakings										
SALVADOR CAETANO AUTO (SGPS), S.A.	Services (Portugal)	11.3	EUR	11.3	—	—	11.3	—	—	11.3
PUY DU FOU ESPAÑA, S.A.	Activities and theme parks (Spain)	4.6	EUR	4.6	—	—	4.6	—	—	4.6
SOLUNION SEGUROS DE CREDITO, S.A.	Insurance (Spain)	12.9	EUR	12.9	—	—	12.9	—	—	12.9
Other	—	—	—	1.5	—	—	1.5	—	—	1.5
TOTAL GOODWILL IN ASSOCIATED AND MULTI-GROUP UNDERTAKINGS (EQUITY-ACCOUNTED) (*)				30.3	—	—	30.3	—	—	30.3

Figures in millions of euros

(*) Goodwill related to acquisitions of associated and multigroup entities is included as the higher of the investment values recorded in accounting via the equity method

• Portfolio acquisition expenses

Cash-generating unit	Business and Geographic Area	Gross amount at source		Initial 12/31/2020	2021		Initial 12/31/2021	2022		Initial 12/31/2022
		Millions in original currency	Currency		Entries/ (write-offs)	Amortization and net impairment for the period		Entries/ (write-offs)	Amortization and net impairment for the period	
BANKINTER VIDA	Life and Pensions insurance (Spain and Portugal)	200.9	EUR	108.0	—	(9.7)	98.3	—	(9.6)	88.7
CCM VIDA Y PENSIONES	Life and Pensions insurance (Spain)	82.6	EUR	31.6	—	(3.3)	28.3	(28.3)	—	—
BB MAPFRE PARTICIPAÇÕES	Life Insurance (Brazil)	3,461.4	BRL	335.6	0.3	(24.4)	311.5	39.8	(30.2)	321.1
MAPFRE SIGORTA	Insurance (Turkey)	95.4	TRY	—	—	—	—	—	—	—
MAPFRE FINISTERRE	Non-Life Insurance (Spain)	87.9	EUR	32.9	—	(2.3)	30.6	—	(2.2)	28.4
VERTI VERSICHERUNG AG	Non-Life insurance (Germany)	23.5	EUR	8.7	—	(2.0)	6.7	—	(1.5)	5.2
MAPFRE SALUD ARS	Life Insurance (Dominican Republic)	3,740.1	DOP	49.1	4.3	(3.7)	49.7	4.4	(4.3)	49.8
Other	—	—	—	3.8	4.3	(2.3)	5.8	0.7	(1.1)	5.4
TOTAL PORTFOLIO ACQUISITION EXPENSES				569.7	8.9	(47.7)	530.9	16.6	(48.9)	498.6

Figures in millions of euros

The book value, net of any impairment, of each of the goodwill and portfolio acquisition expense items described above, and of the net assets associated with each cash-generating unit, is equal to or lower than the amount recoverable from the cash-generating unit to which they are allocated.

NON-LIFE BUSINESS

The following table shows the recoverable value of the main cash-generating units for the Non-Life business:

Cash-generating unit	Contrast value		Recoverable value	
	2022	2021	2022	2021
BB MAPFRE PARTICIPAÇÕES	196.5	167.8	1,242.6	902.2
MAPFRE USA	1,549.7	1,798.4	1,697.0	2,480.6
VERTI VERSICHERUNG AG	288.8	317.3	310.0	523.2

Figures in millions of euros

The calculation of the recoverable value of the Non-Life business cash-generating units takes into account the degree of economic development of the country in which the units operate as well as the degree of development of the insurance industry, measured by its weight in the country Gross Domestic Product, and other variables such as market share, projected performance of the commercial network, MAPFRE's past experience in the markets where the cash-generating units are present, etc.

The discount rate (ke) and perpetual growth rate (g), as defined below, are also taken into account:

1. Discount rate (ke) = Risk-free rate of the country + (β * Risk premium of the equity market)
2. Perpetual growth rate (g): calculated according the long-term inflation projection issued by the International Monetary Fund (IMF)

The country risk rate usually corresponds to the effective yield of the 10-year Government bonds in local currency issued in the country in which the cash-generating unit operates, increased by the risk premium of the equity market estimated for the insurance industry. The market risk premium for the insurance industry is calculated by modulating the generic premium for the equity market by the Beta ratio for listed insurance companies compared with the region in which the cash-generating unit operates.

The risk-free rate applied ranged between 2.6 percent and 12.8 percent in 2022, and between -0.2 percent and 10.3 percent in 2021.

As a supplement for estimating the discount (ke) and perpetual growth (g) rates applied to the different cash-generating units analyzed, the external projections of international organizations and other benchmark entities in the field of company ratings are used.

The discount rates thus obtained, applied to the discounted cash flows used to calculate the recoverable value of the main cash-generating units, are as follows:

Cash-generating unit	2022	2021
MAPFRE USA	8.6%	6.3%
BB MAPFRE PARTICIPAÇÕES	17.2%	14.6%
VERTI VERSICHERUNG AG	7.4%	4.9%

The rates used to calculate the recoverable value of the cash-generating units are after taxes, as they are applied to cash flows that are also net of tax effects.

The estimated perpetual growth rates (g) applicable to the different cash-generating units are based on the long-term inflation projections included in the World Economic Outlook Database published by the International Monetary Fund, with the markets in which the main cash-generating units operate being:

Country	Long-term inflation forecast		Perpetual growth rate (g)	
	2022	2021	2022	2021
United States	2.0 %	2.3 %	2.0 %	2.3 %
Brazil	3.0 %	3.1 %	3.5 %	3.6 %
Germany	2.0 %	2.0 %	2.0 %	2.0 %

Meanwhile, at least once a year each Group company analyzes the assumptions used to estimate future cash flows and updates them pursuant to actual results and past experience. In general, the cash flow projections for the first five years consider growth rates based on past experience, while in subsequent years the residual value is calculated, establishing perpetual revenues based on the cash flows of the last period of the estimates, with a perpetual growth rate calculated as described above.

The most relevant hypotheses used to determine cash flows from the main cash-generating units are as follows:

Non Life Cash-generating unit	Average premium growth		Average net result growth		Average capital requirement ratio (1)	
	2022	2021	2022	2021	2022	2021
MAPFRE USA	1.5%	3.6%	323.7%	7.4%	16.4%	14.5%
BB MAPFRE PARTICIPAÇÕES	15.6%	13.3%	27.6%	13.8%	10.1%	13.2%
VERTI VERSICHERUNG AG	3.9%	4.6%	10.8%	10.4%	24.0%	26.8%

(1) Premium ratio for Non-Life business

The ratios described above correspond to the average of the years comprising the time horizon of the projections (generally 5 years).

In the event of reasonable variations in any of the key assumptions, the book value is unlikely to be significantly higher than the recoverable value of the cash-generating units.

Specifically, the studies conducted for the main cash-generating units analyzed reveal the following sensitivity ranges in the event of unfavorable variations in the key assumptions:

- An increase of 1 percentage point in the discount rate applied to each cash-generating unit would imply reductions in the recoverable values for 2022 of 7.5 percent (9.6 percent in 2021), 11.2 percent (16.1 percent in 2021) (28.3 percent in 2021), for the cash-generating units BB MAPFRE PARTICIPAÇÕES, MAPFRE USA, and VERTI VERSICHERUNG AG, respectively, which would only impact cash-generating units with a tighter margin, without the effect on any of those units being significant for the Group equity or financial situation.
- A decrease of 0.25 percentage points in the perpetual growth rate applied to each cash-generating unit would imply reductions in the recoverable values of between 1.1 and 2.3 percent in 2022, and between 1.7 and 10.4 percent in 2021, which would not imply a relevant fall below the book value attributed to any of the units, and as such an impairment has not been provisioned.

LIFE BUSINESS

The following table shows the recoverable value of the main cash-generating units for the Life business:

Cash-generating unit	Contrast value		Recoverable value	
	2022	2021	2022	2021
MAPFRE VIDA	1,686.5	2,079.0	4,573.6	4,058.7
BANKINTER VIDA (Spain)	233.6	225.4	678.9	474.6

Figures in millions of euros

To calculate the recoverable value of the cash-generating units for the Life business, the present value of all future profits (Appraisal value, AP) coming from the in-force portfolio (Embedded value, EV), and new business (Goodwill, GW).

$$AP = EV + GW$$

The value of the in force portfolio (EV) is determined by the sum of the future profits of the in-force portfolio (Value in force (VIF) and the Net assets value (NAV).

$$EV = VIF + NAV$$

To determine the value of new business (GW) the value of new business from the last available period (VNB), is multiplied by a factor of new business generation expectation (Multiplier)

This factor contemplates the discount rate and the expected growth of new business in the future.

$$GW = VNB \times \text{Multiplier}$$

The following shows a the main hypothesis for calculating the Appraisal value:

EMBEDDED VALUE	HYPOTHESIS
Discount rate	EIOPA Risk free curve
Cost of capital	
Capital requirement	100% SCR Solvency II
Annual cost	6% annual pre-tax

The new business generation expectation factor (Multiplier) for the last two years was 7.

The studies carried out for the main cash-generating units in the Life business, show the following ranges of sensitivity to unfavorable variations in the key hypotheses:

- An increase of 1 percentage point in interest rates applied in the Embedded Value calculation would lead to a 4.7 percent loss in recoverable value in the Group's Cash-Generating Units in the Life business (7 percent in 2021), and a similar reduction in rates would lead to a 2.8 percent increase (3.9 percent in 2021).
- Similarly, a 1 percentage point increase in interest rates applied in the Value of New Business (VNB) calculation would lead to a 2.4 percent loss in recoverable value in the Group's Cash-Generating Units in the Life business (2.8 percent in 2021), and a similar reduction in rates would lead to a 1.2 percent reduction (0.3 percent in 2021).

From the above analysis, it is clear that, in the face of unfavorable variations in key hypotheses, the recoverable value of the above mentioned cash-generating units would continue to surpass their accounting value.

Additional information regarding the sensitivity to insurance risk for Life and Non-Life business is included in note 7 "Risk Management"

6.2. PROPERTY, PLANT AND EQUIPMENT AND REAL ESTATE INVESTMENTS

Property, plant and equipment

The following tables show the movements under this heading in the last two years:

2022

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance	Market value
COST							
REAL ESTATE FOR OWN USE							
Land and natural resources	28.7	(3.9)	—	4.6	(2.8)	26.6	105.8
Buildings and other structures	1,041.5	12.5	(0.7)	28.7	(70.0)	1,012.0	1,040.7
Lease right of use	398.0	0.8	—	87.1	(23.5)	462.4	276.1
OTHER PROPERTY, PLANT AND EQUIPMENT							
Vehicles	33.1	2.6	(0.1)	3.3	(3.7)	35.2	9.8
Furniture and fittings	504.8	(12.3)	(0.1)	29.2	(41.4)	480.2	133.5
Other property, plant and equipment	202.5	26.6	(1.3)	18.3	0.5	246.6	68.6
Advances and fixed assets in progress	1.2	—	—	13.0	(11.2)	3.0	0.8
Lease right of use	11.2	(0.1)	(0.6)	4.0	(2.8)	11.7	4.5
TOTAL COST	2,221.1	26.2	(2.8)	188.2	(154.9)	2,277.7	1,639.8
CUMULATIVE DEPRECIATION							
REAL ESTATE FOR OWN USE							
	(390.3)	7.1	0.2	(61.2)	35.0	(409.2)	—
OTHER FIXED ASSETS							
	(527.6)	(15.3)	0.7	(55.1)	37.7	(559.6)	—
TOTAL CUMULATIVE DEPRECIATION	(917.9)	(8.2)	0.9	(116.3)	72.7	(968.8)	—
IMPAIRMENT							
REAL ESTATE FOR OWN USE							
Land and natural resources	—	—	—	—	—	—	—
Buildings and other structures	(6.1)	0.1	—	(2.1)	1.2	(6.9)	—
OTHER FIXED ASSETS							
Other property, plant and equipment	(2.0)	2.0	—	—	—	—	—
TOTAL IMPAIRMENT	(8.1)	2.1	—	(2.1)	1.2	(6.9)	—
TOTAL REAL ESTATE FOR OWN USE	1,071.8	16.6	(0.5)	57.1	(60.1)	1,084.7	1,422.6
TOTAL OTHER FIXED ASSETS	223.2	3.5	(1.4)	12.7	(20.9)	217.2	217.2
TOTAL PROPERTY, PLANT & EQUIPMENT	1,295.0	20.1	(1.9)	69.8	(81.0)	1,301.9	1,639.8

Figures in millions of euros

2021

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance	Market value
COST							
REAL ESTATE FOR OWN USE							
Land and natural resources	29.0	2.9	(2.2)	1.5	(2.5)	28.7	90.6
Buildings and other structures	1,007.8	(0.2)	39.8	19.3	(25.2)	1,041.5	1,073.3
Lease right of use	331.5	4.5	21.1	49.6	(8.7)	398.0	252.4
OTHER PROPERTY, PLANT AND EQUIPMENT							
Vehicles	28.6	1.4	6.4	4.6	(7.9)	33.1	9.7
Furniture and fittings	487.7	1.2	6.6	29.9	(20.6)	504.8	148.3
Other property, plant and equipment	230.8	0.6	(12.0)	17.7	(34.6)	202.5	59.5
Advances and fixed assets in progress	3.4	0.2	(0.4)	10.3	(12.3)	1.2	0.4
Lease right of use	10.0	0.2	(1.8)	3.8	(1.0)	11.2	5.4
TOTAL COST	2,128.9	10.8	57.5	136.7	(112.8)	2,221.0	1,639.6
CUMULATIVE DEPRECIATION							
REAL ESTATE FOR OWN USE	(322.1)	(8.8)	(7.5)	(50.3)	(1.6)	(390.3)	—
OTHER FIXED ASSETS	(519.6)	(1.4)	12.8	(63.5)	44.1	(527.6)	—
TOTAL CUMULATIVE DEPRECIATION	(841.7)	(10.2)	5.3	(113.8)	42.5	(917.9)	—
IMPAIRMENT							
REAL ESTATE FOR OWN USE							
Land and natural resources	—	—	—	—	—	—	—
Buildings and other structures	(5.9)	—	—	(0.9)	0.7	(6.1)	—
OTHER FIXED ASSETS							
Other fixed assets	(2.0)	—	—	—	—	(2.0)	—
TOTAL IMPAIRMENT	(7.9)	—	—	(0.9)	0.7	(8.1)	—
TOTAL REAL ESTATE FOR OWN USE	1,040.4	(1.6)	51.2	19.2	(37.3)	1,071.8	1,416.3
TOTAL OTHER FIXED ASSETS	238.9	2.2	11.6	2.8	(32.3)	223.2	223.3
TOTAL PROPERTY, PLANT & EQUIPMENT	1,279.3	0.6	62.8	22.0	(69.6)	1,295.0	1,639.6

Figures in millions of euros

Real estate investment

The following tables show the movements under this heading in the last two years:

2022

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance	Market value
<u>COST</u>							
INVESTMENT IN REAL ESTATE							
Land and natural resources	474.3	(2.0)	(101.4)	2.2	(15.1)	358.0	296.1
Buildings and other structures	1,254.7	7.8	(155.8)	85.4	(82.4)	1,109.7	1,193.8
TOTAL COST	1,729.0	5.8	(257.2)	87.6	(97.5)	1,467.7	1,489.9
<u>CUMULATIVE DEPRECIATION</u>							
INVESTMENT IN REAL ESTATE	(287.1)	(0.3)	3.9	(38.2)	25.6	(296.1)	—
TOTAL CUMULATIVE DEPRECIATION	(287.1)	(0.3)	3.9	(38.2)	25.6	(296.1)	—
<u>IMPAIRMENT</u>							
INVESTMENT IN REAL ESTATE							
Land and natural resources	(129.2)	(0.1)	—	(17.8)	4.4	(142.7)	—
Buildings and other structures	(52.7)	(1.0)	2.4	(2.5)	5.7	(48.1)	—
TOTAL IMPAIRMENT	(181.9)	(1.1)	2.4	(20.3)	10.1	(190.8)	—
TOTAL REAL ESTATE INVESTMENT	1,260.0	4.4	(250.9)	29.1	(61.8)	980.8	1,489.9

Figures in millions of euros

The variations in the column Changes to the scope mainly come from the change in consolidation method applied to the real estate investment fund Stable Income European Real Estate (SIREF), as it became considered an associated undertaking in line with the definition indicated in Note 3.1.

Disposals for the year mainly correspond to the sale of buildings on the street General Perón, number 40, in Madrid, and the street Ibañez de Bilbao, number 28, in Bilbao.

Impairment losses for the year primarily correspond to land pending cataloging for urban development.

2021

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance	Market value
<u>COST</u>							
INVESTMENT IN REAL ESTATE							
Land and natural resources	404.7	0.5	(0.2)	93.9	(24.6)	474.3	422.8
Buildings and other structures	1,277.6	0.6	(27.2)	160.4	(156.7)	1,254.7	1,262.3
TOTAL COST	1,682.3	1.1	(27.4)	254.3	(181.3)	1,729.0	1,685.1
<u>CUMULATIVE DEPRECIATION</u>							
INVESTMENT IN REAL ESTATE	(298.2)	(0.6)	8.6	(21.7)	24.8	(287.1)	—
TOTAL CUMULATIVE DEPRECIATION	(298.2)	(0.6)	8.6	(21.7)	24.8	(287.1)	—
<u>IMPAIRMENT</u>							
INVESTMENT IN REAL ESTATE							
Land and natural resources	(138.7)	—	—	(4.5)	14.0	(129.2)	—
Buildings and other structures	(45.9)	(0.3)	0.2	(11.5)	4.8	(52.7)	—
TOTAL IMPAIRMENT	(184.6)	(0.3)	0.2	(16.0)	18.8	(181.9)	—
TOTAL REAL ESTATE INVESTMENT	1,199.5	0.2	(18.6)	216.6	(137.7)	1,260.0	1,685.1

Figures in millions of euros

The key additions recorded in 2021 corresponded to real estate acquired by the Stable Income European Real Estate Fund (SIREF) as part of its regular activity.

The disposals in 2021 mainly included the elimination of a building on Calle Mateo Inurria in Madrid which was handed over as a non-monetary contribution to a Group company, the shares of which were subsequently handed over to the constitution of the company MAP SL EUROPEAN INVESTMENT SARL, of which MAPFRE holds 50 percent. As a result of this transaction, MAPFRE Group recorded a gain of 33.6 million euros.

The market value of real estate investment and of real estate for own use basically represents the value determined by an independent appraiser that uses appraisal techniques based on the variables observed in the market (Level 2).

The appraisal methods commonly used are the cost method, the comparison method, the future rental income method and the abbreviated residual method, depending on the characteristics of the asset being appraised.

Moreover, most real estate corresponds to assets assigned to technical provisions and valuations are performed on a regular basis, as established for valuation reviews by the supervisory bodies of insurance activities.

MAPFRE AND SUBSIDIARIES

Revenues and expenses derived from real estate investments in 2022 and 2021 are shown in the accompanying table:

Item	Type of investment							
	Operating investment		Equity		Other Activities		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
<u>Revenue from real estate investment</u>								
From rentals	48.9	42.1	2.1	1.0	3.9	6.1	54.9	49.2
Other	0.3	0.4	—	—	0.8	0.9	1.1	1.3
Gains on disposals	100.4	13.1	0.9	0.3	6.6	33.8	107.9	47.2
Total revenue from real estate investment	149.6	55.6	3.0	1.3	11.3	40.8	163.9	97.7
<u>Expenses from real estate investment</u>								
Direct operating expenses	36.8	18.4	—	—	—	—	36.8	18.4
Other expenses	23.0	9.7	0.1	—	6.9	6.6	30.0	16.3
Losses on disposals	6.3	1.2	—	—	—	0.4	6.3	1.6
Total expenses from real estate investment	66.1	29.3	0.1	—	6.9	7.0	73.1	36.3

Figures in millions of euros

6.3. LEASING

The Group is the lessee of real estate for own use and other intangible assets. These lease terms have an average duration of between 5 and 18 years, without renewal clauses stipulated in the agreements. There is no restriction on the lessee whatsoever regarding the prerogative to sign these leases.

The financial statements at the close of 2022 and 2021 include the following amounts:

Item	Real estate for own use		Other fixed assets		Total	
	2022	2021	2022	2021	2022	2021
ASSET						
Right-of-use (net book value)	276.1	252.4	4.5	5.4	280.6	257.8
LIABILITY						
Other financial liabilities (payment obligations)	312.1	280.6	5.0	5.7	317.1	286.3
INCOME STATEMENT						
Depreciation	(44.2)	(39.2)	(2.4)	(2.9)	(46.6)	(42.1)
Interest expenses	(17.7)	(14.4)	(0.9)	(0.8)	(18.6)	(15.2)

Figures in millions of euros

Expenses from interests are recorded in the consolidated income statement in the headings “operating investment expenses” for the insurance business and “financial expenses” for other activities. The expenses for depreciation recorded are reclassified by purpose in line with the criteria indicated in note 5.21.

Expenses for short-term leases or leases with underlying assets with little value, not included in the above chart, stand at 25.8 million euros at the close of the 2022 financial year (25.6 million euros in 2021).

Total payments for the period reached 61.7 million euros at the close of 2022 (56.1 million euros in 2021).

The future minimum payments for non-cancellable leases at the close of 2022 and 2021, not considering the financial discount, are as follows:

Item	Real estate for own use		Other fixed assets		Total	
	2022	2021	2022	2021	2022	2021
Less than one year	56.0	49.9	2.2	2.1	58.2	52.0
More than one year but less than five	164.3	149.3	3.9	5.0	168.2	154.3
More than five years	179.1	157.2	—	—	179.1	157.2
TOTAL	399.4	356.4	6.1	7.1	405.5	363.5

Figures in millions of euros

The rate applied for calculating debt follows a methodology based on interest rate curves by country and currency, applied individually.

The average weighted rate for real estate and other fixed assets reached 6.3 and 13.7 percent, respectively (4.9 and 12.9 percent in 2021).

The Group maintains the application deferral of EU-IFRS 16 for those short term lease contracts and/or those containing underlying assets with little value.

The Group is lessor of operating leases covering real estate. These lease terms have an average duration of 6.9 years, without renewal clauses stipulated in the agreements. There is no restriction on the lessee whatsoever regarding the prerogative to sign these leases.

The following chart shows the amounts corresponding to operating lease contract as a lessor at the close of the last two years:

Payments from operating leases for the last two years is as follows:

Item	2022	2021
Less than one year	39.1	48.4
More than one year but less than five	102.7	130.4
More than five years	79.3	78.2
TOTAL	221.1	257.0

Figures in millions of euros

Type of assets	Net book value	
	2022	2021
Real estate investments	599.5	862.4

Figures in millions of euros

6.4. FINANCIAL INVESTMENTS

At December 31, 2022 and 2021 the composition of financial investments was as follows:

Item	Book value	
	2022	2021
HELD-TO-MATURITY PORTFOLIO		
Fixed income	1,357.5	1,505.2
Other investments	23.7	22.6
TOTAL HELD TO MATURITY PORTFOLIO	1,381.2	1,527.8
AVAILABLE-FOR-SALE PORTFOLIO		
Shares	1,618.8	1,988.5
Fixed income	22,777.3	26,131.4
Mutual Funds	577.2	694.1
Other	79.3	147.5
TOTAL AVAILABLE FOR SALE PORTFOLIO	25,052.6	28,961.5
TRADING PORTFOLIO		
Derivatives (not for hedging):		
Financial swaps	89.6	420.6
Options	1.5	—
Other investments:		
Shares	885.4	1,063.3
Fixed income	3,050.0	2,859.7
Mutual Funds	1,136.5	1,183.3
Hybrids	15.3	216.8
Deposits	—	—
Other	11.3	10.4
TOTAL TRADING PORTFOLIO	5,189.6	5,754.1

Figures in millions of euros

The process for the valuation of financial assets is as follows:

- When the asset is acquired, it is assigned to a specific portfolio (held-to-maturity, available for sale, or trading) depending on the characteristics of the liabilities to which it is going to be assigned and on the local and international legislation on accounting and insurance.
- The accounting nature of the portfolios dictates the type of valuation performed. However, at least once a month all assets are valued against the market using the valuation methods mentioned in Note 5.5 "Financial investments" (Level 1, Level 2 and Level 3).
- The valuations are performed directly by the Group's companies, although in some countries an independent financial institution carries them out in line with the local regulations.

The valuation policy is decided by the Investment Committees and/or Risk Committees, and is reviewed at least once a quarter.

Furthermore, the MAPFRE S.A. Executive Committee analyzes the value of all investments, gains and losses on a regular basis.

With regard to the sensitivity of fair value measurements, changes in the non-observable variables used in the aforementioned individual valuations would not significantly alter the fair value obtained.

Quoted prices are monitored and verified on a regular basis in order to decide whether any transfers between levels are required:

- If the quotation source for a particular asset is no longer representative, it is transferred from Level 1 to Level 2.
- Assets are transferred from Levels 2 and 3 to Level 1 if a reasonable quotation source is verified.
- Assets are transferred to Level 3 when there are no longer any observable market data.

SPPI Test

At the close of 2022 and 2021, the Group carried out an analysis of fixed-income securities classified in the held to maturity and available for sale portfolios, with the aim of determining which securities receive cash flows solely from payments of principal and interest, i.e. if they pass the SPPI test.

The results of said analysis is shown in the accompanying chart, with a breakdown of book and fair values at December 31, 2022 and 2021, and the variation of the fair value during said periods.

Result	Book Value		Fair value			
			Amount		Variation	
	2022	2021	2022	2021	2022	2021
Pass SPPI test	23,846.1	27,235.0	23,785.9	27,275.2	(1,367.2)	1,965.5
Do not pass SPPI test	288.7	401.6	288.7	401.6	(22.9)	(5.2)
TOTAL	24,134.8	27,636.6	24,074.6	27,676.8	(1,390.1)	1,960.3

Figures in millions of euros

Additionally, the following chart provides a breakdown of the credit rating of the financial assets that pass the SPPI test:

Rating	Amount passing SPPI test			
	Book value		Fair value	
	2022	2021	2022	2021
AAA	1,642.3	1,387.1	1,644.9	1,388.8
AA	3,077.6	2,742.4	3,077.6	2,742.4
A	10,111.8	13,379.6	10,110.9	13,379.7
BBB	6,144.7	6,967.7	6,146.8	6,981.8
BB OR LESS	2,225.9	2,219.8	2,167.9	2,245.2
NO CREDIT RATING	643.8	538.4	637.8	537.3
TOTAL	23,846.1	27,235.0	23,785.9	27,275.2

Figures in millions of euros

Held-to-maturity portfolio

The investments allocated to the held-to-maturity portfolio at December 31, 2022 and 2021 are shown in the accompanying chart:

Item	Book value		Fair value				Revenue from interest		Impairment			
			Level 1. Quotation price		Level 2. Observable data		Level 3. Other measurements		Recorded loss		Reversal gains	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Fixed income	1,357.5	1,505.2	1,065.0	1,317.1	187.9	185.9	44.4	42.3	225.4	161.3	—	—
Other investments	23.7	22.6	16.7	15.1	—	0.1	6.9	7.4	3.5	2.5	—	—
TOTAL	1,381.2	1,527.8	1,081.7	1,332.2	187.9	186.0	51.3	49.7	228.9	163.8	—	—

Figures in millions of euros

In relation to Level 3 financial assets in the held-to-maturity portfolio, no significant transactions were carried out in 2022 and 2021.

Available-for-sale portfolio

The investments allocated to the available-for-sale portfolio, at December 31, 2022 and 2021 are shown in the accompanying chart:

Item	Book value (fair value)						Impairment					
	Level 1. Quotation price		Level 2. Observable data		Level 3. Other measurements		Total		Recorded loss		Reversal gains	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Shares	1,568.2	1,882.9	50.0	104.0	0.6	1.6	1,618.8	1,988.5	—	(0.3)	—	—
Fixed income	16,505.2	17,733.1	6,272.1	8,382.4	—	15.9	22,777.3	26,131.4	(3.6)	(5.7)	—	—
Mutual Funds	179.5	321.1	74.2	67.7	323.5	305.3	577.2	694.1	(0.5)	—	—	4.5
Other	9.4	12.7	69.9	134.8	—	—	79.3	147.5	—	—	—	—
TOTAL	18,262.3	19,949.8	6,466.2	8,688.9	324.1	322.8	25,052.6	28,961.5	(4.1)	(6.0)	—	4.5

Figures in millions of euros

The valuation adjustments of portfolio investments amounted to (47.9) million and 3.9 billion euros at December 31, 2022 and 2021 respectively, which have been recorded net of the tax effect on equity.

Transfers to the consolidated income statement of valuation adjustments of portfolio investments in previous years, undertaken during 2022 and 2021, amount to 93.8 and 179.0 million euros, respectively.

In 2022 and 2021, there were asset transfers from Levels 1 to Level 2 for the amount of 50.8 million and 2.8 Million euros, respectively.

There were no variations in valuation techniques at Levels 2 and 3.

A reconciliation of the opening and closing balances at the close of period for Level 3 financial assets in the available-for-sale portfolio is shown in the accompanying chart:

Available-for-sale portfolio	Equity instruments and mutual funds		Debt securities		Other financial assets		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	306.9	182.3	15.9	4.5	—	—	322.8	186.8
Acquisitions	610.5	470.2	0.1	15.8	—	—	610.6	486.0
Disposals	(508.7)	(479.2)	(1.4)	(0.1)	—	—	(510.1)	(479.3)
Transfer from Level 1 or 2	—	—	—	—	—	—	—	—
Transfer to Level 1 or 2	—	—	—	—	—	—	—	—
Amortization	—	—	(7.4)	—	—	—	(7.4)	—
Gains and losses	(4.1)	6.3	—	(2.5)	—	—	(4.1)	3.8
Other	(80.5)	127.3	(7.2)	(1.8)	—	—	(87.7)	125.5
Closing balance	324.1	306.9	—	15.9	—	—	324.1	322.8

Figures in millions of euros

At the close of 2022 and 2021, the impairment analyses performed for each security in the equity portfolios concluded that there was no significant impairment, or any signs of such, in any of the investments measured at their stock market quoted price as none of the objective situations determining this eventuality had occurred.

With respect to investments in unlisted assets, in 2021, losses of 4.3 million euros were recognized for the SAREB convertible bonds. No provisions were made during the periods 2022 and 2021 for significant impairment to investments in unquoted assets analyzed individually.

At the close of 2022 and 2021, the Group had fixed-income assets as guarantees for financial swap operations with a market value of 297.1 and 269.2 million euros, respectively. At the close of these years, the guaranteed assets amounted to 348.8 and 507.4 million euros, respectively. In both cases the guarantee matures on a daily basis, at which time a new guarantee is established or the existing guarantee is maintained or canceled. The existence of these guarantees mitigated the counterparty risk (CVA/DVA) on a large portion of the Group's derivatives.

Trading portfolio

The investments allocated to the trading portfolio at December 31, 2022 and 2021 are shown in the accompanying chart:

Item	Book value (fair value)							
	Level 1. Quotation price		Level 2. Observable data		Level 3. Other measurements		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Derivatives (not for hedging)								
Financial swaps	—	—	89.6	420.6	—	—	89.6	420.6
Options	1.7	—	(0.2)	—	—	—	1.5	—
TOTAL DERIVATIVES (NOT FOR HEDGING)	1.7	—	89.4	420.6	—	—	91.1	420.6
Other investments								
Shares	821.8	992.2	62.4	69.9	1.2	1.2	885.4	1,063.3
Fixed income	2,521.1	2,407.1	518.2	452.6	10.7	—	3,050.0	2,859.7
Mutual Funds	1,026.8	1,144.5	19.0	12.4	90.7	26.4	1,136.5	1,183.3
Hybrids	—	—	15.3	216.8	—	—	15.3	216.8
Deposits	—	—	—	—	—	—	—	—
Other	8.6	0.3	2.7	1.5	—	8.6	11.3	10.4
TOTAL OTHER INVESTMENTS	4,378.3	4,544.1	617.6	753.2	102.6	36.2	5,098.5	5,333.5
TOTAL TRADING PORTFOLIO	4,380.0	4,544.1	707.0	1,173.8	102.6	36.2	5,189.6	5,754.1

Figures in millions of euros

During 2022 and 2021 no significant transactions were carried out involving Level 3 financial assets held for trading, and no transfers were made from/to this level.

Gains and losses recognized in the 2022 and 2021 results are as follows:

Item	Gains (Losses) allocated to results			
	Unrealized		Realized	
	2022	2021	2022	2021
Derivatives (not for hedging)				
Financial swaps	—	—	—	—
Options	—	—	—	—
TOTAL DERIVATIVES (NOT FOR HEDGING)	—	—	—	—
Other investments				
Shares	(63.2)	69.3	(16.8)	22.0
Fixed income	(131.0)	(39.5)	(88.0)	(10.7)
Mutual Funds	(42.4)	55.1	(1.2)	10.3
Hybrids	—	(0.2)	—	—
Deposits	—	—	—	—
Other	0.2	(16.1)	2.4	(4.4)
TOTAL OTHER INVESTMENTS	(236.4)	68.6	(103.6)	17.2
TOTAL TRADING PORTFOLIO	(236.4)	68.6	(103.6)	17.2

Figures in millions of euros

The gains and losses indicated in the previous table are compensated in large part by movements in technical provisions covered by said investments.

The main derivative instruments correspond to financial swaps of certain or predefined flows in which a Group company assumes the obligation to pay certain fixed or predefined amounts, usually stated in euros. The sum of 89.6 million euros was recorded in the trading portfolio for this item in 2022 (420.6 million euros in 2021).

Note 7 "Risk Management" provides a breakdown of the maturity of fixed-income securities.

Investments recorded under the equity method.

The accompanying table provides a breakdown of the fair value of the main companies recorded using the equity method in the past two years:

Entity	Amount	
	2022	2021
MAP SL EUROPEAN INVEST S.A.R.L.	170.7	154.6
MAPFRE ENERGIAS RENOVABLES I, F.C.R.	145.5	100.6
SWISSLIFE SPPICAV	116.7	119.0
SALVADOR CAETANO AUTO (SGPS), S.A.	115.3	101.2
Stable Income European Real Estate Fund - GLL	80.3	—
SOLUNION SEGUROS DE CREDITO S.A.	79.2	75.9
MEAG EuropeOfficeSelect EOS SCSp SICAV-PAIF	41.6	—
ALMA MUNDI INSURTECH FUND, FCRE	33.3	29.9
Other entities	105.7	75.8
TOTAL	888.2	657.0

Figures in millions of euros

6.5. INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK

The following table shows the breakdown for the "Investments on behalf of Life insurance policyholders bearing investment risk" heading at December 31, 2022 and 2021:

Item	Book value (fair value)						Earnings					
	Level 1. Quotation price		Level 2. Observable data		Level 3. Other measurements		Total		Unrealized		Realized	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Shares	686.9	721.6	18.8	18.9	—	—	705.7	740.5	(17.0)	93.6	1.0	0.1
Fixed income	224.7	202.5	715.0	747.1	—	—	939.7	949.6	(53.2)	25.1	30.3	(1.9)
Mutual funds holdings	1,391.3	1,266.6	0.4	0.6	—	—	1,391.7	1,267.2	(112.5)	61.6	(16.9)	5.8
TOTAL	2,302.9	2,190.7	734.2	766.6	—	—	3,037.1	2,957.3	(182.7)	180.3	14.4	4.0

Figures in millions of euros

In the balance of "Mutual fund holdings", the amount of Group company majority shareholdings in mutual funds linked to Life insurance where the policyholder bears the investment risk is included, for a total of 415.5 and 449.9 million euros to December 31, 2022 and 2021, respectively. The breakdown of the assets this appears in is the following:

Item	2022	2021
Fixed income	200.8	198.6
Mutual funds	211.8	198.3
Other	2.9	53.0
TOTAL	415.5	449.9

Figures in millions of euros

6.6. RECEIVABLES

The breakdown of the “Receivables” heading at December 31, 2022 and 2021, as well as impairment losses and gains on reversals recorded in the last two years are as follows:

Item	Gross amount		Impairment		Net balance on balance sheet		Impairment			
	2022	2021	2022	2021	2022	2021	Recorded losses		Reversal gains	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Receivables on direct insurance and co-insurance operations	4,137.8	3,928.7	(35.4)	(36.7)	4,102.4	3,892.0	(11.1)	(8.5)	6.7	7.1
Receivables on reinsurance operations	709.9	823.5	(24.4)	(31.8)	685.5	791.7	—	(1.7)	3.0	2.7
Tax receivables	447.5	365.1	—	—	447.5	365.1	—	—	—	—
Corporate and other receivables	775.9	564.9	(19.5)	(19.0)	756.4	545.9	(3.2)	(3.9)	2.4	3.3
TOTAL	6,071.1	5,682.2	(79.3)	(87.5)	5,991.8	5,594.7	(14.3)	(14.1)	12.1	13.1

Figures in millions of euros

The heading “Receivables on direct insurance and co-insurance operations” includes premiums pending collection from policyholders and mediators, while the heading “Receivables on reinsurance operations” includes outstanding balances from ceded, retroceded and accepted reinsurance operations.

The breakdown for the “Corporate and other receivables” heading at the close of the last two years is as follows:

Corporate and other receivables	Amount	
	2022	2021
Debtors of sales or provision of services	164.4	149.2
Receivables for claim recovery (including collaboration agreements with other insurance companies)	55.4	54.5
Advance payment of policies (Life insurance)	23.9	19.4
Legal deposits	301.1	258.3
Receivables with Public Administrations	16.3	12.0
Balance receivables from personnel	33.3	27.3
Other debtors	162.1	25.2
TOTAL	756.4	545.9

Figures in millions of euros

Impairment is calculated and, where necessary, recognized, as described in the accounting policy 5.9 “Receivables” in this annual report.

The balances included in the “Receivables” heading do not accrue interest and generally their liquidation is executed the following year.

6.7 ASSET IMPAIRMENT

The following tables show asset impairment for the last two periods:

2022

Impairment in:	Opening balance	Adjustments to the opening balance	Changes to the scope	Recorded in results		Write-off of asset	Closing balance
				Increase	Decrease		
Intangible assets	207.3	8.9	(19.3)	—	—	—	196.9
I. Goodwill	194.2	8.8	(9.5)	—	—	—	193.5
II. Other intangible assets	13.1	0.1	(9.8)	—	—	—	3.4
Property, plant and equipment	8.2	(2.2)	—	2.0	(1.1)	—	6.9
I. Real estate for own use	6.2	(0.2)	—	2.0	(1.1)	—	6.9
II. Other property, plant and equipment	2.0	(2.0)	—	—	—	—	—
Investments	296.2	1.7	(2.4)	24.2	(5.5)	(6.4)	307.8
I. Real estate investments	181.9	1.1	(2.4)	20.1	(5.5)	(4.4)	190.8
II. Financial investments	—	—	—	—	—	—	—
-Held-to-maturity portfolio	—	—	—	—	—	—	—
- Available-for-sale portfolio	104.2	0.6	—	4.1	—	(2.0)	106.9
-Trading portfolio	—	—	—	—	—	—	—
III. Investments recorded by applying the equity method	10.1	—	—	—	—	—	10.1
IV. Deposits established for accepted reinsurance	—	—	—	—	—	—	—
V. Other investments	—	—	—	—	—	—	—
Inventories	91.8	(0.1)	—	2.5	(1.0)	—	93.2
Receivables	87.5	(10.4)	—	14.3	(12.1)	—	79.3
I. Receivables on direct insurance and co-insurance operations	36.7	(5.7)	—	11.1	(6.7)	—	35.4
II. Receivables on reinsurance operations	31.8	(4.4)	—	—	(3.0)	—	24.4
III. Tax receivables	—	—	—	—	—	—	—
IV. Social security and other receivables	19.0	(0.3)	—	3.2	(2.4)	—	19.5
Other assets	0.1	—	—	—	—	—	0.1
TOTAL IMPAIRMENT	691.1	(2.1)	(21.7)	43.0	(19.7)	(6.4)	684.2

Figures in millions of euros

2021

Impairment in:	Opening balance	Adjustments to the opening balance	Changes to the scope	Recorded in results		Write-off of asset	Closing balance
				Increase	Decrease		
Intangible assets	456.0	9.4	—	2.5	—	(260.6)	207.3
I. Goodwill	438.7	9.3	—	—	—	(253.8)	194.2
II. Other intangible assets	17.3	0.1	—	2.5	—	(6.8)	13.1
Property, plant and equipment	7.9	(0.1)	—	0.9	(0.5)	—	8.2
I. Real estat for own use	5.9	(0.1)	—	0.9	(0.5)	—	6.2
II. Other property, plant and equipment	2.0	—	—	—	—	—	2.0
Investments	301.4	0.4	(0.8)	22.0	(10.4)	(16.4)	296.2
I. Real estate investments	184.6	0.3	(0.2)	16.0	(5.9)	(12.9)	181.9
II. Financial investments	—	—	—	—	—	—	—
-Held-to-maturity portfolio	—	—	—	—	—	—	—
- Available-for-sale portfolio	105.9	0.1	—	6.0	(4.5)	(3.3)	104.2
-Trading portfolio	—	—	—	—	—	—	—
III. Investments recorded by applying the equity method	10.1	—	—	—	—	—	10.1
IV. Deposits established for accepted reinsurance	—	—	—	—	—	—	—
V. Other investments	0.8	—	(0.6)	—	—	(0.2)	—
Inventories	91.7	—	—	1.1	(1.0)	—	91.8
Receivables	101.6	(14.8)	—	14.1	(13.1)	(0.3)	87.5
I. Receivables on direct insurance and co-insurance operations	47.1	(11.8)	—	8.5	(7.1)	—	36.7
II. Receivables on reinsurance operations	35.5	(2.4)	—	1.7	(2.7)	(0.3)	31.8
III. Tax receivables	—	—	—	—	—	—	—
IV. Corporate and other receivables	19.0	(0.6)	—	3.9	(3.3)	—	19.0
Other assets	0.1	—	—	—	—	—	0.1
TOTAL IMPAIRMENT	958.7	(5.1)	(0.8)	40.6	(25.0)	(277.3)	691.1

Figures in millions of euros

6.8. CASH FLOW

Expenditure

Over the course of 2022 and 2021, several disbursements were made related to investments in Group companies and the acquisition of businesses. The most significant acquisitions were as follows:

Acquiring company	Company	Details of acquisition		Amount disbursed
		Percentage	Activity	
2022				
MAPFRE USA	AUTO CLUB MAPFRE INSURANCE COMPANY	68.38%	Insurance	16.3
2021				
MAPFRE INTERNACIONAL	MAPFRE PERÚ VIDA	32.46%	Insurance	109.2
MAPFRE ENERGÍAS RENOVABLES I , FCR	ENERGÍAS RENOVABLES IBERMAP SL	80.00%	Energy production	100.6

Figures in millions of euros

2022

In August 2022, MAPFRE USA and AAA Washington closed an agreement to create the company AUTO CLUB MAPFRE INSURANCE COMPANY. Said transaction has implied a payment of 16.3 million euros.

2021

On September 17, 2021, MAPFRE Group acquired an additional 32.46 percent of the share capital of MAPFRE PERÚ VIDA for the amount of 109.2 million euros, raising its holding in this company to 99.87 percent. This acquisition implied a negative adjustment in MAPFRE Group's consolidated reserves, for the amount of 83.3 million euros, as a result of the excess paid over the value of MAPFRE PERÚ VIDA's consolidated shareholders' equity.

On the other hand, during the 2021 financial year, the Group established, together with Iberdrola, the joint venture vehicle ENERGÍAS RENOVABLES IBERMAP SL. Said investment was channeled through the MAPFRE ENERGÍAS RENOVABLES I FCR fund and has involved the disbursement of 100.6 million euros to date.

The aforementioned investments were financed using shareholders' equity and bank loans.

Payments received

In 2022 and 2021, there was a cash inflow from payments received from sale operations, the most notable of which were:

2022

- In August 2022 the sale of the whole of the participation in PT ASURANSI BINA DANA ARTA TBK (ABDA), registered in Indonesia, took place, for a consideration of 59.4 million euros, which has implied an attributable result of 5.9 million euros for the Group.
- In October 2022 the sale of MAPFRE Insular Insurance Corporation, registered in the Philippines, was closed, for a consideration of 17.9 million euros, which has implied an attributable result of 3.4 million euros.
- On October 10, the resolution of the agreements with UNICAJA was formalized, after which, said company acquired 50 percent, belonging to MAPFRE, of CCM Vida y Pensiones, through a contribution of 131.4 million euros, generating a net result of 1.7 million euros.

2021

- On December 29, 2021, MAPFRE and Caixabank formalized the resolution of their bancassurance agreements, which implies MAPFRE having received 570.8 million euros corresponding to the valuation of 51 percent of the BANKIA VIDA entity, and an extraordinary result of 167.1 million euros.

- In May 2021, 100 percent of participation in INDUSTRIAL RE was sold for the amount of 30.8 million euros and 3.5 million euros of profits.

Commitments

Non-controlling interests of the MAPFRE RE subsidiary have a put option on the shares of this company. If exercised, MAPFRE S.A. or a Group company would have to acquire the shares from the selling non-controlling shareholder. The purchase price for the MAPFRE RE shares will be calculated using the previously agreed formula. At December 31, 2022 and 2021, considering the variables included in the aforementioned formula, the commitment assumed by the Group if this option were exercised would amount to a total of approximately 109.6 and 112.0 million euros, respectively.

No significant non-monetary transactions related to investment and financing activities have been excluded from the cash flow statement.

6.9. NON-CURRENT ASSETS HELD FOR SALE, ASSOCIATED LIABILITIES AND DISCONTINUED OPERATIONS

At December 31, 2022 and 2021, the main non-current assets held for sale, discontinued operations and associated liabilities were as follows:

Item	Non-current assets classified as held-for-sale		Discontinued operations		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Intangible assets	—	2.3	—	—	—	2.3
Property, plant and equipment	—	15.2	—	—	—	15.2
Investments	—	237.8	—	—	—	237.8
Credits	8.1	24.1	—	—	8.1	24.1
Cash	3.6	40.3	—	—	3.6	40.3
Other assets	37.4	57.6	—	—	37.4	57.6
Total assets	49.1	377.3	—	—	49.1	377.3
Related liabilities						
Technical provisions	—	87.4	—	—	—	87.4
Provision for risks and expenses	1.3	2.5	—	—	1.3	2.5
Deferred tax liabilities	—	—	—	—	—	—
Other debts	10.4	33.9	—	—	10.4	33.9
Total liabilities	11.7	123.8	—	—	11.7	123.8

Figures in millions of euros

Non-current assets classified as held-for-sale and associated liabilities

The following is a description of the key transactions that generated assets and liabilities included in the above chart.

- Sale of MAPFRE INMUEBLES land

In December 2020, MAPFRE INMUEBLES signed an agreement for the sale of land intended for residential development. At December 31, 2021, the net accounting value of the land classified as held for sale reached 94.3 million euros. In 2022, said agreement was carried out.

- Direct insurance and Assistance entities

At December 31, 2021, Direct Insurance and Assistance entities, primarily in Asia, with disposal processes advanced to different degrees, have been reclassified to non-current assets classified as held for sale and related liabilities for the amount of 242.0 and 123.8 million euros, respectively. In 2022, said disposals were carried out.

- Funeral service business in Spain

At December 31, 2022 and 2021, for FUNESPAÑA there were "Assets held for sale" for the amount of 25.1 million euros.

6.10. EQUITY

Share capital

The share capital is recorded by the face value of disbursed shares or whose disbursement was demanded.

The controlling company's share capital at December 31, 2022 and 2021 was represented by 3,079,553,273 shares, with a face value of 0.10 euros each, fully subscribed and paid-up. All shares carry identical voting and dividend rights.

The Annual General Meeting of March 9, 2018 authorized the directors of the controlling company to increase the capital up to a maximum of 153,977,663.65 euros, equivalent to 50 percent of the share capital at the time. This authorization was granted for a period of five years. Furthermore, the directors were authorized to issue analogous fixed-income securities or debentures, convertible or not, for a maximum amount of 2 billion euros.

CARTERA MAPFRE directly held 69.7 percent of the share capital at December 31, 2022 and 2021.

All shares representing the share capital of the controlling company are admitted to official trading on the Madrid and Barcelona stock markets.

The share premium reached 1.5 billion euros in the last two years and is freely available.

Treasury Stock

In 2022, 203,765 shares were given to directors of subsidiaries as part of variable remuneration schemes (221,914 in 2021), for the amount of 0.4 million euros (0.4 million in 2021). The difference between the price at which the shares were given to directors and their acquisition price, which reached (0.1) million euros in 2022 and 2021, was recorded in the "Reserves" heading.

Additionally, 10,070,672 shares were given to employees as part of the Stock-option plan described in "Accounting policies" Note 5.19, recording a negative impact of 3.6 million euros, which has been included in the heading "Reserves".

At December 31, 2022 and 2021, the controlling company owned 19,789,583 and 30,064,020 shares of treasury stock respectively, representing 0.64 and 0.98 percent of the capital, for the amount of 41.4 and 62.9 million euros, respectively.

At December 31, 2022 and 2021, no other Group company held shares in the controlling company.

Valuation change adjustments

This includes the equity reserves arising as a consequence of revenues and expenses recognized in each year which, pursuant to IFRS, must be recorded in the Group's equity accounts.

The following table shows the nature of the "Valuation change adjustments" recorded under that Equity heading at the close of the last two financial years:

Item	Amount	
	2022	2021
Fixed income		
Capital gains	512.6	2,481.1
Capital losses	(1,422.3)	(197.3)
Equity and Mutual Funds		
Capital gains	199.0	377.1
Capital losses	(137.2)	(19.6)
Shadow accounting	(124.2)	(1,839.3)
Other adjustments	49.7	3.3
TOTAL	(922.4)	805.3

Figures in millions of euros

Restrictions on the availability of reserves

The heading "Reserves" includes the controlling company's legal reserve, amounting to 61.6 million euros at December 31, 2022 and 2021, which may not be distributed to shareholders, except in the event of the controlling company's liquidation, and may only be used to offset potential losses. The same restriction applies to the legal reserves established by the subsidiaries and reflected in their balance sheets.

There are no other restrictions on the availability of reserves for any significant amount, except for those described in the section regarding "Tax incentives" in Note 6.20.

Capital management

Capital management is focused on ensuring stability and maintaining adequate remuneration, which are achieved through robust solvency margins, financial flexibility, the generation of cash flows, and the creation of value for shareholders.

Managed capital refers to the shareholders' equity permitted by the regulations currently in force and other management models used. The Group Solvency ratio offers great stability, backed by a high level of diversification and strict asset and liability management and investment policies.

In line with the Group's risk appetite, which corresponds to the level of risk that the Group is prepared to assume to attain its business objectives without any significant deviations (even in adverse circumstances), each business unit operates according to a series of risk tolerance levels based on the capital assigned.

MAPFRE has an internal capitalization and dividend policy that is designed to provide the business units with the capital necessary to cover the risks that have been assumed, all in a rational and objective way.

The volume of dividends for distribution is established in line with the estimated results and shareholders' equity. If actual performance deviates from the estimates made, the assigned capital is revised.

Remuneration for shareholders is linked to the Group's profits, solvency, liquidity and investment plans, as well as shareholders' expectations.

As a general rule, the Board of Directors recommends a distribution of dividends to the Annual General Meeting based on between 45 percent and 65 percent of the result for the period attributable to the controlling company in its consolidated annual accounts.

The risk estimates and assignment of capital to each business unit are described in Note 7 of the annual report, "RISK MANAGEMENT".

The items that form part of the Group's available equity conform to the requirements of current regulations.

6.11. SUBORDINATED LIABILITIES

At December 31, 2022 and 2021, the balance of this account included the amortized cost of the subordinated debt issued by the controlling company, corresponding to the issuances in April 2022, September 2018 and March 2017. The most relevant terms and conditions of these are described in the accompanying chart:

Terms and Conditions	Issuance		
	April 2022	September 2018	March 2017
Nominal amount	500.0	500.0	600.0
Issue date	4/6/2022	9/7/2018	3/31/2017
Maturity	4/13/2030	9/7/2048	3/31/2047
First call option	—	9/7/2028	3/31/2027
Interest rate			
- Until 1st call option	2.875%	4.125%	4.375%
- After 1st call option	—	Euribor 3M + 4,30%	Euribor 3M + 4,543%
Listing	AIAF market	AIAF market	AIAF market
Rating	BBB-	BBB-	BBB
Accrued unpaid interest at December 31, 2022	10.3	6.5	19.8
Price at close of period			
- 2022	82.4%	90.4%	94.5%
- 2021	—%	114.5%	113.8%

Figures in millions of euros

The issuances, issued under Spanish jurisdiction, contemplate:

- Redemption in special cases: due to reform or modification of tax regulations, non-classification as issuer's own funds, and change in treatment granted by the credit rating agencies.
- Interest deferral, where the issuer is obligated to defer interest payment should any Solvency Capital Requirement or Minimum Capital Requirement breach exist, or should the Relevant Regulator prohibit the issuer from making interest payments, or should the issuer be unable to meet regularly its due and payable liabilities.

6.12. FINANCIAL LIABILITIES

The following table shows the fair value breakdown of the financial liabilities:

Item	Book value		Fair value	
	2022	2021	2022	2021
Issue of debentures and other negotiable securities	863.5	862.8	795.6	925.1
Due to credit institutions	444.3	1,106.5	444.2	1,106.5
Other financial liabilities	1,991.0	2,368.6	1,988.1	2,360.4
TOTAL	3,298.8	4,337.9	3,227.9	4,392.0

Figures in millions of euros

At December 31, 2022 and 2021, the fair value of the issue of debentures and other negotiable securities corresponded to the quoted price at the close of the period (Level 1), including the accrued interest.

Issuance of debentures and other negotiable securities

At December 31, 2022 and 2021, the balance of this account included the amortized cost of the simple debentures issued by MAPFRE S.A. The most relevant terms and conditions governing issuing activity are described in the following paragraphs.

- Issue type: simple debentures represented by book entries
- Nominal amount: 1 billion euros

- Issuance date: May 19, 2016
- Issuance period: 10 years
- Maturity: May 19, 2026
- Redemption: single payment on maturity and at par, with no expense for the holder
- Listing: Fixed-income AIAF market
- Coupon: annual fixed 1.625 percent, payable on the anniversaries of the issue date up to and including the end maturity date
- Issue rating: A-

On December 15, 2021, a partial early debt cancellation was carried out for 1,427 securities corresponding to the issuance "MAPFRE S.A. SENIOR UNSECURED NOTES ISSUANCE 1-2016", for an aggregate principal amount of 142.7 million euros. The tender price was 155.9 million euros, generating a loss of 12.4 million euros.

The accrued interest outstanding at December 31, 2022 and 2021, amounted to 8.6 million euros. At December 31, 2022 and 2021 the securities were listed at 91.8 and 106.9 percent of their face value, respectively.

Debt payable to lending institutions

The breakdown of the amounts due to credit institutions at December 31, 2022 and 2021, is shown in the accompanying chart:

Class of debt	Book value		Average interest rate %		Guarantees granted	
	2022	2021	2022	2021	2022	2021
Finance lease	2.4	2.5	1.57	1.62	—	—
Credits	239.3	786.5	0.06	0.53	—	—
Loans	202.6	317.5	0.86	0.84	—	—
TOTAL	444.3	1,106.5	—	—	—	—

Figures in millions of euros

- Credits

At December 31, 2022 and 2021 the main lines of credit were as follows:

Bank	Maturity	Limit		Drawn down	
		2022	2021	2022	2021
BANCO SANTANDER	2/26/2025	1,000.0	1,000.0	237.0	621.0
CITIBANK EUROPE	1/15/2022	—	250.0	—	78.0
BANCO SANTANDER	1/15/2022	—	78.0	—	78.0
TOTAL		1,000.0	1,328.0	237.0	777.0

The line of credit maturing on February 26, 2025 is a syndicated loan granted by a group of ten banking companies and which accrues interest at a rate pegged to market variables and in 2018, was novated, modifying the conditions and extending its maturity. Among the conditions modified, it is worth pointing out that it became sustainable financing, also linking its interest to the Group sustainability parameters.

The credits granted by Banco Santander and Citibank Europe, PLC were cancelled on January 4, 2022.

- Loans

The breakdown of the main loans in force at December 31, 2022 and 2021 is as follows:

Bank	Period	Amount	
		2022	2021
MAPFRE VIDA	4/1/2026	73.3	91.7
MAPFRE ESPAÑA	2/21/2024	26.5	38.3
MAPFRE DOMINICANA	3/11/2027	22.9	26.3
TOTAL		122.7	156.3

Figures in millions of euros

The MAPFRE VIDA and MAPFRE ESPAÑA loans accrue an interest rate linked to the Euribor, amortizing via flat, annual payments, the first being made two years from the date of the formalization of the loan in 2019.

The MAPFRE DOMINICANA loan accrues an interest rate linked to market variables and to Group sustainability parameters, amortizing via flat half-year payments.

Other financial liabilities

The heading "Other financial liabilities" includes the outstanding amount for financial obligations not included in any other items. The following table shows the breakdown at December 31, 2022 and 2021:

Other financial liabilities	Amount	
	2022	2021
Financial liabilities held for trading	26.7	9.5
Other financial liabilities measured at fair value with changes in P&L	500.8	599.8
Non-controlling interests in mutual funds (Note 3.2)	1,039.8	1,374.6
Financial liabilities from leases (Note 6.3)	317.1	286.3
Other financial liabilities	106.6	98.4
TOTAL	1,991.0	2,368.6

Figures in millions of euros

Additionally, there is a line of credit granted by CARTERA MAPFRE with a limit of 400.0 million euros, accruing interest at a variable rate linked to the quarterly Euribor plus a 1.5 percent spread, which matures September 10, 2023, and is renewable for successive annual periods. In 2022 and 2021, no drawdowns have been made on this loan.

At December 31, 2022 and 2021 the fair value of these liabilities did not differ significantly from their book value.

Regarding the fair value level, the fair value measurements of these liabilities are classified at Level 2, with the exception of the balance of "Non-controlling interests in mutual funds", valued at settlement value (mostly Level 1).

In 2022 and 2021 no financial liabilities were transferred between Levels 1, 2 and 3. Items are transferred between levels when they no longer meet the criteria for classification under a given level but meet those of one of the other levels. No adjustments were made for own credit risk in connection with the financial liabilities deriving from financial swap transactions, given that they are cash flow exchange operations whose current net value leads to a balance in favor of the counterparty. In any event, the application of adjustments for own credit risk in these transactions would not have a material effect on the income statement or on the company's equity.

6.13. TECHNICAL PROVISIONS

1. Breakdown of the composition of technical provisions

The following table shows the balance composition of each of the technical provisions listed on the balance sheet of the last two years.

Item	Direct insurance		Accepted reinsurance		Ceded and retroceded reinsurance	
	2022	2021	2022	2021	2022	2021
<u>Provisions for Non-Life unearned premiums and unexpired risks</u>						
1.1 Provision for unearned premiums	7,327.9	6,574.0	710.1	1,031.6	1,863.1	1,887.0
1.2 Provision for unexpired risks	27.9	31.9	0.6	1.1	—	—
<u>Life insurance provisions</u>						
2.1 Provisions for unearned premiums and unexpired risks						
2.1.1. Provision for unearned premiums	1,695.0	1,343.0	567.7	436.5	24.1	21.1
2.1.2. Provision for unexpired risks	21.1	18.7	—	—	—	—
2.2 Mathematical reserves	13,904.6	17,255.9	38.8	35.4	29.7	33.3
<u>Provisions for outstanding claims</u>						
3.1 Pending settlement or payment	8,251.3	7,928.4	3,465.9	3,160.2	3,914.3	3,808.0
3.2 Claims incurred but not reported (IBNR)	616.2	739.1	99.1	73.7	352.3	310.6
3.3 For claim settlement internal expenses	197.5	68.4	2.8	16.3	32.7	24.2
<u>Other technical provisions</u>						
4.1 Burial	1,144.9	1,182.0	—	—	(1.0)	—
4.2 Other	88.2	72.1	—	—	0.4	0.4
TOTAL	33,274.6	35,213.5	4,885.0	4,754.8	6,215.6	6,084.6

Figures in millions of euros

2. Movement of each of the technical provisions

2.1. Provisions for unearned premiums, unexpired risks, claims, profit-sharing and other technical provisions

a. DIRECT INSURANCE AND ACCEPTED REINSURANCE

2022

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Reversals	Closing balance
<u>Provisions for Non-Life unearned premiums and unexpired risks</u>						
1.1 Provision for unearned premiums	7,605.6	172.5	(0.9)	9,548.6	(9,287.8)	8,038.0
1.2 Provision for unexpired risks	33.0	(0.1)	—	7.4	(11.8)	28.5
<u>Life insurance provisions</u>						
2.1 Provisions for unearned premiums and unexpired risks						
2.1.1. Provision for unearned premiums	1,779.5	138.0	(2.4)	2,597.0	(2,249.4)	2,262.7
2.1.2. Provision for unexpired risks	18.7	2.0	(0.1)	1.9	(1.4)	21.1
2.2 Mathematical provisions	17,291.3	16.4	(637.9)	(1,009.3)	(1,717.1)	13,943.4
2.3 Provision for profit sharing	—	—	—	—	—	—
<u>Provisions for outstanding claims</u>						
3.1 Life Direct Insurance	965.3	48.3	(13.5)	886.9	(858.7)	1,028.3
3.2 Non-Life Direct Insurance	7,770.6	240.2	—	8,607.2	(8,581.3)	8,036.7
3.3 Accepted reinsurance	3,250.2	25.0	(1.0)	6,242.1	(5,948.5)	3,567.8
<u>Other technical provisions</u>	1,254.1	0.3	(0.4)	1,225.7	(1,246.6)	1,233.1
TOTAL	39,968.3	642.6	(656.2)	28,107.5	(29,902.6)	38,159.6

Figures in millions of euros

The amounts reflected as changes in scope in 2022 primarily came from the sale of holdings in CAJA CASTILLA LA MANCHA VIDA Y PENSIONES S.A.

2021

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Reversals	Closing balance
<u>Provisions for Non-Life unearned premiums and unexpired risks</u>						
1.1 Provision for unearned premiums	7,169.5	94.7	(30.7)	8,530.1	(8,158.0)	7,605.6
1.2 Provision for unexpired risks	25.9	20.8	(32.6)	30.5	(11.6)	33.0
<u>Life insurance provisions</u>						
2.1 Provisions for unearned premiums and unexpired risks						
2.1.1. Provision for unearned premiums	1,523.0	11.7	7.1	1,716.9	(1,479.2)	1,779.5
2.1.2. Provision for unexpired risks	19.8	(4.4)	—	6.2	(2.9)	18.7
2.2 Mathematical provisions	18,046.1	(66.1)	812.1	414.1	(1,915.0)	17,291.3
<u>Provisions for outstanding claims</u>						
3.1 Life Direct Insurance	931.4	(19.7)	37.9	1,577.2	(1,561.5)	965.3
3.2 Non-Life Direct Insurance	7,719.7	(107.0)	(24.3)	7,489.4	(7,307.2)	7,770.6
3.3 Accepted reinsurance	2,559.4	(17.0)	(3.4)	5,309.2	(4,598.0)	3,250.2
<u>Other technical provisions</u>	1,195.5	(0.5)	(2.9)	1,243.9	(1,181.9)	1,254.1
TOTAL	39,190.3	(87.4)	763.2	26,317.5	(26,215.3)	39,968.3

Figures in millions of euros

The amounts of the provisions and reversals of technical provisions shown in the tables above are recorded in headings “Changes in provisions for unearned premiums and unexpired risks” “Claims paid and variation in provision for claims, net”, and “Variation in other technical provision” on the consolidated income statement.

b. CEDED AND RETROCEDED REINSURANCE

2022

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions	Reversals	Closing balance
Provision for unearned premiums	1,887.0	81.9	(0.8)	2,534.1	(2,639.1)	1,863.1
Provisions for Life insurance	54.4	(0.9)	(0.5)	26.3	(25.5)	53.8
Provision for outstanding claims	4,142.8	182.3	(1.3)	5,116.7	(5,142.4)	4,298.1
Other technical provisions	0.4	—	—	—	—	0.4
TOTAL	6,084.6	263.3	(2.6)	7,677.1	(7,807.0)	6,215.4

Figures in millions of euros

2021

Item	Opening balance	Adjustments to the opening balance	Change to the scope	Additions	Reversals	Closing balance
Provision for unearned premiums	1,582.0	84.3	(28.6)	2,598.4	(2,349.1)	1,887.0
Provisions for Life insurance	55.6	1.8	—	46.3	(49.3)	54.4
Provision for outstanding claims	3,738.4	(79.9)	(21.9)	6,506.7	(6,000.5)	4,142.8
Other technical provisions	2.6	(0.2)	—	0.1	(2.1)	0.4
TOTAL	5,378.6	6.0	(50.5)	9,151.5	(8,401.0)	6,084.6

Figures in millions of euros

2.2. Mathematical provisions

Item	Direct insurance and accepted reinsurance		Ceded and retroceded reinsurance	
	2022	2021	2022	2021
Mathematical provisions at beginning of year	17,291.3	18,046.1	33.3	39.6
Adjustments to the opening balance	16.4	(66.1)	(0.9)	(2.1)
Business combinations	—	812.1	—	—
Premiums	1,383.9	2,459.0	—	—
Technical interests and related investment yields	(45.0)	382.2	1.2	0.7
Claim payments/collections	(1,717.1)	(1,915.0)	(3.4)	(4.8)
Provision adequacy test	—	—	—	—
Shadow accounting adjustments	(2,334.0)	(1,610.4)	—	—
Other	(14.2)	(816.7)	(0.2)	(0.1)
Deconsolidation (balance of provision on deconsolidation date)	(637.9)	—	(0.3)	—
Mathematical provisions at end of year	13,943.4	17,291.3	29.7	33.3

Figures in millions of euros

2.3. Burial provision

Item	Direct insurance and accepted reinsurance	
	2022	2021
Provisions at beginning of year	1,181.9	1,117.9
Adjustments to the opening balance	0.2	—
Consolidation (balance of provision on consolidation date)	—	—
Premiums	73.5	88.7
Technical interest	17.9	10.5
Claim payments	(48.6)	(40.0)
Provision adequacy test	—	—
Other	(80.0)	4.9
Deconsolidation (balance of provision on deconsolidation date)	—	—
Provisions at end of year	1,144.9	1,182.0

Figures in millions of euros

3. Other information

3.1. Technical provisions for Life insurance where policyholders bear the investment risk

Item	Direct insurance and accepted reinsurance	
	2022	2021
Provision at beginning of year	2,957.3	2,502.4
Adjustments to the opening balance	65.8	4.8
Consolidation (balance of provision on consolidation date)	—	—
Premiums	565.1	895.3
Payment of claims	(383.5)	(651.6)
Asset valuation changes	(109.6)	215.4
Other	(30.0)	(9.0)
Deconsolidation (balance of provision on deconsolidation date)	(27.9)	—
Provision at end of year	3,037.2	2,957.3

Figures in millions of euros

3.2. Provision for unexpired risks

The provision for unexpired risks has been made by the Group's insurance companies in line with the criteria explained in Note 5.15.

3.3. Information related to Life insurance

No additional provisions for Life insurance deriving from the liability adequacy test were necessary.

The characteristics of the main Life insurance types sold by the Group's companies in 2022 and 2021 are listed in the accompanying chart.

- Spain

Format	Coverage	Biometric tables		Technical	Profit sharing	
		First order	Second order		Amount	Distribution
MAPFRE VIDA						
Single premium group insurance contracts, with and without profit sharing:						
- Mod. 342. Group annuity	Longevity	% PER2012 COL ORDER 1	% PER2012 COL ORDER 2	0.99%	—	MAPFRE network
- Mod. 308. Group Flexinvida with interest and premium reimbursement	Longevity / Death	% PER2012 COL ORDER 1	% PASEM2020_ReL_2	2.36%	1.4	MAPFRE network
- Mod. 438. Millon Vida	Longevity / Death	PASEM2020 NoRel 1H	% PASEM2020_NoRel _2	1.20%	—	MAPFRE network
BANKINTER SEGUROS DE VIDA						
Single premium individual contracts without profit sharing - B629	Annuity insurance with counterinsurance	85% PASEM 2010	% PERP20-IND-ORD2-MF	1.39%	—	Bank channel
Single premium individual contracts without profit sharing - Riesgo B3000/Riesgo B664	Life Protection insurance	95% PASEM2010 / 94% PASEM2010	% PERP20-IND-ORD2-MF	0,00% - 2,00%	—	Bank channel
Individual Unit-Linked contracts where the policyholder bears the investment risk - B281	Guaranteed Savings insurance	100% PASEM2020 I1	% PERP20-IND-ORD2-MF	—%	—	Bank channel
Single or regular premium individual Unit-Linked contracts without profit sharing 3649	Guaranteed Savings insurance	PASEF 2010	% PERP20-IND-ORD2-MF	0.40%	—	Bank channel
Single or regular premium individual contracts with profit sharing 3678	Guaranteed Savings insurance	PASEF 2010	% PERP20-IND-ORD2-MF	0.10%	—	Bank channel

(*)The second order tables in which use is indicted in % is because they are based on own experience.

The first order Biometric Tables used for “Pricing” starting in 2021 correspond to the tables published by the Resolution from the General Directorate for Insurance and Pension Funds on December 17, 2020, regarding the mortality and longevity tables to be used by insurance and reinsurance companies.

Life-Protection insurance uses the PASEM 2020 tables (Rel and Non R), and for Longevity insurance, depending on the type of business, own experience tables or PER 2020 (Ind. and Col.) are used.

The first order Biometric Tables used for the calculation of “Provisions” are tables based on the company’s own experience, in those businesses in which there is sufficient data. Where there is not sufficient data, the published tables are used. In any case, if the tables originally used in “Pricing” are more conservative, these same tables are used for the provision.

The Group is making use of the transitional period for adaptation of provisions to the new tables, which are considered sufficient based on the analysis of the Group’s own experience. The additional provision to be made as a result of this adaptation is 14.2 million euros, which is immaterial on the Group equity and results. This provision is adapted in four years against results, as shown in the following chart:

Annual close	2021	2022	2023	2024
Provision	25%	50%	75%	100%

The tables used by the Group until 2020 were sufficient, based on the analysis of own experience, either because the tariff tables were sufficient or because said tables were reinforced according to the requirements in force at each moment.

The analysis of the Group own experience tables is based on the historic archives of the policies in force and the claims from the subsidiaries, and in the case of the Annuity business the National Death Index consultations.

The period of reference used was 2015-2019, and the technical surcharges applied are the same as those included in the published first order tables.

The second order Biometric Tables used for solvency calculations are based on the company's own experience in each type of business. The data sources and reference periods are generally the same as those indicated above. These tables correspond to the "best estimates" and do not include charges for uncertainty or risks.

- Other countries

Format	Coverage	Biometric tables	Technical interest	Profit sharing	
				Amount	Distribution
COMPANHIA DE SEGUROS ALIANÇA DO BRASIL					
Ouro Vida Revisado / BB seguro vida completo / BB Seguro Vida Mulher Mais / BB Seguro Vida Estilo /Ouro Vida Grupo Especial	Death / Disability	AT-49	—	—	Bank channel
Ouro Vida 2000 / BB seguro Vida Mulher / Other individual Life products	Death / Disability	AT-83	—	—	Bank channel
Other group Life products	Death / Disability	AT-83	—	—	Bank channel / broker
MAPFRE MSV LIFE					
Without profit sharing	Death	52% AMC00	Variable	—	Bank channel / broker
With profit sharing	Longevity / Death	54% AMC00	Variable	19.2	Bank channel / broker
Unit-linked	Longevity / Death	54% AMC00	Variable	—	Bank channel / broker
MAPFRE COLOMBIA VIDA					
Pensiones Ley 100	Longevity / Death / Disability / Funeral Assistance	Male/Female annuitants mortality tables (RV08) - Colombian disability mortality table (MI85)	Variable	—	MAPFRE network
Disability and Longevity Annuity	Death / Disability / Temporary Disability / Funeral Assistance	Male/Female annuitants mortality tables (RV08) - Colombian disability mortality table (MI85)	Variable	—	MAPFRE network

3.4. Progression of claims

The following table shows the progression of claims related to Non-Life direct insurance since the year of occurrence until the close of 2022 and 2021. It also shows the breakdown per year of occurrence of the provision for outstanding claims related to this insurance for the two periods.

2022

Year of occurrence of claims	Item	Year of occurrence	Trends in claim costs in the years after year of occurrence									
			1 year later	2 years later	3 years later	4 years later	5 years later	6 years later	7 years later	8 years later	9 years later	More than 9 years later
2012 and previous	Pending provision	9,894.2	4,674.3	2,794.5	1,780.9	1,291.8	940.8	878.1	628.5	517.9	322.6	355.5
	Cumulative payments	54,528.0	59,876.7	61,644.8	62,702.0	63,313.8	63,709.0	63,974.0	64,161.6	64,300.1	64,344.7	64,433.8
	TOTAL COST	64,422.2	64,551.0	64,439.3	64,482.9	64,605.6	64,649.8	64,852.1	64,790.1	64,818.0	64,667.3	64,789.3
2013	Pending provision	2,213.1	804.5	489.9	314.4	214.3	177.1	135.3	95.4	91.4	74.8	
	Cumulative payments	4,312.2	5,735.6	6,102.1	6,298.6	6,384.1	6,457.5	6,513.0	6,535.9	6,538.7	6,551.6	
	TOTAL COST	6,525.3	6,540.1	6,592.0	6,613.0	6,598.4	6,634.6	6,648.3	6,631.3	6,630.1	6,626.4	
2014	Pending provision	2,330.8	895.1	506.6	319.8	253.3	198.1	130.0	105.3	84.4		
	Cumulative payments	4,542.9	6,090.7	6,447.4	6,617.2	6,733.5	6,803.0	6,876.9	6,867.6	6,886.8		
	TOTAL COST	6,873.7	6,985.8	6,954.0	6,937.0	6,986.8	7,001.1	7,006.9	6,972.9	6,971.2		
2015	Pending provision	2,423.9	898.0	565.1	419.0	289.6	216.0	214.8	152.7			
	Cumulative payments	4,887.5	6,406.9	6,776.3	7,007.8	7,176.4	7,244.0	7,270.7	7,271.7			
	TOTAL COST	7,311.4	7,304.9	7,341.4	7,426.8	7,466.0	7,460.0	7,485.5	7,424.4			
2016	Pending provision	2,419.3	1,029.8	721.8	451.7	319.8	269.6	184.5				
	Cumulative payments	4,931.8	6,455.1	6,904.7	7,186.8	7,328.5	7,412.5	7,485.8				
	TOTAL COST	7,351.1	7,484.9	7,626.5	7,638.5	7,648.3	7,682.1	7,670.3				
2017	Pending provision	3,577.5	1,879.7	1,335.9	922.4	917.3	727.0					
	Cumulative payments	5,169.7	7,709.4	8,458.2	8,859.8	9,118.0	9,317.5					
	TOTAL COST	8,747.2	9,589.1	9,794.1	9,782.2	10,035.3	10,044.5					
2018	Pending provision	3,521.3	1,882.7	1,476.4	1,158.1	366.1						
	Cumulative payments	5,275.6	7,241.2	7,727.0	8,038.5	8,724.7						
	TOTAL COST	8,796.9	9,123.9	9,203.4	9,196.6	9,090.8						
2019	Pending provision	2,916.1	1,121.3	780.8	500.4							
	Cumulative payments	5,252.8	6,908.9	7,378.4	7,630.8							
	TOTAL COST	8,168.9	8,030.2	8,159.2	8,131.2							
2020	Pending provision	2,653.1	1,275.9	692.1								
	Cumulative payments	4,705.7	6,248.4	6,700.8								
	TOTAL COST	7,358.8	7,524.3	7,392.9								
2021	Pending provision	2,842.8	1,258.2									
	Cumulative payments	5,176.2	7,466.0									
	TOTAL COST	8,019.0	8,724.2									
2022	Pending provision	3,641.0										
	Cumulative payments	5,904.5										
	TOTAL COST	9,545.5										

Figures in millions of euros

December 31, 2022

Item	Year of occurrence											
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012 and previous	Total
Provision for outstanding claims Non-Life direct insurance	3,641.0	1,258.2	692.1	500.4	366.1	727.0	184.5	152.7	84.4	74.8	355.6	8,036.8

Figures in millions of euros

2021

Year of occurrence of claims	Item	Year of occurrence	Trends in claim costs in the years after year of occurrence									
			1 year later	2 years later	3 years later	4 years later	5 years later	6 years later	7 years later	8 years later	9 years later	More than 9 years later
2011 and previous	Pending provision	9,162.3	4,198.2	2,596.1	1,551.6	1,115.0	813.2	643.5	656.3	483.4	366.0	187.2
	Cumulative payments	49,733.9	54,565.7	56,131.2	57,120.9	57,610.1	57,990.6	58,213.3	58,272.7	58,373.1	58,486.9	58,523.3
	TOTAL COST	58,896.2	58,763.9	58,727.3	58,672.5	58,725.1	58,803.8	58,856.8	58,929.0	58,856.5	58,852.9	58,710.5
2012	Pending provision	2,168.4	740.8	434.8	287.4	223.0	164.3	141.2	95.9	78.8	73.1	
	Cumulative payments	4,169.7	5,534.2	5,844.7	6,013.1	6,118.9	6,179.1	6,219.3	6,251.9	6,297.6	6,299.4	
	TOTAL COST	6,338.1	6,275.0	6,279.5	6,300.5	6,341.9	6,343.4	6,360.5	6,347.8	6,376.4	6,372.5	
2013	Pending provision	2,228.3	791.8	479.4	312.3	213.3	174.8	133.9	99.1	87.8		
	Cumulative payments	4,375.3	5,793.1	6,175.0	6,368.3	6,452.5	6,524.0	6,579.5	6,620.1	6,620.9		
	TOTAL COST	6,603.6	6,584.9	6,654.4	6,680.6	6,665.8	6,698.8	6,713.4	6,719.2	6,708.7		
2014	Pending provision	2,330.1	874.2	501.8	328.4	250.7	193.1	129.3	105.9			
	Cumulative payments	4,621.9	6,157.9	6,513.4	6,670.9	6,785.6	6,867.8	6,958.5	6,950.0			
	TOTAL COST	6,952.0	7,032.1	7,015.2	6,999.3	7,036.3	7,060.9	7,087.8	7,055.9			
2015	Pending provision	2,475.9	956.8	665.7	437.9	287.3	215.3	202.1				
	Cumulative payments	5,005.1	6,545.2	6,862.3	7,096.6	7,283.3	7,381.9	7,407.7				
	TOTAL COST	7,481.0	7,502.0	7,528.0	7,534.5	7,570.6	7,597.2	7,609.8				
2016	Pending provision	2,605.1	1,195.9	746.3	456.8	317.9	253.3					
	Cumulative payments	4,986.1	6,622.0	7,073.4	7,379.2	7,556.7	7,557.4					
	TOTAL COST	7,591.2	7,817.9	7,819.7	7,836.0	7,874.6	7,810.7					
2017	Pending provision	3,671.1	2,061.7	1,307.7	905.3	797.3						
	Cumulative payments	5,248.4	7,839.9	8,645.6	9,046.2	9,284.2						
	TOTAL COST	8,919.5	9,901.6	9,953.3	9,951.5	10,081.5						
2018	Pending provision	3,725.7	2,087.0	1,584.8	1,135.9							
	Cumulative payments	5,320.6	7,361.3	7,923.3	8,303.8							
	TOTAL COST	9,046.3	9,448.3	9,508.1	9,439.7							
2019	Pending provision	2,964.6	1,211.7	753.2								
	Cumulative payments	5,296.2	6,948.9	7,579.3								
	TOTAL COST	8,260.8	8,160.6	8,332.5								
2020	Pending provision	2,779.2	1,377.5									
	Cumulative payments	4,683.4	6,231.7									
	TOTAL COST	7,462.6	7,609.2									
2021	Pending provision	2,797.2										
	Cumulative payments	4,931.9										
	TOTAL COST	7,729.1										

Figures in millions of euros

December 31, 2021

Item	Year of occurrence											Total
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011 and previous	
Provision for outstanding claims Non-Life direct insurance	2,797.2	1,377.5	753.2	1,135.9	797.3	253.3	202.1	105.9	87.8	73.1	187.2	7,770.5

Figures in millions of euros

As shown in the tables above, the overall percentage of claims attributable to ceded reinsurance is 29.5 and 25.2 percent for 2022 and 2021, respectively.

Information about the progression in accepted reinsurance claims per year of occurrence is not provided since as a general rule the ceding companies use accounting methods other than the year of occurrence. In accordance with the studies undertaken for accepted reinsurance, the technical provisions are adequate.

6.14. PROVISIONS FOR RISKS AND EXPENSES

The following tables show the movements of provisions for risks and expenses in the last two years.

2022

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Inflows		Outflows		Closing balance
				Allocated provisions	Increased value on discount	Applied provisions	Reversed provisions	
Provision for tax to be paid	218.5	26.3	—	2.5	10.4	(2.4)	(3.9)	251.4
Provision for payments of liquidation agreements	21.2	0.3	—	18.8	11.9	(28.3)	(0.3)	23.6
Provisions for restructuring	128.3	—	(0.6)	6.1	—	(117.1)	—	16.7
Other provisions for staff-related commitments	199.5	1.5	2.5	134.6	8.2	(171.8)	(1.6)	172.9
Other provisions	86.1	(3.9)	0.4	24.2	4.2	(35.6)	(17.8)	57.6
TOTAL	653.6	24.2	2.3	186.2	34.7	(355.2)	(23.6)	522.2

Figures in millions of euros

2021

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Inflows		Outflows		Closing balance
				Allocated provisions	Increased value on discount	Applied provisions	Reversed provisions	
Provision for tax to be paid	224.1	0.3	—	(0.1)	3.5	(1.2)	(8.1)	218.5
payments of liquidation	13.8	—	—	18.1	—	(10.7)	—	21.2
Provisions for restructuring	25.6	—	—	199.6	(0.7)	(96.1)	(0.1)	128.3
Other provisions for staff-related commitments	218.0	(0.1)	(3.6)	149.2	3.3	(166.3)	(1.0)	199.5
Other provisions	101.1	(5.5)	1.9	67.5	4.1	(72.6)	(10.4)	86.1
TOTAL	582.6	(5.3)	(1.7)	434.3	10.2	(346.9)	(19.6)	653.6

Figures in millions of euros

The provisions for risks and expenses include the estimated amounts of tax debts, settlement agreement payments, restructuring, employee incentives and others derived from the activities and inherent risks of the Group companies, which will be paid in the coming years.

The estimates of the amount provided and the period in which the provisions will be settled are affected by uncertainties regarding the ruling on filed appeals and performance of other parameters. It was not necessary to design assumptions regarding future events in order to determine the value of the provision. Potential provision reimbursement is not expected.

Provision for taxes

The heading "Provisions for taxes" includes, at December 31, 2022 and 2021, tax liabilities amounting to 247.8 and 215.4 million euros, respectively, related to the tax contingencies that the Brazilian insurance companies have with the tax authorities in that country, which are being discussed on a judicial and administrative level.

These contingencies primarily refer to the taxes known as COFINS (tax contribution used to fund social security) amounting to 203.5 million euros (200.9 million euros at December 31, 2021) and the PIS (Social Integration Program) amounting to 33.0 million euros (4.4 million euros at December 31, 2021). These contingencies have arisen due to discrepancies in the interpretation by the Brazilian government and the business sector regarding the justification of applying said taxes to the companies' turnover.

From said discussion, the Group is currently involved in legal proceedings with the tax authorities in Brazil in connection with the enforceability of the aforementioned COFINS and PIS taxes, regarding non-operating financial income, for the amounts of 176.2 and 131.0 million Brazilian reals at December 31, 2022 and 2021, respectively. Given the current uncertainty in case law regarding whether the PIS and COFINS calculation base should be extended to include non-operating financial income, as well as the existence of a ruling by the "Procuradoria Geral da Fazenda (the Brazilian General Attorney's Office for the National Treasury) that is favorable to the insurance companies, both the Group and its advisors classify the risk of loss as possible.

Further, the current proceedings are currently ongoing in Brazil:

- Appeal contesting the 56.5 million euro liquidation, with regard to an inspection initiated by the tax authorities against BRASILSEG COMPANHIA DE SEGUROS, relating to 2014 corporate taxes, questioning the extension applied to revenue from Agricultural insurance operations.

- Appeal regarding the inspection initiated by the tax administration against BRASILVEÍCULOS COMPANHIA DE SEGUROS (absorbed in 2019 by MAPFRE SEGUROS GERAIS), relating to corporate tax corresponding to the years 2014 to 2016, questioning the deductibility of certain expenses and incentives for the sales network, as well as the amortization of the goodwill generated in a corporate restructuring prior to MAPFRE's agreement with Banco do Brasil. The owed taxes included in the inspection for said concepts reaches 85.6 million euros, which, if settled unfavorably would trigger the application of the compensation clause set out in the agreements signed with Banco do Brasil.

Both appeals were heard in the court of first instance - BRASILSEG unfavorable and BRASILVEÍCULOS partially favorable - and are awaiting sentencing in the second administrative level. Both the Group and its advisors classify the risk of loss as possible in both cases.

6.15. DEPOSITS RECEIVED ON CEDED AND RETROCEDED REINSURANCE

Deposits on ceded and retroceded reinsurance represent guarantees received from reinsurers in line with the reinsurance coverage contracts entered into pursuant to usual business practices. These deposits accrue interest to be paid and the average renewal period is usually quarterly. The liquidation of the aforementioned interest is performed quarterly.

6.16. DEBT

The balances included in the headings "Due on direct insurance and co-insurance operations", "Due on reinsurance operations", "Tax liabilities" and "Other debts" do not accrue payable interest and generally their settlement is performed in the following year.

6.17. REVENUES AND EXPENSES FROM INVESTMENTS

The breakdown of revenues and expenses from investments for financial years 2022 and 2021 is shown in the accompanying chart:

Revenues from investments

Item	Revenues from investments from: Operations		Equity		Financial revenues from other activities		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
REVENUES FROM INTEREST, DIVIDENDS AND SIMILAR								
Real estate investment								
Rentals	48.9	42.1	2.1	1.0	3.9	6.1	54.9	49.2
Other	0.3	0.4	—	—	0.8	0.9	1.1	1.3
Revenues from the held-to-maturity portfolio								
Fixed income	217.9	158.0	0.6	0.3	6.9	3.0	225.4	161.3
Other investments	3.3	2.3	0.2	0.2	—	—	3.5	2.5
Revenue from the available-for-sale portfolio:	889.3	1,047.6	49.7	52.6	3.1	1.9	942.1	1,102.1
Revenue from the trading portfolio:	403.0	297.8	—	—	7.6	3.5	410.6	301.3
Other financial returns	165.7	113.7	120.0	39.5	23.3	21.6	309.0	174.8
TOTAL REVENUE	1,728.4	1,661.9	172.6	93.6	45.6	37.0	1,946.6	1,792.5
REALIZED AND UNREALIZED GAINS								
Net realized gains:								
Real estate investment	100.4	13.1	0.9	0.3	6.6	33.8	107.9	47.2
Held-to-maturity portfolio financial investments	—	—	—	—	—	—	—	—
Financial investments available for sale portfolio	183.2	306.2	27.2	33.5	14.7	1.8	225.1	341.5
Financial investments trading portfolio	63.0	54.9	0.1	8.3	—	—	63.1	63.2
Other	7.3	42.2	0.1	13.6	4.0	7.4	11.4	63.2
Unrealized gains:								
Increase in fair value of the trading portfolio and earnings from derivatives	48.4	146.7	1.0	30.3	0.7	0.4	50.1	177.4
Other	5.7	2.1	0.5	0.4	11.6	4.5	17.8	7.0
TOTAL GAINS	408.0	565.2	29.8	86.4	37.6	47.9	475.4	699.5
TOTAL REVENUES FROM INVESTMENT	2,136.4	2,227.1	202.4	180.0	83.2	84.9	2,422.0	2,492.0

Figures in millions of euros

Expenses from investments

Item	Expenses from investments from:				Financial expenses from other activities		Total	
	Operations		Equity					
	2022	2021	2022	2021	2022	2021	2022	2021
FINANCIAL EXPENSES								
Real estate investment								
Direct operational expenses	36.8	18.4	—	—	—	—	36.8	18.4
Other expenses	23.0	9.7	0.1	—	6.9	6.6	30.0	16.3
Expenses from held-to-maturity portfolio								
Fixed income	8.5	7.6	—	—	4.5	1.4	13.0	9.0
Other investments	1.4	4.3	—	—	0.3	0.1	1.7	4.4
Expenses from the available for sale portfolio	237.1	265.1	0.3	1.8	—	—	237.4	266.9
Expenses from the trading portfolio:	269.3	235.3	—	—	—	—	269.3	235.3
Other financial expenses	152.7	128.9	11.9	32.5	96.6	83.2	261.2	244.6
TOTAL EXPENSES	728.8	669.3	12.3	34.3	108.3	91.3	849.4	794.9
REALIZED AND UNREALIZED LOSSES								
Net realized losses								
Real estate investment	6.3	1.2	—	—	—	0.4	6.3	1.6
Financial investments available for sale portfolio	105.6	95.5	26.9	3.3	2.3	0.4	134.8	99.2
Financial investments trading portfolio	166.5	42.5	0.2	3.5	—	—	166.7	46.0
Other	7.7	1.9	(0.1)	0.2	0.4	16.1	8.0	18.2
Unrealized losses								
Decrease in fair value of trading portfolio and losses in derivatives	227.3	98.5	59.2	10.3	—	—	286.5	108.8
Other	4.2	1.1	(0.1)	1.5	0.9	0.3	5.0	2.9
TOTAL LOSSES	517.6	240.7	86.1	18.8	3.6	17.2	607.3	276.7
TOTAL EXPENSES FROM INVESTMENT	1,246.4	910.0	98.4	53.1	111.9	108.5	1,456.7	1,071.6

Figures in millions of euros

A large part of profits and losses, both realized and unrealized, correspond to assets related to mathematical provisions (see Note 6.13), and as such both effects are compensated on the income statement.

The expenses arising from investment portfolios mainly stem from financial swaps related to insurance operations.

6.18. OPERATING EXPENSES

A breakdown of net operating expenses by purpose and nature, for the last two financial years, is shown in the accompanying chart.

Operating expenses by purpose

Item	2022	2021
Claims-related expenses	789.6	760.5
Acquisition expenses	5,086.2	4,611.0
Administration expenses	831.8	766.8
Expenses from investments	1,344.8	963.1
Other technical expenses	132.7	352.8
Other non-technical expenses	172.4	152.9
Operating expenses from other activities	600.5	408.0
TOTAL	8,958.0	8,015.1

Figures in millions of euros

Operating expenses by nature

Item	2022	2021
Commissions and other portfolio expenses	4,100.9	3,685.3
Personnel expenses	1,696.4	1,838.2
External services		
- Leasing (shops and buildings)	25.8	25.6
- Repairs and upkeep (shops and buildings)	77.2	67.7
- Leasing and repairs (computer equipment)	36.5	33.9
- Leasing and repairs (computer applications)	224.8	189.5
- Other services (computer applications)	239.2	242.4
- Supplies (communications)	39.8	15.1
- Advertising and marketing	118.7	121.5
- Public relations	33.5	26.6
- Independent professional services	244.1	215.3
- Other services	378.2	326.0
Taxes	193.1	147.6
Provision for amortization	318.4	305.1
Expenses posted directly to purpose	1,231.4	775.3
TOTAL	8,958.0	8,015.1

Figures in millions of euros

The income statement reflects expenses by purpose, i.e., based on the function the expenses fulfill in the operational cycle of the insurance activity (claims-related expenses, the acquisition of insurance contracts, administration, investments or other technical items).

Expenses are initially recognized according to their nature, and are reclassified according to their purpose in those cases in which the nature and purpose are not the same. The reclassification performed in the following subject headings is as follows:

1. Claims-related expenses. Includes expenses for personnel assigned to claims management, amortization and depreciation of fixed assets assigned to this activity, fees paid for claims management and expenses incurred for other services necessary for processing claims.
2. Net operating expenses. Included in this heading are:
 - Acquisition expenses. Includes commissions, expenses for personnel assigned to production, amortization and depreciation of fixed assets assigned to this activity, expenses for analyzing and processing policy applications and formalizations, as well as advertising, publicity and commercial organization expenses directly related to the acquisition of insurance contracts.
 - Administration expenses. These primarily include expenses for personnel assigned to these functions and amortization and depreciation of fixed assets assigned to this activity, as well as expenses deriving from contentious matters related to premiums, from processing returned premiums and from ceded and accepted reinsurance.
 - Commissions and participations in reinsurance. Includes compensation from reinsurers to the ceding companies for acquisition and administration expenses incurred by the latter, as well as their participation in the profits of the reinsurer.

3. Investment expenses. Includes expenses for personnel assigned to managing investments, charges to amortization and depreciation allowance for fixed assets assigned to this activity, and other internal and external expenses for managing investments, with external expenses including fees, commissions and brokerage fees accrued.

Expenses from investments are classified as from operations or from equity depending on whether they derive from investments corresponding to technical provisions (operating investments) or from investments corresponding to the company's equity (equity investments).

6.19. RESULT FROM CEDED AND RETROCEDED REINSURANCE

The result from ceded and retroceded reinsurance for years 2022 and 2021 is the following:

Item	Non-Life		Life		Total	
	2022	2021	2022	2021	2022	2021
Premiums	(4,407.2)	(4,121.8)	(212.0)	(186.0)	(4,619.2)	(4,307.8)
Change in the provision for unearned premiums and unexpired risks	(108.1)	248.2	3.1	1.1	(105.0)	249.3
Claims paid and change in the provision for claims	2,757.1	2,069.8	116.4	159.6	2,873.5	2,229.4
Change in mathematical provision and other technical provisions	—	—	(4.3)	(6.9)	(4.3)	(6.9)
Participation of reinsurance in commissions and expenses	714.9	690.3	49.6	32.1	764.5	722.4
Result of ceded and retroceded reinsurance	(1,043.3)	(1,113.5)	(47.2)	(0.1)	(1,090.5)	(1,113.6)

Figures in millions of euros

6.20. FISCAL SITUATION

Fiscal consolidation regulations

- Tax on profits

Since the financial year 1985, some of the consolidated companies with registered offices in Spain have been included for corporate tax purposes in Fiscal Group 9/85. This Group is made up of the controlling company and those of its subsidiaries that are eligible for this tax regime. A list of the main subsidiaries included in this fiscal Group in 2022 is provided in Annex 2 of this report.

- Value Added Tax

Since the financial year 2010, and for the purposes of value added tax, some of the consolidated companies with registered offices in Spain have been included in the VAT Group 87/10. This Group comprises MAPFRE S.A. as the controlling company and those of its controlled companies that agreed to join the Group when it was created. A list of the main subsidiaries that form part of this Group in 2022 is provided in Annex 2 of this report.

Components of tax on profits expenses and reconciliation of the accounting profit with the tax cost for ongoing activities

The main components of the tax on profits expenses from ongoing activities and the reconciliation between the tax on profits expenses and the result of multiplying the accounting profit by the applicable tax rate for the financial years ending December 31, 2022 and 2021 are shown below. The Group has reconciled the amounts by aggregating reconciliations made separately using the national rates of each country.

Item	Amount	
	2022	2021
<u>Tax expense</u>		
Result before taxes from ongoing operations	1,397.6	1,355.1
25 percent of result before taxes from ongoing operations	349.4	338.8
Tax effect of the permanent differences	(96.9)	(112.5)
Tax incentive for the financial year	(19.2)	(34.2)
Tax effect of tax rates other than 25 percent	97.2	114.4
Total expense from current tax originating in the financial year	330.5	306.5
Expense from current tax originating in previous years	(16.6)	13.8
Receivables from negative taxable income not recognized from previous periods, deductions pending application or temporary differences	—	(0.8)
TOTAL TAX EXPENSES OF ONGOING OPERATIONS	313.9	319.5
<u>Tax on profits to be paid</u>		
Withholdings and advance payments	(370.9)	(390.8)
Temporary differences and currency conversion differences	(27.9)	34.5
Tax receivables and incentives applied, registered in previous years	(27.5)	(39.9)
Tax on earnings for discontinued operations	—	—
TOTAL TAX ON PROFITS TO BE PAID (RECEIVABLE) ORIGINATING IN THE YEAR	(112.4)	(76.7)
Tax on profits receivable from previous financial years	(43.1)	(49.5)
NET TOTAL TAX ON PROFITS TO BE PAID (RECEIVABLE)	(155.5)	(126.2)

Figures in millions of euros

Deferred tax assets and liabilities

At December 31, 2022 and 2021 deferred tax assets and liabilities were shown on the consolidated balance sheet for the net amount corresponding to each of the Group's tax-paying companies. They currently stand as follows:

Item	2022	2021
Deferred tax assets	642.0	299.6
Deferred tax liabilities	(208.0)	(537.7)
Asset (Liability) net	434.0	(238.1)

Figures in millions of euros

In addition to the deferred tax assets recorded in 2022 and 2021, shown in the above table, there are other deferred tax assets deriving from tax loss carryforwards pending offset, amounting to 27.1 and 23.6 million euros, respectively. These assets were not recognized, in accordance with the criteria established under EU-IFRS.

The following tables show the movements in the net balance of deferred taxes in the financial years 2022 and 2021, with a breakdown of the amounts related to items directly debited or credited to equity accounts in each financial year.

2022

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	From		Settled	Closing balance
				Results	Equity		
Portfolio acquisition expenses and other intangibles	(217.6)	(36.3)	7.2	20.2	—	—	(226.5)
Valuation difference in financial investments	(900.8)	25.2	22.6	21.1	1,138.1	—	306.2
Other comprehensive revenue and expenses	(12.3)	0.5	—	(4.2)	—	0.3	(15.7)
Valuation difference in mathematical provisions by shadow accounting	627.0	12.2	(14.4)	(3.7)	(582.4)	—	38.7
Stabilization and catastrophe provision	(169.7)	(0.9)	—	(114.2)	—	108.2	(176.6)
Other technical provisions	50.4	2.4	—	3.3	—	—	56.1
Tax receivables on negative taxable income	217.6	16.1	—	33.4	—	(16.1)	251.0
Receivables on tax incentives	18.9	(7.5)	—	19.2	—	(24.6)	6.0
Pension supplements and other staff-related commitments	54.1	—	1.1	44.7	—	(32.5)	67.4
Provisions for uncollected premiums	19.7	1.6	0.1	6.3	—	(6.8)	20.9
Provisions for liabilities and others	74.3	3.8	1.2	75.3	—	(108.9)	45.7
EU-IFRS 16 application	6.7	2.8	—	(1.3)	—	—	8.2
Other items	(6.5)	(4.9)	0.1	63.9	—	—	52.6
TOTAL	(238.2)	15.0	17.9	164.0	555.7	(80.4)	434.0

Figures in millions of euros

2021

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	From		Settled	Closing balance
				Results	Equity		
Portfolio acquisition expenses and other intangibles	(224.7)	(1.0)	—	13.8	(5.6)	—	(217.6)
Valuation difference in financial investments	(1,303.1)	91.7	—	41.6	269.0	—	(900.8)
Other comprehensive revenue and expenses	(15.1)	0.2	0.1	2.2	—	0.4	(12.3)
Valuation difference in mathematical provisions by shadow accounting	854.6	(81.3)	—	(0.9)	(145.4)	—	627.0
Stabilization and catastrophe provision	(151.5)	(0.3)	—	(27.5)	—	9.6	(169.7)
Other technical provisions	53.8	6.0	—	(9.3)	—	—	50.4
Tax receivables on negative taxable income	187.6	2.8	(0.2)	47.9	—	(20.5)	217.6
Receivables on tax incentives	17.9	1.4	—	33.5	—	(33.9)	18.9
Pension supplements and other staff-related commitments	60.1	4.2	(0.2)	(5.7)	—	(4.4)	54.1
Provisions for uncollected premiums	17.7	1.0	(0.4)	6.3	—	(4.9)	19.7
Provisions for liabilities and others	56.6	(5.3)	0.7	44.5	—	(22.3)	74.3
EU-IFRS 16 application	5.4	—	—	(1.4)	2.7	—	6.7
Other items	(8.2)	2.0	5.9	(3.7)	—	(2.5)	(6.5)
TOTAL	(448.9)	21.3	5.9	141.3	120.6	(78.5)	(238.2)

Figures in millions of euros

At the close of 2022, deferred tax assets and liabilities maturing in less than 12 months amounted to 57.8 and 45.1 million euros, respectively [38.7 and 41.1 million euros, respectively, in 2021].

Tax loss carryforwards

The tax loss carryforwards pending offset in fully consolidated companies at the close of the last two periods is shown in the accompanying chart:

Year generated	Tax loss carryforwards				Deferred tax assets			
	Applied in the financial year		Pending application		Amount recognized		Amount not recognized	
	2022	2021	2022	2021	2022	2021	2022	2021
2014 and previous	4.1	2.2	197.1	181.2	67.3	60.0	6.2	6.6
2015	0.2	0.1	17.3	16.3	0.6	0.6	4.6	4.3
2016	—	0.4	125.9	124.3	38.2	35.7	1.2	2.5
2017	12.4	5.1	20.4	33.8	3.3	5.6	2.1	2.6
2018	31.9	55.2	119.5	138.9	43.3	44.8	3.0	2.8
2019	6.2	0.3	52.1	58.0	8.9	11.0	1.9	0.9
2020	2.0	23.4	53.8	55.3	8.2	10.3	2.9	3.9
2021	13.4	—	173.0	209.4	47.7	49.5	3.6	—
2022	—	—	117.6	—	33.5	—	1.6	—
Total	70.2	86.7	876.7	817.2	251.0	217.5	27.1	23.6

Figures in millions of euros

Assets recognized in relation to deferred taxes on tax loss carryforwards pending offset in consolidated companies represent negative tax bases generated as a result of unusual management events, and future tax profits are likely to exist against which they may be offset.

Tax incentives

The tax incentives of the companies consolidated by global integration for 2022 and 2021 are as follows:

Module	Amount applied in the financial year		Amount pending application		Amount not recorded	
	2022	2021	2022	2021	2022	2021
Double taxation deduction	10.6	5.2	0.1	0.7	—	—
Job creation	—	—	—	—	—	—
Other	14.0	28.7	13.5	18.2	—	—
Total	24.6	33.9	13.6	18.9	—	—

Figures in millions of euros

The consolidated tax group no. 9/85 made use in previous years of the reduction from capitalization reserve contemplated in Article 25 of the Corporate Income Tax Act 27/2014, giving rise to a decrease in the consolidated tax payable each year. To enjoy this tax benefit, there must be an increase in shareholders' equity in the period and this increase must be maintained for a period of five years, and a reserve must be created equivalent to the amount of the reduction, equivalent to at least 10 percent of said increase and which will be restricted for the same five-year period. At December 2021, allowances to the capitalization reserve for previous years became considered to be available reserves as the five year period since their establishment had passed or because they no longer had associated tax benefits, as such there was no capitalization reserve recorded at that date.

Verification by tax authorities

In Spain in 2021, checks and verifications begun in 2017 were finalized regarding Fiscal Group number 9/85, affecting MAPFRE, S.A. as the controlling company and MAPFRE ESPAÑA, MAPFRE VIDA, MAPFRE INTERNACIONAL, MAPFRE RE, MAPFRE ASISTENCIA, MAPFRE GLOBAL RISKS, and other Group controlled companies regarding Corporate Tax for the financial years 2013 to 2016, and other taxes from the financial years 2014 to 2016.

Notices of conformity were signed regarding retentions and income against Personal Income Tax (IRPF in Spanish), Value Added Tax (VAT) and Corporate Tax, the settlements of which were paid at the date of preparation of the 2020 annual accounts.

Notices of disagreement were signed regarding Corporate tax for 2013 to 2016, the liquidations of which were appealed before the Economic-Administrative Court (TEAC), which has jointly denied said appeals, and a contentious-administrative appeal has been filed against the sentence, before the Spanish High Court.

The contested items primarily refer to the deductibility of certain personnel expenses, of the technical provision for claims and stabilization reserve, the deduction for technological innovation expenses and the repercussions for subsidiaries of canons from the use of the MAPFRE brand.

Additionally, regarding Value Added Tax for the years 2014 to 2016, the notice of disagreement signed about the impact of canons for the use of the MAPFRE brand has been appealed before TEAC.

In reference to the settlements for the notices of disagreement resulting from the above mentioned verifications, MAPFRE considers, based on the criteria of its fiscal advisors, that there are solid defense arguments in the administrative and legal proceedings, and therefore has not made specific provisions for this concept.

In 2022, MAPFRE S.A., as controlling company of Fiscal Group number 9/85, and with the aim of limiting the financial costs of the stay on the notices resulting from inspection activity regarding the years 2013 to 2016, has proceeded to pay the tax debt related from the notices of disagreement for the Corporate tax for 2013 to 2015, along with the suspended interest. As long as there are solid defense arguments in the administrative and legal proceedings, the Group companies affected by the aforementioned notices have recorded in accounting as an asset (either as a deferred tax asset, for temporary differences, or as tax credits from Spanish Tax Office for all other items) the amount of 110.0 million euros.

In 2022, Fiscal Group number 9/85 urged the importance of the rectification of its Corporate tax for the years 2017 to 2019 in relation to the recovery of certain adjustments coming from the notices for the years 2013 to 2016, and of the recognition of eliminating the double taxation on certain equity investments that at Group level were considered qualifying holdings, requesting the recognition of a 61 million euro return that has been recorded as a tax credit from Spanish Tax Office in accounting in the Group Companies affected by said rectification.

Regarding the deduction for technological innovation (TI) expenses, the Spanish High Court has recently passed several sentences that accept the arguments of the Tax Inspection Bureau to defend its authority to limit the scope of the deduction, and considering that the software is not a concept included in the deduction for TI expenses set out in the Corporate Tax law. Said sentences contradict the case law previously set by the Spanish High Court itself in this matter, which rejected the validity of the reports submitted by the Technological Support Team at the request of the Tax Inspection Bureau, with the aim of rectifying the application of the deduction for TI expenses for software developers. Said Sentences will be appealed before the Supreme Court, as there are well-founded reasons to expect that the criteria used by the MAPFRE Fiscal group will be validated by the Supreme Court, revoking the last sentences regarding this. The Fiscal Group has presented appeals against the inspection activity initiated regarding, among other concepts, the rectification of this deduction, the amount of which reaches 11.0 million euros (2013-2016). Additionally, the deduction applied in 2017-2021 was 38.0 million euros, and in 2022 7.0 million euros was generated.

In accordance with current legislation, the statements made for the different taxes may not be considered final until they have been inspected by the tax authorities or until the term of the statute of limitations has passed (four years for Spanish companies).

At December 31, 2022 the view of the Directors and advisors of the consolidated companies regarding the possibility of tax liabilities arising and significantly affecting the financial position of the consolidated companies was remote.

6.21 REMUNERATION FOR EMPLOYEES AND ASSOCIATED LIABILITIES

Personnel expenses

The personnel expenses breakdown for the last two years is shown in the accompanying table:

Item	Amount	
	2022	2021
Short-term remuneration		
Wages and salaries	1,229.4	1,214.0
Social security	253.8	235.3
Other remuneration	150.1	119.0
Post-employment benefits	49.7	43.9
Other long-term remuneration	(4.6)	—
Termination payments	14.3	226.0
Share-based payments	3.7	—
TOTAL	1,696.4	1,838.2

Main post-employment benefits

Defined benefit plans

The commitments from defined benefit plans still on the balance sheet correspond exclusively to retired employees. The most relevant of the plans are instrumented through insurance policies, and are measured pursuant to the provisions described in the accounting policies.

In relation to the amounts recognized on the balance sheet, the obligations regarding defined benefit plans amounted to 38.9 and 39.6 million euros at December 31, 2022 and 2021, respectively, fully externalized through written policies with MAPFRE VIDA. Consequently, no assets allocated to these plans are recognized and the liability recognized on the consolidated balance sheet is recorded under the heading "Provisions for life insurance".

There are also obligations relating to pension commitments, externalized through allocated insurance policies underwritten with MAPFRE ESPAÑA, amounting to 13.1 million euros at December 31, 2022. This obligation was insured in 2021 with BBVA Seguros, amounting 11.3 million euros at December 31, 2021.

The main actuarial hypothesis used at the close of the last two years have been the following: PERM/F-2020 longevity tables in 2022 and PERM/F-2000 in 2021, annuities linked to the previous year's CPI in both years (3 percent revaluation assured in the policy), with identical discount rates and expected returns of the related assets as the products have matched flows.

The net effect on equity and results of the actuarial loss and gains, interest expenses and return of the assets allocated to the plan is null, as the amounts corresponding to commitments and the assets allocated to the plan or reimbursement right are netted.

Other post-employment benefits

In 2022 and 2021, the personnel expenses correspond to Life insurance covering death between ages 65 and 77, amounting to 1.0 and 1.1 million euros, respectively. Said provision was calculated in 2022 and 2021 using the PASEM-2020 mortality tables.

Other medium-term remuneration and share-based payments

On February 9, 2022, the Board of Directors of MAPFRE S.A. approved a new long-term incentive plan described in valuation method 5.19. The amount provisioned in the year for this Plan reached 5.46 million euros.

Number of employees

The following table shows the average number and final number of employees for the last two years, classified by category and gender, and distributed by segment.

Average number of employees:

2022

Segment	Board of Directors and Executive Management		Senior Management		Advisors		Associates		Total	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
IBERIA	8	—	1,188	712	2,761	2,812	947	1,965	4,904	5,489
LATAM NORTH	7	2	385	408	745	893	367	630	1,504	1,933
LATAM SOUTH	7	2	421	335	969	939	471	629	1,868	1,905
BRAZIL	3	—	422	306	946	1,703	464	1,070	1,835	3,079
NORTH AMERICA	4	—	287	275	564	875	146	540	1,001	1,690
EURASIA	6	1	273	238	583	727	264	426	1,126	1,392
ASISTENCIA	—	1	298	199	285	313	631	1,001	1,214	1,514
GLOBAL RISKS	1	—	33	26	46	76	2	8	82	110
REINSURANCE	2	—	85	52	125	156	6	24	218	232
CORPORATE AREAS	17	5	297	148	295	253	10	66	619	472
Average total number of employees	55	11	3,689	2,699	7,319	8,747	3,308	6,359	14,371	17,816

2021

Segment	Board of Directors and Executive Management		Senior Management		Advisors		Associates		Total	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
IBERIA	6	—	1,201	666	2,807	2,821	624	1,856	4,638	5,343
LATAM NORTH	5	4	365	388	753	918	408	596	1,531	1,906
LATAM SOUTH	7	2	434	335	997	956	559	659	1,997	1,952
BRAZIL	3	—	368	290	1,013	1,718	469	1,140	1,853	3,148
NORTH AMERICA	4	—	265	268	588	902	154	560	1,011	1,730
EURASIA	6	1	271	250	694	775	328	577	1,299	1,603
ASISTENCIA	—	1	374	227	389	414	729	1,139	1,492	1,781
GLOBAL RISKS	1	—	33	23	46	68	2	12	82	103
REINSURANCE	2	—	84	50	130	148	7	27	223	225
CORPORATE AREAS	18	5	271	140	314	251	11	71	614	467
Average total number of employees	52	13	3,666	2,637	7,731	8,971	3,291	6,637	14,740	18,258

Number of employees at the end of the year:

2022

Segment	Board of Directors and Executive Management		Senior Management		Advisors		Associates		Total	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
IBERIA	8	—	1,202	740	2,772	2,831	926	1,927	4,908	5,498
LATAM NORTH	7	2	407	429	706	857	348	649	1,468	1,937
LATAM SOUTH	7	1	432	349	995	983	427	574	1,861	1,907
BRAZIL	3	—	451	321	918	1,675	472	1,055	1,844	3,051
NORTH AMERICA	3	—	336	299	511	821	135	555	985	1,675
EURASIA	5	—	232	197	400	582	191	212	828	991
ASISTENCIA	—	1	265	182	266	308	592	967	1,123	1,458
GLOBAL RISKS	1	—	33	27	48	79	1	7	83	113
REINSURANCE	2	—	86	52	126	165	5	21	219	238
CORPORATE AREAS	17	5	316	156	289	249	10	64	632	474
Total number of employees	53	9	3,760	2,752	7,031	8,550	3,107	6,031	13,951	17,342

2021

Segment	Board of Directors and Executive Management		Senior Management		Advisors		Associates		Total	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
IBERIA	7	—	1,178	662	2,755	2,786	606	1,845	4,546	5,293
LATAM NORTH	6	4	360	377	769	952	380	593	1,515	1,926
LATAM SOUTH	7	2	425	328	966	949	504	652	1,902	1,931
BRAZIL	3	—	361	277	1,009	1,790	445	1,031	1,818	3,098
NORTH AMERICA	4	—	274	272	586	886	145	542	1,009	1,700
EURASIA	6	1	285	261	677	763	310	548	1,278	1,573
ASISTENCIA	—	1	343	214	307	340	725	1,097	1,375	1,652
GLOBAL RISKS	1	—	34	23	44	72	2	11	81	106
REINSURANCE	2	—	85	51	124	152	6	26	217	229
CORPORATE AREAS	17	5	278	142	316	257	10	67	621	471
Total number of employees	53	13	3,623	2,607	7,553	8,947	3,133	6,412	14,362	17,979

The following table shows the number of employees in Spain with a degree of disability equal to or higher than 33 percent at the close of the last two years and the average during those years, indicating the categories to which they belong:

Item	2022		2021	
	Year-end close	Average	Year-end close	Average
Senior Management	27	28	16	16
Advisors	106	99	100	107
Associates	91	96	91	97
Total	224	223	207	220

6.22. EARNINGS ON FOREIGN EXCHANGE DIFFERENCES

Positive foreign exchange differences other than those arising from financial instruments measured at fair value, allocated to the consolidated income statement, amounted to 1.7 and 1.6 billion euros in 2022 and 2021, respectively.

Negative foreign exchange differences other than those arising from financial instruments measured at fair value, allocated to the consolidated income statement, amounted to 1.7 and 1.6 billion euros in 2022 and 2021, respectively.

The settlement of the currency conversion differences recognized in equity at the beginning and end of the year in 2022 and 2021 is shown in the following table.

Description	Amount	
	2022	2021
FOREIGN EXCHANGE DIFFERENCES AT THE BEGINNING OF THE YEAR	(1,776.3)	(1,915.7)
Net foreign exchange differences on valuation of non-monetary items	2.8	(0.9)
Net foreign exchange differences on conversion of financial statements	340.3	(138.5)
FOREIGN EXCHANGE DIFFERENCES AT THE END OF THE YEAR	(1,433.2)	(1,776.3)

Figures in millions of euros

At December 31, 2022 and 2021 the net foreign exchange differences arising from the translation into euros of the financial statements of those Group companies whose functional currency is not the euro were as follows:

Company/Subgroup	Geographic Area	Currency conversion differences					
		Gains		Losses		Net	
		2022	2021	2022	2021	2022	2021
Companies consolidated by global integration:							
MAPFRE RE	Europe, America and rest of world	26.3	23.6	(40.7)	(48.2)	(14.4)	(24.6)
MAPFRE INTERNACIONAL	Europe, America and rest of world	605.3	461.3	(1,925.8)	(2,104.3)	(1,320.5)	(1,643.0)
OTHER	—	21.1	23.9	(105.5)	(116.9)	(84.4)	(93.0)
TOTAL		652.7	508.8	(2,072.0)	(2,269.4)	(1,419.3)	(1,760.6)

Figures in millions of euros

6.23. CONTINGENT ASSETS AND LIABILITIES

At the end of 2022 and 2021, and at the time of preparing these consolidated annual accounts, there was no evidence of the existence of contingent assets and liabilities for significant amounts, other than those related to the termination of the Bankia agreement and the initiation of arbitration for MAPFRE's right to receive from Caixabank, in the contractually established terms, an additional 10 percent compensation, equivalent to 52.0 million euros before taxes.

6.24. BUSINESS COMBINATIONS

In 2022 and 2021, there were no relevant business combinations.

6.25. TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties have been conducted under market conditions.

In addition to the transactions described in the other notes accompanying the consolidated annual accounts, the balances and transactions between Group companies are explained in the following paragraphs.

Operations with Group companies

The operations conducted between Group companies, with a zero effect on results because they have been eliminated in the consolidation process, are shown in the accompanying chart:

Item	2022	2021
Received/provided services and other expenses/revenue	614.8	631.2
Expenses/revenue from real estate investment	25.3	24.1
Expenses/revenues from investments and financial accounts	19.5	24.3
Dividends distributed	1,820.4	1,340.3

Figures in millions of euros

Reinsurance and co-insurance operations

Reinsurance and co-insurance activities conducted between Group companies, which have been eliminated in the consolidation process, are shown in the accompanying chart:

Item	2022	2021
Ceded/accepted premiums	3,503.3	2,840.2
Benefits and services	1,714.8	1,429.9
Changes in technical provisions	141.6	96.7
Commissions	571.0	528.5

Figures in millions of euros

The following table shows the balances with reinsurers and ceding companies, deposits given, and technical provisions on reinsurance activities with Group companies, all of which have been eliminated in the consolidation process:

Item	2022	2021
Receivables and payables	349.2	240.4
Deposits	65.9	59.8
Technical provisions	3,873.7	3,120.3

Figures in millions of euros

Information related to controlled companies

The following table shows the dividends distributed by the controlled companies with significant non-controlling interests and the result for the period of these individually considered companies (prior to intercompany eliminations), attributable to the non-controlling interests:

Controlled company	Dividends distributed				Earnings attributable to non-controlling interests	
	Controlling company		Non-controlling company			
	2022	2021	2022	2021	2022	2021
BB MAPFRE PARTICIPAÇÕES, S.A.	123.1	47.1	369.0	141.1	345.8	152.7
MAPFRE BHD COMPAÑÍA DE SEGUROS, S.A.	7.5	6.4	7.2	6.2	4.0	7.1
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	24.1	54.0	1.6	3.6	7.5	12.0
BANKINTER SEGUROS DE VIDA, S.A.	33.3	25.0	33.3	25.0	34.6	32.5
MIDDLESEA INSURANCE P.L.C.	1.6	2.7	0.8	0.5	1.9	1.3
M.S.V. LIFE P.L.C.	1.2	—	0.8	—	5.7	5.4

Figures in millions of euros

The key figures for controlled companies and significant joint arrangements related to insurance activities are shown in the accompanying chart:

- Balance sheet

Entity	Investments		Credits		Total assets		Equity		Technical Provisions	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Controlled company										
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	10,813.2	13,241.5	190.4	216.9	13,660.7	16,558.6	1,300.2	1,678.4	9,693.6	11,990.4
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	5,352.7	5,296.5	539.5	524.9	10,537.1	9,274.5	1,846.6	1,763.5	7,954.8	6,794.3
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	5,078.0	6,158.9	985.4	899.2	8,643.9	9,702.4	1,528.9	2,494.8	5,979.6	5,839.2
M.S.V. LIFE P.L.C.	1,998.3	2,424.3	—	0.4	2,356.7	2,723.3	223.9	222.1	1,962.0	2,326.5
BANKINTER SEGUROS DE VIDA, S.A.	1,561.0	1,768.9	42.6	40.7	1,942.8	2,159.3	100.9	145.5	1,144.2	1,247.4
COMPANHIA DE SEGUROS ALIANÇADO BRASIL, S.A.	1,529.9	1,196.3	970.2	784.6	3,737.4	2,870.4	325.6	244.4	2,595.6	1,975.8
THE COMMERCE INSURANCE COMPANY	1,139.4	1,394.8	370.8	326.6	2,421.0	2,516.3	636.9	875.5	1,602.5	1,397.9
Subtotal controlled companies	27,472.5	31,644.6	3,098.9	3,078.5	43,299.6	44,499.1	5,963.0	7,154.4	30,932.3	30,897.1
Joint Arrangement										
SOLUNION SEGUROS DE CREDITO S.A.	121.3	79.7	88.6	70.3	606.2	472.4	131.6	118.8	323.1	241.0
Subtotal Joint Arrangements	121.3	79.7	88.6	70.3	606.2	472.4	131.6	118.8	323.1	241.0

Figures in millions of euros

MAPFRE AND SUBSIDIARIES

- Income statement

Entity	Revenue				Results					
	From insurance business		Totals		From insurance business		From operations		From global account	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Controlled company										
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	2,594.7	2,854.2	2,618.9	2,873.2	269.9	292.0	237.9	271.3	42.4	261.2
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	5,383.0	4,960.7	8,387.2	7,479.6	175.1	182.3	129.9	142.2	(139.6)	94.5
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	4,789.9	4,964.9	5,730.9	5,792.0	166.6	423.6	134.4	330.5	(554.3)	175.9
M.S.V. LIFE P.L.C.	348.9	535.1	352.3	538.2	17.0	16.6	11.5	10.9	11.5	10.9
BANKINTER SEGUROS DE VIDA, S.A.	432.6	334.9	443.5	348.2	92.7	87.2	69.2	65.0	22.1	65.4
COMPANHIA DE SEGUROS ALIANÇADO BRASIL, S.A.	2,014.5	1,332.8	2,894.6	1,814.9	706.0	286.2	511.5	214.3	512.6	197.7
THE COMMERCE INSURANCE COMPANY	1,132.8	1,032.0	1,656.5	1,416.4	(18.9)	143.7	(18.0)	128.7	(18.0)	128.7
Subtotal controlled companies	16,696.4	16,014.6	22,083.9	20,262.5	1,408.4	1,431.6	1,076.4	1,162.9	(123.3)	934.3
Joint Arrangement										
SOLUNION SEGUROS DE CREDITO S.A.	48.8	39.2	320.0	247.6	26.8	15.9	12.4	9.1	6.6	6.8
Subtotal Joint Arrangements	48.8	39.2	320.0	247.6	26.8	15.9	12.4	9.1	6.6	6.8

Figures in millions of euros

The key figures for controlled companies and significant joint arrangements related to non-insurance activities are shown in the accompanying chart:

- Balance sheet

Entity	Current assets		Total assets		Equity		Current liabilities	
	2022	2021	2022	2021	2022	2021	2022	2021
Controlled company								
MAPFRE INMUEBLES, S.G.A.	80.2	149.8	550.2	633.4	485.8	499.8	63.4	132.6
FUNESPAÑA, S.A.	69.9	59.9	220.7	212.0	143.5	138.2	71.5	67.9
MAPFRE TECH	58.1	44.2	91.9	88.7	27.9	20.9	55.7	62.2
MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.	49.6	67.4	151.4	200.2	111.7	143.4	36.7	50.8
Subtotal controlled companies	257.8	321.3	1,014.2	1,134.3	768.9	802.3	227.3	313.5

Figures in millions of euros

- Income statement

Entity	Revenue		Earnings			
			From operations		From overall account	
	2022	2021	2022	2021	2022	2021
Controlled company						
MAPFRE INMUEBLES, S.G.A.	15.2	47.6	(13.6)	21.6	(13.6)	21.6
FUNESPAÑA, S.A.	119.3	106.9	5.7	6.2	5.7	6.1
MAPFRE TECH	233.6	212.3	(0.6)	1.5	(0.6)	1.5
MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.	111.5	94.8	53.5	41.4	41.2	43.9
Subtotal controlled companies	479.6	461.6	45.0	70.7	32.7	73.1

Figures in millions of euros

Information relating to joint arrangements and associated undertakings

In 2022 and 2021 MAPFRE Group did not receive any dividends from SOLUNION.

The cost and fair value of the shareholding in the SOLUNION joint venture at the close of the year were 37.1 and 66.3 million euros, respectively (37.1 and 63.1 million euros respectively in 2021). The following table contains the supplementary information for the joint ventures:

Joint Arrangement	Cash and cash equivalents		Financial liabilities		Repayment		Interest				Expenses or income after tax on profit	
							Revenue		Expenses			
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
SOLUNION SEGUROS DE CREDITO S.A.	5.1	11.4	—	—	—	—	3.9	1.3	2.4	1.3	(4.4)	(3.9)
TOTAL	5.1	11.4	—	—	—	—	3.9	1.3	2.4	1.3	(4.4)	(3.9)

Figures in millions of euros

The information relating to the key figures of the most relevant associated undertakings is included in Annex 2 of the annual report.

Remuneration of key management personnel

- Board of Directors and other steering Committees

The following table shows the paid remuneration received in the last two years by members of the Board of Directors of the controlling company:

Item	Amount	
	2022	2021
Short-term remuneration		
Salary	2.3	2.6
Short-term variable remuneration	1.7	2.5
Fixed allowance	2.9	2.8
Travel allowance	0.1	0.1
Other items	0.2	0.2
Medium-term variable remuneration	—	—
TOTAL REMUNERATION	7.2	8.2
Other remuneration		
Life insurance	0.1	0.1

Figures in million euros

The basic remuneration for external directors consists of an annual fixed amount for membership to the Board of Directors, which was 110,000 euros in 2022 and 2021. The Vice-Chairman-Coordinating Director had a fixed annual allowance of 220,000 euros in 2022 and 2021. The members of the Steering Committee received 10,000 euros in 2022 and 2021 and also have a travel, subsistence and accommodation allowance of 3,000 euros. Said amount reached 70,000 euros in the case of the Chair of the Audit and Compliance Committee in 2022 and 68,000 euros in 2021. For people who chair other Steering Committees, this amount reached 62,000 euros in 2022 and 60,000 euros in 2021. Other members of the Audit and Compliance Committee received 49,000 euros in 2022 and 48,000 euros in 2021. Other members of other sub-steering committees received 40,000 euros in 2022 and 39,000 euros in 2021.

Members of the Boards of Directors of Spanish insurance companies receive a fixed allowance of 48,000 euros in 2022 and 2021. The external vice-chairmen of the Boards of Directors of Spanish companies received 59,000 euros in 2022 and 2021. Members of Steering Committees received 11,000 euros in 2022 and 2021.

Life insurance is also established in case of death, with an insured capital of 150,253 euros, as well as some of the staff benefits like medical insurance.

Executive directors (who are deemed to be executives of the controlling company as well as those who perform executive functions in other MAPFRE Group companies) receive the remuneration established in their contracts, which includes a fixed salary, incentives with varying amounts linked to results, life and disability insurance, and other general benefits established for the Group's staff. They also receive certain pension commitments in the case of retirement, permanent disability or death, externalized through life insurance policies, all of which are included in the Remuneration Policy for Directors. Contributions to defined benefit plans (including employee pension plans) amounted to 3.3 million euros in 2022 (4.4 million in 2021), and were recognized as expenses for the year, with the accumulated rights reaching 34.0 and 36.9 million euros at December 31, 2022 and 2021, respectively.

Executive directors do not receive the fixed amount established for external directors.

Regarding variable short-term remuneration accrued in the current and previous years, in 2022 3.2 million euros are pending payment (3.8 million euros in 2021).

On February 9, 2022, the Board of Directors of MAPFRE S.A. approved, as proposed by the Appointments and Remuneration Committee, an extraordinary annual bonus aimed at a key group in the Company, linked to the Auto Combined Ratio as well as the percentage of earned Premium Growth and the variation in incurred expenses (excluding Life Savings). The accrued amount for this additional short-term component for members of the Board of Directors reached 0.08 million euros in 2022 (0.6 million in 2021, related to a bonus with different objectives)

Further, in 2021, 1.1 million euros in other remuneration corresponding to non-recurrent items were accrued.

Additionally, regarding incentive plans, on February 9, 2022, the Board of Directors of MAPFRE S.A. approved, as proposed by the Appointments and Remuneration Committee, a long-term incentive plan for the 2022-2026 period, comprising three overlapping cycles with a three-year target measurement period per cycle, aimed at Management and key professionals of the Company and Group companies. The total amount provisioned for 2022 and corresponding to the first overlapping cycle (2022-2024) reached a total of 0.42 million euros in cash and equity instruments.

The basic remuneration for external directors is approved by the Annual General Meeting at the recommendation of the Board of Directors and in keeping with the report drawn up by the company's Appointments and Remuneration Committee. The amount of the contractual remuneration for executive directors and the fixed allowance for membership to the Boards or Steering Committees are approved by the Board of Directors, subject to a report by the above mentioned committee.

- Senior Management

Remuneration paid in the last two years is as follows:

Item	Amount	
	2022	2021
No. of senior management members	8	9
Fixed remuneration	2.4	2.6
Variable remuneration	1.4	1.7
Other concepts	0.3	0.3
TOTAL REMUNERATION	4.1	4.6
Life insurance	0.04	0.04

Figures in million euros

Regarding short-term variable remuneration accrued in the current and previous years, at the close of 2022, 2.2 million euros are pending payment (2.4 million euros in 2021).

Contributions to defined benefit plans (including employee pension plans) amounted to 2.2 million euros in 2022 (1.8 million in 2021), and were recognized as expenses for the year, with the accumulated rights reaching 13.8 and 11.6 million euros at December 31, 2022 and 2021, respectively.

In 2022, the Board of Directors of MAPFRE S.A. approved, as proposed by the Appointments and Remuneration Committee, an extraordinary annual bonus aimed at a key group in the Company, linked to the Auto Combined Ratio as well as the percentage of earned Premium Growth and the variation in incurred expenses (excluding Life Savings). The accrued amount for this additional short-term component for members of Senior Management reached 0.08 million euros in 2022 (0.6 million in 2021, related to a bonus with different objectives).

Additionally, regarding incentive plans, on February 9, 2022, the Board of Directors of MAPFRE S.A. approved, as proposed by the Appointments and Remuneration Committee, a long-term incentive plan for the 2022-2026 period, comprising three overlapping cycles with a three-year target measurement period per cycle, aimed at Management and key professionals of the Company and Group companies. The total amount provisioned for 2022 and corresponding to the first overlapping cycle (2022-2024) reached a total of 0.46 million euros in cash and equity instruments.

6.26. EVENTS SUBSEQUENT TO CLOSING

There are no relevant events subsequent to closing.

7. RISK MANAGEMENT

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 significant deviations, even in adverse situations. That level, which establishes limits applicable to risk taking, configures the MAPFRE Group's risk appetite.

MAPFRE's structure is based on Units and Companies that are highly autonomous insofar as their management. The governing and management bodies of the Group approve the Units' and Companies' lines of action regarding continuous risk management and supervision through indicators and risk exposure ratios.

To guarantee the effective administration of risks, the Group has developed a series of policies for managing and controlling key risks. The Risk Management policy establishes a framework for risk management and, at the same time, for the development of policies regarding specific risks. These are:

- a. They establish general guidelines, basic principles and a general framework of action for the type of risk, ensuring coherent application within the Group.
- b. Assign responsibilities and define strategies, processes and procedures regarding the information needed to identify, measure, monitor, manage and notify about the risks referred to.
- c. Establish reporting chains of command and communication responsibilities of the risk supervisor.

Risk management is a local responsibility. The Group Risk Management Area handles all significant aspects related to risk management corresponding to the Group as well as relevant aspects of the different legal undertakings belonging to it, establishing benchmark directives and criteria. Respecting the action framework established by the Group, the companies are autonomous and responsible for structuring their own Risk management system in line with the applicable legislation and the complexity of their risk profile.

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.

Assigned capital is established prospectively in general based on estimates based on the budgets for the following year and it is periodically reviewed throughout the year in line with the development of risks in order to ensure compliance with the established risk appetite limits.

Exposure to the types of risk coming from the Group financial instruments and insurance contracts, as well as the processes and methods used for their management and measurement are explained in sections A), B), C) and D) of this Note.

A. INSURANCE RISK

1. Sensitivity to insurance risk

This sensitivity analysis measures the effect on capital fluctuations upward and downward of the determining factors of insurance risk (number of insured risks, average premium value, frequency and cost of claims). One measure of the sensitivity to the Non-Life insurance risk is the impact that a one percentage point change in the combined ratio would have on the annual results and, consequently, on equity. The following table shows this effect and the volatility index of the ratio, calculated according to the standard deviation in a five-year time horizon:

Business Units	Impact on results of 1% variation in the combined ratio		Combined ratio volatility index
	2022	2021	
Insurance			
- IBERIA	30.3	28.9	2.5 %
- LATAM	32.0	22.3	2.5 %
- INTERNATIONAL	21.3	16.7	3.6 %
Reinsurance	24.5	23.1	1.9 %
Assistance	1.8	(0.9)	3.3 %
Global Risks	1.8	1.5	14.1 %
CONSOLIDATED	118.4	99.4	1.1 %

Figures in millions of euros

In the case of the Life business, MAPFRE uses the Market Consistent Embedded Value (MCEV) methodology, which consists of determining the asset returns and the credit risk so that the net asset flows, discounted at origin, coincide with their market value. As such, the returns and the credit risk stop being a hypothesis and become a consequence of the market price of the assets.

The Embedded Value of the Life insurance, Accidental Death insurance, Mutual Funds and Pension Funds comprise the adjusted net asset value plus the value of the in-force business, defined as follows:

- Embedded Value = Adjusted net asset value + Value of in-force business
- Adjusted Net Asset Value (ANAV) = Net equity in line with IFRS adjusted for: committed donations and dividends, goodwill, deferred expenses, and any other element needed to obtain the economic value of the capital.
- Value of In-Force Business (VIF) = PVFP – TVFOG – CoC, which are:
 - PVFP = The Present Value of Future Profits is equal to the present value of future accounting earnings expected from the in-force portfolio at the date of valuation, after taxes and discounted with the reference curve. The financial returns of the in-force business has been calculated based on reference yield curve rates, except for assets with fixed interest rates from Life Savings insurance products, where credit-risk-adjusted book yields based on the market value of the assets has been used. The PVFP includes the “intrinsic value” of the FOG granted to the insurance clients. The financial return of future investments has been calculated based on reference yield curve rates.
 - TVFOG = Time Value of Financial Options and Guarantees granted to policyholders. The characteristics of the business subject to calculation are those that imply the existence of guarantees with a potential value, over the level or nature of the policyholder benefits, or options to change said benefits, at the discretion of the policyholder, and where the potential value depends on the performance of the financial variables.
 - CoC = Cost of Capital. In line with the Solvency II Risk Margin calculation, the CoC used in the 2021 MCEV has been measured applying a fixed rate of 6 percent (gross of taxes) to 100 percent of the solvency capital requirement, excluding market risks.

In line with the principles of MCEV, a methodology aligned with Solvency II criteria has been chosen, except for:

- Contract limits: in annual renewable products in which the Solvency II criteria establish that the contract limit, for valuation purposes, is at the end of the year in course, the criteria applied in the MCEV has been to project successive renewals, considering the probability of cancellation until the contracts’ maturity.
- Consistently with the above, the cost of capital has been calculated based on a theoretical capital requirement and it would be reasonable to apply that same contract limit to the risk calculation.

As such, the main assumptions used have been:

- Discount rates: risk-free reference rates published by EIOPA (European Insurance and Occupational Pensions Authority) were used at the date of valuation, including the volatility or matching adjustment (depending on the product).
- The Solvency II Risk Margin methodology has been applied for the cost of capital, including the 6 percent annual factor (before taxes).

The Group calculates its Solvency Capital Requirement (SCR) in line with the methodology requirements established by the Solvency II regulation, applying the standard formula for all risks except the longevity sub-risk for MAPFRE VIDA, which is calculated with a partial internal model and approved by the Directorate General for Insurance and Pension Funds (DGSFP) in Spain.

Adequate allocation of technical provisions is one of the basic principles of the Group’s insurance management. The technical provisions are calculated by the companies’ actuarial teams and the amounts are validated by an independent party that did not participate in the calculation. The establishment of technical provisions is regulated by a specific policy.

Based on the sensitivity analysis carried out regarding the main technical variables (mortality, disability, expenses and lapses) in the Group’s main Life insurers, there are no relevant deviations from Life insurance provisions and, therefore, from the own funds of these entities or the Group.

The main actuarial methodologies considered to be adequate, applicable and relevant for the calculation of technical provisions under Solvency II for MAPFRE Group are:

- For Non-Life insurance:
 - Combinations of generally accepted deterministic methods to determine the ultimate loss ratio based on the selection of factors to determine average cost and frequency.
 - Stochastic methods to determine the loss ratio assuming a probability distribution function.
- For Life insurance:
 - Policy by policy calculation of the current expected value of acquired commitments based on existing statistical information regarding mortality, longevity, disability, etc.
 - Projections based on groupings of homogenous policies or 'model points' where the policy by policy cash flow calculations are disproportionate in relation to the nature and complexity of the company's risks, as long as the projection does not distort the results obtained.

- Stochastic calculations, where relevant, to recognize the temporary value of the options and guarantees.

2. Concentrations of insurance risk

The Group has a high degree of insurance risk diversification since it operates in virtually all insurance lines in Spain and has a wide presence in the international markets.

The Group has implemented a system of procedures and limits which allows it to control the level of concentrated insurance risk.

It is standard practice to use reinsurance contracts to mitigate the insurance risk arising from the concentration or accumulation of guarantees exceeding the maximum acceptance levels.

2.a) Premiums by risk

The following tables show the breakdown for the last two years of written direct insurance and accepted reinsurance premiums classified according to the type of business underwritten:

2022

Item	Accepted reinsurance				Catastrophic risk	Direct insurance			
	Life	Non-Life		Total		Life	Other risks		Total
		Catastrophic risk	Other risks				Automobile	Other	
Written premiums, direct insurance	—	—	—	—	302.8	4,498.5	5,860.7	9,810.0	20,472.0
Premiums from accepted reinsurance	692.5	491.1	2,884.9	4,068.5	—	—	—	—	—

Figures in millions of euros

2021

Item	Accepted reinsurance				Catastroph ic risk	Direct insurance			
	Life	Non-Life		Total		Life	Other risks		Total
		Catastroph ic risk	Other risks				Automobile	Other	
Written premiums, direct insurance	—	—	—	—	491.8	4,252.2	5,335.8	8,047.8	18,127.6
Premiums from accepted reinsurance	630.0	404.4	2,992.6	4,027.0	—	—	—	—	—

Figures in millions of euros

2.b) Premiums by product and segment

The following tables show premiums issued for direct insurance and accepted reinsurance by product and segment, in the last two years:

2022

Product	IBERIA	LATAM NORTH	LATAM SOUTH	BRAZIL	NORTH AMERICA	EURASIA	ASISTENCIA	GLOBAL RISKS	REINSURANCE	CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS	Total
Life	1,915.5	481.9	343.1	1,505.0	1.0	259.4	—	—	—	—	4,505.9
Automobile	2,267.1	282.7	483.7	623.2	1,494.9	758.1	2.8	—	—	(2.5)	5,910.0
Homeowners and commercial risks	1,101.9	150.5	111.6	480.4	738.0	87.8	—	—	—	(0.1)	2,670.1
Health	717.9	590.3	89.7	—	43.4	127.7	—	—	—	—	1,569.0
Accident	97.7	20.6	126.7	—	2.0	6.7	—	—	—	(0.1)	253.6
Other Non-Life	1,525.5	591.1	852.1	2,242.9	310.3	77.6	210.9	—	(52.8)	(44.7)	5,712.9
Reinsurance	—	—	—	—	—	—	—	1,550.6	5,723.5	(3,355.1)	3,919.0
TOTAL	7,625.6	2,117.1	2,006.9	4,851.5	2,589.6	1,317.3	213.7	1,550.6	5,670.7	(3,402.5)	24,540.5

Figures in millions of euros

2021

Product	IBERIA	LATAM NORTH	LATAM SOUTH	BRAZIL	NORTH AMERICA	EURASIA	ASISTENCIA	GLOBAL RISKS	REINSURANCE	CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS	Total
Life	2,097.6	403.8	265.4	1,154.6	0.8	335.0	—	—	—	0.3	4,257.5
Automobile	2,258.6	244.1	388.7	461.4	1,282.2	749.1	3.6	—	—	(3.0)	5,384.7
Homeowners and commercial risks	1,055.2	122.7	92.8	355.7	632.7	91.3	—	—	—	(0.6)	2,349.8
Health	672.4	480.0	68.3	0.3	43.1	102.9	—	—	—	7.0	1,374.0
Accident	105.8	13.5	95.7	—	2.0	5.4	—	—	—	0.2	222.6
Other Non-Life	1,406.8	923.6	706.8	1,368.1	112.3	77.1	482.8	—	—	(348.9)	4,728.6
Reinsurance	—	—	—	—	—	—	—	1,283.0	4,991.6	(2,437.2)	3,837.4
TOTAL	7,596.4	2,187.7	1,617.7	3,340.1	2,073.1	1,360.8	486.4	1,283.0	4,991.6	(2,782.2)	22,154.6

Figures in millions of euros

2.c) Premiums by currency

The following tables show the breakdown for the last two years of written direct insurance premiums.

Currency	Financial Year	
	2022	2021
Euro	8,420.2	8,567.3
US dollar	4,148.4	3,843.8
Brazilian real	4,851.5	3,340.1
Mexican peso	691.6	572.1
Argentine peso	158.6	131.1
venezuelan digital bolivar	13.3	13.4
Turkish lira	288.7	209.2
Colombian peso	407.0	268.7
Chilean peso	218.9	158.5
Pound sterling	2.2	41.9
Peruvian sol	411.0	292.7
Indonesian rupiah	24.6	36.0
Other currencies	836.0	652.8
TOTAL	20,472.0	18,127.6

Figures in millions of euros

3. Claims

Section 3.4 of Note 6.13 of the annual report, "Technical Provisions", offers information about the progression of claims.

B. CREDIT RISK

1. Credit risk arising from reinsurance contracts

The following table shows the breakdown of receivables against reinsurers in the last two years:

Ceded and retroceded reinsurance	Book value	
	2022	2021
· Provision for Life insurance	53.8	54.4
· Provision for outstanding claims	4,298.5	4,142.8
· Other technical provisions	—	0.5
· Receivables on ceded and retroceded reinsurance transactions	352.4	381.2
· Due on ceded and retroceded reinsurance transactions	(996.6)	(892.1)
TOTAL NET POSITION	3,708.1	3,686.8

Figures in millions of euros

The following table shows the breakdown of credits against reinsurers based on the financial solvency margin:

Level (*)	Book value	
	2022	2021
AAA	72.7	648.2
AA	923.8	892.0
A	1,270.4	1,239.6
BBB	583.2	153.2
BB OR LESS	115.7	116.7
WITHOUT CREDIT RATING	742.3	637.2
TOTAL NET POSITION	3,708.1	3,686.8

Figures in millions of euros

(*) According to local criteria

The following table shows the type and amount of the guarantees granted by reinsurers in the last two years:

Type of surety	Amount	
	2022	2021
Letters of credit	126.0	110.5
Guarantees	—	—
Pledging of assets	—	—
Other guarantees	21.5	22.1
TOTAL	147.5	132.6

Figures in millions of euros

The balances corresponding to receivables on direct insurance and co-insurance operations amounted to 4.1 and 3.9 billion euros at December 31, 2022 and 2021, respectively. Estimated losses due to impairment are recorded in the income statement as specified in accounting policy 5.9.

2. Credit risk arising from other financial instruments

The breakdown for the last two years of the portfolio of fixed-income securities, hybrid securities, deposits and cash, based on the payment capacity of issuers of fixed-income securities and financial institutions, is shown in the accompanying chart:

Issuer capacity for payment (*)	Book value							
	Held-to-maturity portfolio		Available-for-sale portfolio		Trading portfolio		Cash	
	2022	2021	2022	2021	2022	2021	2022	2021
AAA	821.1	1,054.2	2,356.7	2,477.0	1,501.5	1,158.8	183.0	182.2
AA	55.7	83.2	3,293.1	2,919.9	301.3	346.1	260.4	147.0
A	39.6	27.4	10,402.1	13,607.0	330.6	566.0	1,484.2	1,845.1
BBB	89.5	167.6	5,612.0	6,553.5	542.8	759.9	215.6	402.5
BB OR LESS	162.4	30.5	779.0	289.3	273.8	43.0	99.2	74.1
WITHOUT CREDIT RATING	189.2	142.3	334.4	284.7	115.3	202.7	332.1	236.7
TOTAL	1,357.5	1,505.2	22,777.3	26,131.4	3,065.3	3,076.5	2,574.5	2,887.6

Figures in millions of euros

(*) According to local criteria

3. Fixed-income securities in default

There were no fixed-income securities in default for significant amounts at December 31, 2022 and 2021.

4. Receivables

The following table shows the composition of the receivables heading at December 31, 2022 and 2021, as well as impairment losses, gains on recorded impairment reversals, and received amounts for guarantees in the last two years:

Item	Net balance on balance sheet		Impairment				Guarantees Received	
	2022	2021	Recorded losses	Reversal gains	Recorded losses	Reversal gains	2022	2021
Receivables on direct insurance and co-insurance operations	4,102.4	3,892.0	(11.1)	(8.5)	6.7	7.1	82.2	—
Receivables on reinsurance operations	685.5	791.7	—	(1.7)	3.0	2.7	—	—
Tax receivables	447.5	365.1	—	—	—	—	—	—
Corporate and other receivables	756.4	545.9	(3.2)	(3.9)	2.4	3.3	—	—
TOTAL	5,991.8	5,594.7	(14.3)	(14.1)	12.1	13.1	82.2	—

Figures in millions of euros

C. LIQUIDITY RISK

With respect to liquidity risk, MAPFRE has a Liquidity Risk Management Policy and an Asset and Liability Management Policy, which together comprise the benchmark framework for acting in this regard. In MAPFRE, the general practice is based on maintaining sufficient cash balances to comfortably cover the commitments arising from its obligations to insured parties and creditors. Thus, at December 31, 2022, the cash and cash equivalent balance amounted to 2.6 billion euros (2.9 billion euros the previous year), equivalent to 7.5 percent of total financial investments and cash (7.4 percent at the close of 2021).

For Life and Savings insurance, the investment criteria applied consists in matching the maturities of investments with obligations entered into under the terms of insurance contracts in order to mitigate the long-term liquidity risk. In addition, most fixed-income investments have an investment grade and are traded in organized markets, providing ample capacity to act against potential liquidity stress.

Assets with maturity exceeding one year are described in the "Interest rate risk" section.

Lastly, MAPFRE's low level of debt as regards shareholders' equity, combined with the amount not drawn down from the syndicated loan taken out by the controlling company, provides additional liquidity through financing operations. Note 6.12 "Financial liabilities" provides information on the Group's debt with credit institutions and its other financial liabilities.

1. Liquidity risk arising from insurance contracts

The following table shows the estimated schedule of disbursements for insurance liabilities recorded at December 31, 2022 and 2021 (non-financial discount amounts).

2022

Item	Estimated cash outflows in years						Subsequent	Total
	2023	2024	2025	2026	2027	2028 to 2032		
Provisions for Life insurance	2,909.0	1,608.9	1,344.7	1,353.7	1,112.9	3,992.1	6,121.1	18,442.4
Provision for outstanding claims	6,476.2	2,266.9	1,102.4	691.3	485.5	962.7	647.8	12,632.8
Other technical provisions	132.4	54.2	54.6	55.9	57.3	312.9	565.8	1,233.1
Due on direct insurance and coinsurance operations	963.9	25.1	10.2	8.4	6.1	11.3	8.4	1,033.4
Due on reinsurance operations	1,050.0	17.7	7.5	5.4	3.8	7.1	3.8	1,095.3
TOTAL	11,531.5	3,972.8	2,519.4	2,114.7	1,665.6	5,286.1	7,346.9	34,437.0

Figures in millions of euros

2021

Item	Estimated cash outflows in years						Subsequent	Total
	2022	2023	2024	2025	2026	2025 to 2029		
Provisions for Life insurance	2,624.3	1,609.6	1,390.6	1,256.9	1,185.8	4,264.3	6,543.9	18,875.4
Provision for outstanding claims	5,905.0	2,398.1	1,136.2	680.9	459.2	928.5	478.2	11,986.1
Other technical provisions	103.6	48.7	50.4	50.7	52.2	278.3	670.2	1,254.1
Due on direct insurance and coinsurance operations	857.2	20.5	12.0	8.2	4.9	11.0	1.2	915.0
Due on reinsurance operations	1,234.4	6.2	4.2	2.5	1.5	3.4	0.6	1,252.8
TOTAL	10,724.5	4,083.1	2,593.4	1,999.2	1,703.6	5,485.5	7,694.1	34,283.4

Figures in millions of euros

2. Liquidity risk arising from subordinated liabilities and financial liabilities

The breakdown for the last two years of disbursement maturities for subordinated and financial liabilities, excluding the financial discount, is shown in the accompanying chart:

2022

Item	Maturity in					Subsequent	Total
	2023	2024	2025	2026	2027		
Subordinated liabilities	60.0	61.3	61.3	61.3	61.3	1,625.9	1,931.1
Issue of debentures and other negotiable securities	13.9	13.9	13.9	862.6	—	—	904.3
Due to credit institutions	51.5	51.0	269.4	30.5	9.9	48.0	460.3
Other financial liabilities (excluding for trading, others at fair value and w/o maturity)	580.7	0.7	—	0.5	0.3	1.8	584.0
TOTAL	706.1	126.9	344.6	954.9	71.5	1,675.7	3,879.7

Figures in millions of euros

2021

Item	Maturity in					Subsequent	Total
	2022	2023	2024	2025	2026		
Subordinated liabilities	46.9	46.9	46.9	46.9	46.9	1,167.5	1,402.0
Issue of debentures and other negotiable securities	13.9	13.9	13.9	13.9	871.2	—	926.8
Due to credit institutions	221.6	45.7	56.2	658.3	58.3	82.3	1,122.4
Other financial liabilities (excluding for trading, others at fair value and w/o maturity)	710.0	0.8	0.3	0.7	0.3	2.3	714.4
TOTAL	992.4	107.3	117.3	719.8	976.7	1,252.1	4,165.6

Figures in millions of euros

D. MARKET RISK

The MAPFRE Risk Management Area carries out resilience and sensitivity tests regarding the impact of financial variables from the market on its solvency position.

The Group's Investment Area regularly conducts analyses of the sensitivity of the investment portfolio's value to market risk.

Among others, the most usual indicators are the modified duration, for fixed-income securities, and the VaR, or value at risk, for equity instruments.

1. Interest rate risk

The following tables show the significant information of the last two years regarding the level of exposure to interest rate risk of the financial assets and liabilities:

Portfolio	Amount of assets exposed to interest rate risk at fair value					
	Fixed interest rate		Not exposed to risk		Total	
	2022	2021	2022	2021	2022	2021
To maturity	1,279.5	1,419.5	101.7	108.3	1,381.2	1,527.8
Available for sale	12,673.6	23,573.6	12,379.0	5,387.9	25,052.6	28,961.5
Trading	2,215.9	4,570.8	2,973.7	1,183.3	5,189.6	5,754.1
TOTAL	16,169.0	29,563.9	15,454.4	6,679.5	31,623.4	36,243.4

Figures in millions of euros

The assets with a fixed interest rate include the immunized portfolios, which amounted to 7.5 and 10.3 billion euros at December 31, 2022 and 2021 respectively, thus reducing the interest rate risk.

Item	Amount of liabilities exposed to interest rate risk at fair value					
	Fixed interest rate		Not exposed to risk		Total	
	2022	2021	2022	2021	2022	2021
Subordinated liabilities	1,627.0	1,122.2	—	—	1,627.0	1,122.2
Issue of debentures and other negotiable securities	863.5	862.8	—	—	863.5	862.8
Due to credit institutions	70.4	167.1	373.9	939.4	444.3	1,106.5
Other financial liabilities	885.4	974.1	1,105.6	1,394.5	1,991.0	2,368.6
TOTAL	3,446.3	3,126.2	1,479.5	2,333.9	4,925.8	5,460.1

Figures in millions of euros

MAPFRE AND SUBSIDIARIES

The following tables show the breakdown of financial investments by maturity for 2022 and 2021.

December 31, 2022

Item	Closing balance	Maturity in:					Subsequent or without maturity
		1 year	2 years	3 years	4 years	5 Years	
HELD TO MATURITY PORTFOLIO							
Fixed income	1,357.5	440.4	130.9	76.3	54.4	73.4	582.0
Other investments	23.7	16.8	0.8	—	0.2	3.0	2.9
TOTAL HELD TO MATURITY PORTFOLIO	1,381.2	457.2	131.7	76.3	54.6	76.4	584.9
AVAILABLE FOR SALE PORTFOLIO							
Fixed income	22,777.3	2,693.3	2,397.5	2,570.6	2,525.2	2,905.6	9,685.1
Other investments	79.3	—	—	—	—	—	79.3
TOTAL AVAILABLE FOR SALE PORTFOLIO	22,856.6	2,693.3	2,397.5	2,570.6	2,525.2	2,905.6	9,764.4
TRADING PORTFOLIO							
Financial swaps	89.6	(186.4)	(237.1)	(120.0)	(311.4)	(132.6)	1,077.1
Options	1.5	—	—	—	(0.2)	—	1.7
Fixed income	3,050.0	1,332.6	275.7	275.2	240.7	296.4	629.3
Hybrids	15.3	—	—	—	15.3	—	—
Deposits	—	—	—	—	—	—	—
TOTAL TRADING PORTFOLIO	3,156.4	1,146.2	38.6	155.2	(55.6)	163.8	1,708.1

Figures in millions of euros

December 31, 2021

Item	Closing balance	Maturity in:					Subsequent or without maturity
		1 year	2 years	3 years	4 years	5 Years	
HELD TO MATURITY PORTFOLIO							
Fixed income	1,505.2	420.5	258.2	115.8	47.9	100.4	562.4
Other investments	22.6	13.9	0.8	0.2	—	3.7	4.0
TOTAL HELD TO MATURITY PORTFOLIO	1,527.8	434.4	259.0	116.0	47.9	104.1	566.4
AVAILABLE FOR SALE PORTFOLIO							
Fixed income	26,131.4	2,522.4	2,176.3	2,088.7	2,088.6	3,645.7	13,609.7
Other investments	147.5	8.1	0.8	0.9	0.4	—	137.3
TOTAL AVAILABLE FOR SALE PORTFOLIO	26,278.9	2,530.5	2,177.1	2,089.6	2,089.0	3,645.7	13,747.0
TRADING PORTFOLIO							
Financial swaps	420.6	(104.8)	(175.4)	(220.2)	(72.9)	(295.6)	1,289.5
Options	—	—	—	—	—	—	—
Fixed income	2,859.7	1,092.7	248.6	219.3	138.4	271.6	889.1
Hybrids	216.8	74.6	65.6	5.5	9.0	49.2	12.9
Deposits	—	—	—	—	—	—	—
TOTAL TRADING PORTFOLIO	3,497.1	1,062.5	138.8	4.6	74.5	25.2	2,191.5

Figures in millions of euros

The average interest rate and modified duration of fixed-income investments in 2022 and 2021 are as follows:

Item	2022	2021
Average interest rate (%)	4.25	3.42
Modified duration (%)	5.46	6.95

The modified duration reflects the sensitivity of the value of the assets to movements in interest rates and represents an approximation of the percentage variation that the value of financial assets would experience for every percentage point (100 bp) of variation of interest rates. The balances included in the "Receivables" heading under the assets on the balance sheet and in the "Due on direct insurance and co-insurance operations", "Due on reinsurance operations", "Tax liabilities" and "Other debts" accounts under the liabilities on the balance sheet do not accrue interest and they are usually settled the following year. Liabilities with a maturity exceeding one year are covered in the section "Liquidity risk arising from subordinated liabilities and financial liabilities".

2. Exchange rate risk

The following table shows the breakdown of assets and liabilities regarding the currencies in which they are recorded at the end of the last two years.

Currency	Assets		Liabilities		Net Total	
	2022	2021	2022	2021	2022	2021
Euro	30,651.5	36,162.5	28,036.1	33,036.3	2,615.4	3,126.2
US dollar	13,121.1	13,736.4	10,034.7	9,904.8	3,086.4	3,831.6
Mexican peso	1,374.8	1,231.7	956.7	891.8	418.1	339.9
Brazilian real	8,584.3	6,875.0	7,251.6	5,777.6	1,332.7	1,097.4
Turkish lira	487.7	382.5	500.9	402.0	(13.2)	(19.5)
Chilean peso	454.0	270.1	345.7	105.2	108.3	164.9
Venezuelan digital bolivar	12.6	12.7	9.3	10.0	3.3	2.7
Argentine peso	326.8	303.3	153.5	207.3	173.3	96.0
Colombian peso	1,127.4	1,217.0	1,115.9	1,144.8	11.5	72.2
Pound sterling	326.3	544.7	261.5	392.0	64.8	152.7
Canadian dollar	141.6	96.5	19.0	18.2	122.6	78.3
Philippine peso	83.3	157.4	33.1	75.0	50.2	82.4
Peruvian sol	1,236.2	780.0	1,103.1	656.3	133.1	123.7
Indonesian rupiah	1.2	158.9	1.7	67.2	(0.5)	91.7
Other currencies	1,697.0	1,925.5	1,442.8	1,499.1	254.2	426.4
TOTAL	59,625.8	63,854.2	51,265.6	54,187.6	8,360.2	9,666.6

Figures in millions of euros

The sensitivity of the Group's equity to changes in euro exchange rates against the different currencies in which assets are stated is determined by the net total amount shown in the previous table, having deducted the amount for the non-monetary items. Similarly, the effect of these exchange rate variations on the Group's future results is determined by the volume of earnings obtained in each currency. In this regard, Annex 1 provides a breakdown of the country in which the operations of each Group company are located, and Annex 2 provides the result obtained by the most relevant companies in the Group.

3. Stock market risk

The VaR or value at risk (maximum variation expected in a one-year time horizon and at a confidence level of 99 percent) of equities and mutual funds exposed to stock market risk amounted to 1.1 billion and 1.3 billion euros at December 31, 2022 and 2021, respectively.

4. Property risk

At December 31, 2022 the Group had property assets representing approximately 5.1 percent of total investments and cash (5.2 percent at December 31, 2021), of which approximately 52.5 percent corresponds to its own offices (46.0 percent at December 31, 2021). This equity serves the dual function of providing administrative and sales support as well as generating revenues from investments and diversifying investments. The breakdown of these property assets is shown in the following table:

Item	Net book value		Market value	
	2022	2021	2022	2021
Real estate investments	980.8	1,260.0	1,489.9	1,685.1
Real estate for own use	1,084.7	1,071.8	1,422.6	1,416.3
TOTAL	2,065.5	2,331.8	2,912.5	3,101.4

Figures in millions of euros

Unrealized gains would offset a fall in the price of the properties equivalent to approximately 29.1 percent of their market value at the close of 2022 (24.8 percent at the close of 2021).

E. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISKS

MAPFRE is constantly analyzing all factors that, should they materialize, would or could impact the business. This analysis includes environmental, social and governance (ESG) factors, which makes it possible to obtain additional information about social movements and transformations, stakeholder expectations as well as those of the market, which affect the organization.

Based on the analysis of these ESG factors and how they can affect the business in the short, medium and long-term, they are included in the typology of risks established by the company, and measures for their prevention and mitigation are adopted.

The strategy for the fight against climate change is articulated in MAPFRE through the Corporate Environmental Footprint Plan 2021-2030, which gives continuity to the previous Energy Efficiency and Climate Change Plan 2014-2020, incorporating other environmental variables that are decisive in the adaptation and mitigation processes.

The MAPFRE S.A. Board of Directors also approved, in September 2021, a new update of the Group Environmental Policy in which key aspects such as Green Procurement are included, and the Circular Economy (via the zero waste initiative) and Natural Capital are introduced.

In line with the defined objectives, the 2021 carbon footprint of MAPFRE companies located in Spain and Portugal was neutralized. In the context of the new Environmental Footprint Plan, the Group has established new objectives to be added to the previously existing ones:

Objectives to 2024:

- Reduce the Group's carbon footprint by 19 percent compared to the 2019 baseline.
- Neutralize MAPFRE's carbon footprint in Brazil, the United States, Mexico, Peru, Puerto Rico, Germany, Italy and Turkey.

Objectives to 2030:

- Reduce the Group's carbon footprint by 50 percent compared to the 2019 baseline.
- Neutralize the remaining carbon footprint for the Group as a whole.

These lines of action define the Group's roadmap to fight climate change.

The following is a list of the key environmental commitments regarding underwriting and investment applicable to all Group entities starting in 2022:

Underwriting commitment:

In 2022, the previously established commitments regarding carbon, oil and gas have all been met, and there have been no exceptions approved for these issues.

MAPFRE has developed an internal ESG evaluation process, using specialized platforms, to evaluate and quantify the environmental, social and governmental impact of the business group's activity, considering the sector and the countries in which it operates. Until 2022, the platform was used to offer a scoring for Global Risks clients. The 2022-2024 Sustainability Plan targets include expanding the ESG analysis model to underwriting portfolios in Spain and Brazil and facultative reinsurance.

In line with the ESG risk analysis model, at the close of 2022, 77 percent of the previously mentioned underwriting portfolios have been analyzed with environmental, social and good governance (ESG) criteria.

More detail on the MAPFRE Group environmental investment and underwriting commitments is available at: <https://www.mapfre.com/media/ENVIRONMENTAL-COMMITMENTS-IN-INVESTMENT-AND-UNDERWRITING.pdf>

Investment commitment:

In line with its commitment to the UN 2030 Agenda, in 2022 MAPFRE reassessed the impact of the balance sheet portfolios against the Sustainable Development Goals, using the methodology developed in 2019 with the University of Siena. Expanding the methodologies and integrating them into the ESG investment criteria continues to be worked on.

Within the 2022-2024 Sustainability Plan, the following targets have been established:

- 90 percent of the global investment portfolio to be ESG-rated for 2024.
- 10 percent emissions reduction in the investment portfolio at the close of 2024 (2019 base line over the related indicator: TmCO2eq/Million €)).

The Integrated Report provides further information on the environmental risks and management.

8. OTHER INFORMATION

8.1. INFORMATION RELATED TO THE GOVERNING BODY

In the last two years, there have not been any conflicts of interest, either direct or indirect, between the directors or the people connected to them and the Group.

In the last two years, the controlling company's directors did not carry out any operations with the controlling company itself or with any other Group company either outside the scope of the companies' ordinary trading activities or outside normal market conditions.

The insurance premium paid on behalf of the administrators for damages liability was 1.2 million euros in 2022 (1.0 million euros in 2021).

8.2. FEES EARNED BY THE AUDITORS

The annual accounts of the controlling company and of the main Group companies for the financial year 2022 have been audited by the firm KPMG, with the main exception of the subsidiaries with registered offices in Turkey and Ecuador, whose auditors are RSM Turkey Arkan & Ergin and GRANT THORNTON, respectively.

The remuneration accrued by the main auditor is shown in the accompanying chart. It is deemed that these fees do not compromise the independence of the auditors.

Item	Amount	
	2022	2021
Audit services	9.4	7.0
Other verification services	1.6	1.4
Tax services	—	—
Other services	0.1	0.1
Total services of main auditor	11.1	8.5

Figures in millions of euros

The above mentioned amounts include those paid to the company KPMG Auditores, S.L. to the Group in 2022 for the amount of 2.5 million euros for audit services (2.3 million euros in 2021) and 0.6 million euros for Other verification services (0.5 million in 2021). The amounts paid to KPMG in countries other than Spain reached 6.4 million euros for audit services (4.7 million euros in 2021) and 1.0 million euros for Other verification services (0.9 million euros in 2021).

These include, most notably, other required reviews (by regulation or requirement of external partners), as well as services regarding regulatory compliance, the most relevant of which are those corresponding to the review of the Solvency Reports (0.4 million euros in Spain and 0.3 million euros in the rest of the countries).

Other entities associated with KPMG International (KPMG Asesores, S.L.) have invoiced 0.1 million euros for an independent review of the Non-Financial Information Statement.

Fees related to account auditing services provided by auditors other than the main auditor amounted to 0.1 million euros in 2022 and 2021, in each year.

8.3. ENVIRONMENTAL INFORMATION

The Group companies do not have any environment-related item in the last two financial years that might be significant or specifically included in these consolidated annual accounts.

8.4. INFORMATION ON AVERAGE PROVIDER PAYMENT PERIOD

Details of the payments made by the Group's fully consolidated Spanish companies to providers in the financial years 2022 and 2021:

Item	Days	
	2022	2021
Average provider payment period	6.1	7.9
Ratio of paid operations	5.7	7.8
Ratio of operations pending payment	22.0	18.2

Item	Million euros	
	2022	2021
Total payments made	1,762.7	2,148.7
Total pending payments exceeding the maximum statutory term	37.5	29.5

Information regarding invoices paid in a period of time less than the maximum established in the late payment regulation is as follows:

Item	2022	2021
Monetary volume paid	1,762.70	2,148.70
Percentage over total monetary payments to providers	97.9%	98.6%
Number of invoices paid	262,135	269,194
Percentage over total number of invoices paid to providers	98.3%	98.6%

8.5. COVID-19

The accompanying table provides a breakdown of the most relevant impacts on Group results as a result of the COVID-19 crisis

Business Units	Amount	
	2022	2021
IBERIA	14.3	32.7
LATAM NORTH	36.2	130.1
LATAM SOUTH	3	42.7
BRAZIL	27.1	188.7
NORTH AMERICA	2.3	2.7
EURASIA	0.5	3.3
TOTAL INSURANCE	83.4	400.2
REINSURANCE	27.8	52.1
ASISTENCIA	4.6	8
TOTAL	115.8	460.3

figures in million euros

8.6. UKRAINE

On February 24, 2022, Russia began its invasion of Ukraine territory, initiating a war that continues today.

The direct impacts on both insurance and reinsurance activity as well as on investments held in Russia and Belarus have been immaterial.

In order to comply with the international sanctions against Russia for the Ukraine conflict, MAPFRE Group has issued global directives restricting direct insurance and reinsurance operations for Russian or Belarusian citizens with interests located in or destined for Russia or Belarus.

APPENDIX 1: SUBSIDIARIES, ASSOCIATED UNDERTAKINGS AND JOINT VENTURES AT DECEMBER 31, 2022 AND 2021

Participation in Capital					Integration	
Name	Address	Holder	Percentage		Consolidation	method for
			2022	2021	method	Solvency
IBERIA						
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	Ctra. Pozuelo, 50. Majadahonda.	MAPFRE, S.A.	100.0000	83.5173	(A)	(1)
	Madrid (España)	MAPFRE PARTICIPACIONES, S A	0.0000	16.4827		
CLUB MAPFRE, S.A.	Ctra. Pozuelo, 50. Majadahonda.	MAPFRE ESPAÑA, S.A.	99.9875	99.9875	(A)	(1)
	Madrid (España)	MAPFRE AUTOMOCIÓN S.A.U	0.0125	0.0125		
CENTRO DE EXPERIMENTACIÓN Y SEGURIDAD VIAL MAPFRE, S.A.	Ctra.Valladolid, km 1	MAPFRE ESPAÑA, S.A.	99.9982	99.9982	(A)	(1)
	Ávila (España)	MAPFRE, S.A.	0.0018	0.0018		
MAPFRE AUTOMOCIÓN S.A.U	Ctra. Pozuelo, 50. Majadahonda.	MAPFRE ESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
	Madrid (España)					
VERTI ASEGURADORA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A	Ctra. Pozuelo, 52. Majadahonda.	MAPFRE ESPAÑA, S.A.	99.9991	99.9991	(A)	(1)
	Madrid (España)	CLUB MAPFRE, S.A.	0.0009	0.0009		
VERTI MEDIACION SOCIEDAD DE AGENCIA DE VALORES VINCULADA, S.L.	Doctor esquerdo, 138	VERTI ASEGURADORA S.A.	98.0000	98.0000	(A)	(1)
	Madrid (España)	CLUB MAPFRE, S.A.	2.0000	2.0000		
MAPFRE CONSULTORES DE SEGUROS Y REASEGUROS, S.A.	Ctra. Pozuelo, 50. Majadahonda.	MAPFRE ESPAÑA, S.A.	50.0000	50.0000	(A)	(1)
	Madrid (España)	MAPFRE, S.A.	50.0000	50.0000		
MULTISERVICIOS MAPFRE MULTIMAP, S.A.	Ctra. Pozuelo, 52. Majadahonda.	MAPFRE ESPAÑA, S.A.	97.5000	97.5000	(A)	(1)
	Madrid (España)	CENTROS MÉDICOS S.A.	2.5000	2.5000		
FUNESPAÑA, S.A.U.	C/ Doctor Esquerdo, 138 5º	MAPFRE ESPAÑA, S.A.	99.7864	99.7810	(A)	(1)
	Madrid (España)					
FUNESPAÑA DOS, S.L.	C/ Doctor Esquerdo, 138 5º	FUNESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
	Madrid (España)					
POMPES FÚNEBRES DOMINGO, S.L.	C/ Mercaderes, 5 Bajo Tortosa. Tarragona (España)	FUNESPAÑA DOS, S.L.	100.0000	100.0000	(A)	(1)
SERVICIOS FUNERARIOS FUNEMADRID, S.A.U.	C/ Doctor Esquerdo, 138 5º Plta Madrid (España)	FUNESPAÑA DOS, S.L.	100.0000	100.0000	(A)	(1)
CEMENTERIO JARDÍN DE ALCALA DE HENARES, S.A.	Carretera de Pastrana,Km 3	FUNEMADRID	49.0000	49.0000	(C)	(3)
	Alcala de Henares. Madrid (España)					
EMPRESA MIXTA SERVEIS MUNICIPALS DE TARRAGONA, S.L.	Carretera Villa de Valencia, 2 Tarragona (España)	FUNESPAÑA DOS, S.L.	49.0000	49.0000	(C)	(3)
CEMENTERIO PARQUE ANDUJAR, S.A.	C/ Cementerio, 4 Andujar. Jaén (España)	FUNESPAÑA DOS, S.L.	72.8200	72.8200	(A)	(1)
SERVICIOS FUNERARIOS DE ZARAGOZA, S.L.	C/ Doctor Esquerdo, 138 5º Plta Madrid (España)	FUNESPAÑA DOS, S.L.	70.0000	70.0000	(A)	(1)
TANATORIUM ZRT	Joseph Krt, 49 Budapest (Hungría)	FUNESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
INICIATIVAS ALCAÉSAR, S.L.	C / Viena, 2 1º A Cáceres (España)	FUNESPAÑA DOS, S.L.	40.0000	40.0000	(C)	(3)
SALZILLO SERVICIOS FUNERARIOS, S.L.	C/ Doctor Esquerdo, 138 5º Plta Madrid (España)	FUNESPAÑA DOS, S.L.	45.0000	45.0000	(C)	(3)
DE MENA SERVICIOS FUNERARIOS, S.L.	C/ Doctor Esquerdo, 138 5º Plta Madrid (España)	FUNESPAÑA DOS, S.L.	70.0000	70.0000	(A)	(1)
ISABELO ALVAREZ MAYORGA, S.A.	Carretera Ávila - Valladolid Km 08 Ávila (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)

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Participation in Capital						Integration
Name	Address	Holder	Percentage		Consolidation	method for
			2022	2021	method	Solvency
SERVICIOS FUNERARIOS DEL NERVIÓN, S.L.	Alameda de Recalde 10 Bilbao (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)
NUEVO TANATORIO, S.L.	Avenida Hermanos Bou, 251 Castellón (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)
SERVICIOS FUNERARIOS LA CARIDAD, S.L.	Carretera Sanlúcar - Trebujena Km 1,5 Sanlúcar de Barrameda. Cádiz (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)
TANATORIO DE ÉCIJA, S.L.	C / Camino del Valle Écija. Sevilla (España)	FUNESPAÑA DOS, S.L.	33.3300	33.3300	(C)	(3)
TANATORIO SE-30 SEVILLA, S.L.	C/ San Juan Bosco, 58 Zaragoza (España)	FUNESPAÑA DOS, S.L.	10.0000	10.0000	(C)	(3)
ALL FUNERAL SERVICES, S.L.	C/ Doctor Esquerdo, 138 5º Plta Madrid (España)	FUNESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
FUNESPAÑA CHILE, S.A.	Santiago de Chile (Chile)	FUNESPAÑA, S.A.	50.0000	50.0000	(B)	(B)
FUNEUROPA CHILE, S.A.	Santiago de Chile (Chile)	FUNESPAÑA, S.A.	50.0000	50.0000	(B)	(B)
FUNERARIAS REUNIDAS DEL BIERZO, S.A.	C/ Doctor Esquerdo, 138 5º Plta Madrid (España)	FUNESPAÑA DOS, S.L.	85.8200	85.8200	(A)	(1)
SERVICIOS FUNERARIOS LUCEM S.L.	C/ La Costera número 20, Polígono Industrial Bovalar 46970 Alaquás. Valencia (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)
FUNERARIA SAN VICENTE, S.L.	C/ Restauración, número 2-bajo, Polígono Industrial y de Servicios "Matallana" 41440-Lora del Río. Sevilla (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)
INVERSIONES FUNERARIAS ANDALUZAS, S.L.	C/Torredonjimeno s/n Martos. Jaén (España)	FUNESPAÑA DOS, S.L.	33.3300	33.3300	(C)	(3)
FUNERARIA ALIANZA CANARIA, S.L.	Luis Doreste Silva, 18B 35004 Las Palmas de Gran Canaria (España)	FUNESPAÑA DOS, S.L.	100.0000	100.0000	(A)	(1)
MEDISEMAP, AGENCIA DE SEGUROS, S.L.	Ctra. Pozuelo, 52. Majadahonda Madrid (España)	MAPFRE ESPAÑA, S.A.	66.6667	66.6667	(A)	(1)
CENTROS MÉDICOS MAPFRE, S.A.	Ctra. Pozuelo, 50. Majadahonda. Madrid (España)	MAPFRE VIDA, S.A.	33.3333	33.3333	(A)	(1)
MAPFRE VIDEO Y COMUNICACIÓN S.A.	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE ESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
		MAPFRE ESPAÑA, S.A.	75.0000	75.0000	(A)	(1)
		MAPFRE VIDA, S.A.	25.0000	25.0000	0	0
BANKINTER SEGUROS GENERALES, Cía DE SEGUROS Y REASEGUROS S.A.	Avda. Bruselas, 12 Alcobendas. Madrid (España)	MAPFRE ESPAÑA, S.A.	25.0000	25.0000	(A)	(1)
		MAPFRE ESPAÑA, S.A.	50.1000	50.1000	(A)	(1)
AUDATEX ESPAÑA, S.A.	Av de Barajas, 34 Parque Empresarial Omega 28108 Alcobendas. Madrid	MAPFRE ESPAÑA, S.A.	12.5000	12.5000	(C)	(3)
TECNOLOGÍAS DE LA INFORMACIÓN Y REDES PARA LAS ENTIDADES ASEGURADORAS, S.A	C/ García Paredes, 55 Madrid (España)	MAPFRE ESPAÑA, S.A.	22.9506	22.9506	(C)	(3)
AGROSEGURO	C/ Gobelás, 23 Madrid (España)	MAPFRE ESPAÑA, S.A.	19.2300	19.8100	(C)	(3)
SALVADOR CAETANO AUTO (SGPS), S.A.	Avenida Vasco da Gama 14-10 4430-247 Vila Nova de Gaia (Portugal)	MAPFRE ESPAÑA, S.A.	24.6100	24.6100	(C)	(3)

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			2022	2021	method	Solvency
SALUD DIGITAL MAPFRE S.A.	Ctra. Pozuelo, 50. Majadahonda	MAPFRE ESPAÑA, S.A.	97.5000	97.5000	(A)	(1)
	Madrid (España)	CENTROS MÉDICOS MAPFRE, S.A.	2.5000	2.5000		
PUY DU FOU ESPAÑA,S.A.	C/ Cuesta de Carlos V, 9 45001 Toledo (España)	MAPFRE ESPAÑA, S.A.	19.5430	19.3810	(C)	(3)
SANTANDER MAPFRE SEGUROS Y REASEGUROS S.A	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE ESPAÑA, S.A.	50.0100	50.0100	(A)	(1)
SANTANDER ASSURANCE SOLUTIONS, S.A.	C/ Juan Ignacio Luca de Tena, 11 28027 Madrid (España)	SANTANDER MAPFRE SEGUROS Y REASEGUROS S.A	33.0000	33.0000	(F)(C)	(F)(3)
MAPFRE INMUEBLES, S.G.A.	Ctra. Pozuelo, 52	MAPFRE ESPAÑA, S.A.	82.9732	82.9732	(A)	(1)
	Majadahonda	MAPFRE, S.A.	9.9983	9.9983		
	Madrid (España)	MAPFRE VIDA, S.A.	7.0279	7.0279		
DESARROLLOS URBANOS CIC. S.A.	Ctra. Pozuelo, 52. Majadahonda	MAPFRE INMUEBLES, S.G.A.	99.9216	99.9216	(A)	(1)
	Madrid (España)	MAPFRE, S.A.	0.0784	0.0784		
SERVICIOS INMOBILIARIOS MAPFRE S.A.	Ctra. Pozuelo, 52. Majadahonda	MAPFRE INMUEBLES, S.G.A.	99.9000	99.9000	(A)	(1)
	Madrid (España)	DESARROLLOS URBANOS CIC. S.A	0.1000	0.1000		
MAP SL EROPEAN INVEST SARL	3 Rue Gabriel Lippmann L - 5365 Munsbach Grand Duchy of luxembourg	MAPFRE INMUEBLES, S.G.A.	50.0000	50.0000	(F)(E)	(F)(3)
MAPAR IMPERIAL 14, S.L.	Cra. Húmera, 52 28023 Madrid (España)	MAPFRE INMUEBLES, S.G.A.	100.0000	100.0000	(F)(A)	(F)(1)
INMO ALEMANIA GESTIÓN DE ACTIVOS INMOBILIARIOS, S.L. (Liquidated in 2022)	Pso. de la Castellana, 24 (Madrid) España	MAPFRE ESPAÑA, S.A.	0.0000	20.0000	(H)	(H)
MAPFRE TECH, S.A.	Ctra. Pozuelo, 52	MAPFRE ESPAÑA, S.A.	0.0000	65.1574	(A)	(1)
	Majadahonda	MAPFRE VIDA, S.A.	0.0000	11.6834		
	Madrid (España)	MAPFRE RE, S.A.	0.0000	0.8002		
		MAPFRE ASISTENCIA, S.A.	0.0000	1.5684		
		MAPFRE INTERNACIONAL, S.A.	0.0000	20.0000		
		MAPFRE INVERSIÓN, S.A.	0.0000	0.0160		
		MAPFRE, S.A.	100.0000	0.7746		
MAPFRE SEGUROS GERAIS S.A.	Rua Doutor António Loureiro Borges, 9, Algés (Portugal)	MAPFRE ESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
		MAPFRE GLOBAL RISK, S.A.				
MAPFRE SEGUROS DE VIDA S.A.	Rua Doutor António Loureiro Borges, 9, Algés (Portugal)	MAPFRE SEGUROS GERAIS S.A.	100.0000	100.0000	(A)	(1)
MAPFRE SANTANDER PORTUGAL COMPANHIA DE SEGUROS, S.A.	Rua Doutor António Loureiro Borges, 9, Algés (Portugal)	MAPFRE SEGUROS GERAIS S.A.	50.0100	50.0100	(A)	(1)
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	Carretera de Pozuelo, 50. (28222) Majadahonda. Madrid (España)	MAPFRE, S.A.	99.9234	99.9234	(A)	(1)
CONSULTORA ACTUARIAL Y DE PENSIONES MAPFRE VIDA S.A.	Carretera de Pozuelo, 50 (28222) Majadahonda	MAPFRE VIDA, S.A.	99.9339	99.9339	(A)	(1)
	Madrid (España)	MAPFRE, S.A.	0.0661	0.0661		
GESTIÓN MODA SHOPPING S.A.	Avda.General Perón,40	MAPFRE VIDA, S.A.	99.8215	99.8215	(A)	(1)
	Madrid (España)	MAPFRE, S.A.	0.1785	0.1785		
MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.	Carretera de Pozuelo, 50-1, M-4. 2º Planta Módulo Sur. (28222) Majadahonda	MAPFRE VIDA, S.A.	99.9991	99.9991	(A)	(4)
	Madrid (España)	MAPFRE, S.A.	0.0009	0.0009		

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Name	Address	Holder	Percentage		Consolidation	method for
			2022	2021	method	Solvency
MAPFRE ASSET MANAGEMENT, S.G.I.I.C., S.A	Carretera de Pozuelo, 50-1, M-4.	MAPFRE INVERSIÓN, S.A.	99.9853	99.9853	(A)	(4)
	2º Planta Módulo Norte.	MAPFRE, S.A.	0.0147	0.0147		
	(28222) Majadahonda.					
	Madrid (España)					
MAPFRE VIDA PENSIONES, ENTIDAD GESTORA DE FONDOS DE PENSIONES S.A.	Carretera de Pozuelo, 50-1, M-4.	MAPFRE INVERSIÓN, S.A.	99.9971	99.9971	(A)	(4)
	2º Planta Módulo Norte.	MAPFRE, S.A.	0.0029	0.0029		
	Madrid (España)					
MIRACETI S.A.	Carretera de Pozuelo, 50	MAPFRE VIDA, S.A.	99.9991	99.9991	(A)	(1)
	28222 [Majadahonda]	MAPFRE, S.A.	0.0009	0.0009		
	Madrid (España)		0.0000	0.0000		
BANKINTER SEGUROS DE VIDA, S.A. DE SEGUROS Y REASEGUROS	Avda. Bruselas, 12	MAPFRE VIDA, S.A.	50.0000	50.0000	(A)	(1)
	Alcobendas. Madrid (España)					
CAJA CASTILLA LA MANCHA VIDA Y PENSIONES, S.A. [Sold in 2022]	C/ Carretería, 5	MAPFRE VIDA, S.A.	0.0000	50.0000	(H)	(H)
	Cuenca (España)					
MAPFRE AM- GOOD GOVERNANCE	60, avenue J.F. Kennedy	MAPFRE VIDA, S.A.	33.7119	40.7924	(A)	(3)
	L-1855 Luxembourg	OTHER GROUP COMPANIES	22.5640	25.3849		
	Grand Duchy of Luxembourg					
MAPFRE AM- IBERIAN EQUITIES	60, avenue J.F. Kennedy	MAPFRE VIDA, S.A.	44.2173	58.4544	(A)	(3)
	L-1855 Luxembourg	OTHER GROUP COMPANIES	19.6045	21.3475		
	Grand Duchy of Luxembourg					
MAPFRE AM-EUROPEAN EQUITIES	60, avenue J.F. Kennedy	MAPFRE VIDA, S.A.	46.5176	71.7228	(A)	(3)
	L-1855 Luxembourg	OTHER GROUP COMPANIES	18.7100	19.3435		
	Grand Duchy of Luxembourg					
MAPFRE AM-MULTI ASSET STRATEGY	60, avenue J.F. Kennedy	MAPFRE ESPAÑA, S.A.	44.2679	41.6139	(A)	(3)
	L-1855 Luxembourg	MAPFRE RE, S.A.	46.3691	43.5891		
	Grand Duchy of Luxembourg	OTHER GROUP COMPANIES	9.3630	8.8017		
FONDMAPFRE ELECCION DECIDIDA	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	38.4656	39.6963	(A)	(1)
	Majadahonda	OTHER GROUP COMPANIES	26.1010	21.3012		
	Madrid (España)					
FONDMAPFRE ELECCION MODERADA	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	45.0771	48.9819	(A)	(1)
	Majadahonda	OTHER GROUP COMPANIES	12.0472	7.3393		
	Madrid (España)					
FONDMAPFRE ELECCION PRUDENTE	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	44.3462	48.3609	(A)	(1)
	Majadahonda	OTHER GROUP COMPANIES	10.6556	7.5003		
	Madrid (España)					
FONDMAPFRE BOLSA AMERICA	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	31.9098	27.0780	(A)	(3)
	Majadahonda	MAPFRE ESPAÑA, S.A.	20.7919	16.7966		
	Madrid (España)	OTHER GROUP COMPANIES	14.4734	17.3079		
FONDMAPFRE RENTA DÓLAR	Ctra. Pozuelo, 50.	MAPFRE RE, S.A.	0.0000	23.0525	(H)	(H)
	Majadahonda	MAPFRE ESPAÑA, S.A.	0.0000	23.0941		
	Madrid (España)	MAPFRE VIDA, S.A.	38.5713	23.7764		
		OTHER GROUP COMPANIES	0.0121	5.7878		
FONDMAPFRE GLOBAL F.I.	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	43.2321	40.9075	(A)	(3)
	Majadahonda	OTHER GROUP COMPANIES	1.9864	4.3135		
	Madrid (España)					

APPENDIX 1: SUBSIDIARIES, ASSOCIATED UNDERTAKINGS AND JOINT VENTURES AT DECEMBER 31, 2022 AND 2021

Participation in Capital						Integration
Name	Address	Holder	Percentage		Consolidation	method for
			2022	2021	method	Solvency
FONDMAPFRE BOLSA MIXTO F.I.	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	58.5200	57.6716	(A)	(3)
	Majadahonda	OTHER GROUP COMPANIES	3.4879	5.1444		
	Madrid (España)					
FONDMAPFRE BOLSA EUROPA F.I	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	9.2931	12.2207	(A)	(3)
	Majadahonda	MAPFRE RE, S.A.	22.5386	21.3734		
	Madrid (España)	OTHER GROUP COMPANIES	18.3976	24.7377		
MAPFRE AM- SHORT TERM EURO I	60, avenue J.F. Kennedy	MAPFRE ESPAÑA, S.A.	32.5587	31.7476	(A)	(3)
	L-1855 Luxembourg	MAPFRE RE, S.A.	44.5393	40.6023		
	Grand Duchy of Luxembourg	OTHER GROUP COMPANIES	3.3558	3.5981		
FONDMAPFRE GARANTIA, F.I	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	99.9989	99.9989	(A)	(1)
	Majadahonda					
	Madrid (España)					
FONDMAPFRE GARANTIA II, F.I	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	99.9970	99.9971	(A)	(1)
	Majadahonda					
	Madrid (España)					
STABLE INCOME EUROPEAN REAL ESTATE FUND	60, avenue J.F. Kennedy	MAPFRE ESPAÑA, S.A.	0.0000	18.0882	(C)	(3)
	L-1855 Luxembourg	MAPFRE RE, S.A.	16.0000	19.9213		
	Grand Duchy of Luxembourg	MAPFRE VIDA, S.A.	20.0000	12.6184		
MAPFRE AM-BEHAVORIAL FUND I	60, avenue J.F. Kennedy	MAPFRE RE, S.A.	25.9254	21.6982	(A)	(3)
	L-1855 Luxembourg	OTHER GROUP COMPANIES	13.5998	23.2531		
	Grand Duchy of Luxembourg					
MAPFRE AM-INCLUSION RESPONSABLE	60, avenue J.F. Kennedy	MAPFRE ESPAÑA, S.A.	8.7409	18.5859	(A)	(3)
	L-1855 Luxembourg	MAPFRE RE, S.A.	22.7889	27.9465		
	Grand Duchy of Luxembourg	OTHER GROUP COMPANIES	29.0887	19.5280		
MAPFRE AM-US FORGOTTEN VALUE	60, avenue J.F. Kennedy	MAPFRE ESPAÑA, S.A.	34.4366	33.5656	(A)	(3)
	L-1855 Luxembourg	MAPFRE RE, S.A.	23.0684	27.5133		
	Grand Duchy of Luxembourg	OTHER GROUP COMPANIES	9.7818	15.5137		
MAPFRE AM CAPITAL RESPONSABLE	60, avenue J.F. Kennedy	MAPFRE VIDA, S.A.	18.1394	17.2586	(H)	(H)
	L-1855 Luxembourg	MAPFRE INVERSION, S.A.	0.0000	2.2048		
	Grand Duchy of Luxembourg	OTHER GROUP COMPANIES	12.7811	9.4987		
MAPFRE AM GLOBAL BOND FUND	60, avenue J.F. Kennedy	MAPFRE VIDA, S.A.	39.7719	47.6583	(A)	(3)
	L-1855 Luxembourg	MAPFRE ESPAÑA, S.A.	9.3791	10.9931		
	Grand Duchy of Luxembourg	OTHER GROUP COMPANIES	13.8924	16.5518		
SWISSLIFE SPPICAV	60, avenue J.F. Kennedy	MAPFRE ESPAÑA, S.A.	14.9800	15.0675	(C)	(3)
	L-1855 Luxembourg	MAPFRE RE, S.A.	16.9800	17.0497		
	Grand Duchy of Luxembourg	OTHER GROUP COMPANIES	17.1900	17.8828		
OLIFAN INMO 18 OPCl	60, avenue J.F. Kennedy	MAPFRE ESPAÑA, S.A.	24.2422	25.7487	(A)	(3)
	L-1855 Luxembourg	MAPFRE RE, S.A.	30.2062	32.0832		
	Grand Duchy of Luxembourg	OTHER GROUP COMPANIES	4.4109	5.7552		
MAPFRE INFRAESTRUCTURAS FCR	Ctra. Pozuelo, 50.	MAPFRE ESPAÑA, S.A.	8.0654	8.0654	(C)	(3)
	Majadahonda	MAPFRE RE, S.A.	9.3366	9.3366		
	Madrid (España)	OTHER GROUP COMPANIES	4.5148	4.5148		
MAPFRE PRIVATE EQUITY I FCR	Ctra. Pozuelo, 50.	MAPFRE ESPAÑA, S.A.	28.0800	28.0800	(A)	(3)
	Majadahonda	MAPFRE RE, S.A.	35.7600	35.7600		
		OTRAS SOCIEDADES DEL GRUPO	14.6400	14.6400		

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			2022	2021	method	Solvency
MAPFRE FONDTESORO PLUS, F.I.	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	13.9277	12.2424	(H)	(H)
	Majadahonda	OTRAS SOCIEDADES DEL GRUPO	11.5808	11.9171		
	Madrid (España)					
MAPFRE ENERGÍAS RENOVABLES I, F.C.R.	Avda. de Bruselas, 13 pl.1, pta. C	MAPFRE ESPAÑA, S.A.	26.4900	29.1500	(F)(A)	(F)(3)
	28108 Alcobendas	MAPFRE RE, S.A.	25.3600	27.9000		
		OTRAS SOCIEDADES DEL GRUPO	27.9300	24.4500		
ENERGÍAS RENOVABLES IBERMAP, S.L.	C/ Tomás Redondo, 1	MAPFRE ENERGÍAS RENOVABLES I, F.C.R.	80.0000	80.0000	(F)(C)	(F)(3)
	Madrid (España)					
FONDMAPFRE RENTA FIJA FLEXIBLE	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	41.5233	34.0210	(F)(A)	(F)(3)
	Majadahonda	OTRAS SOCIEDADES DEL GRUPO	1.0625	1.2402		
	Madrid (España)					
MAPFRE AM SELECTION	60, avenue J.F. Kennedy	MAPFRE ESPAÑA, S.A.	100.0000	0.0000	(G)(A)	(G)(3)
	L-1855 Luxembourg					
	Grand Duchy of Luxembourg					
FONDMAPFRE GARANTIA III, F.I.	Ctra. Pozuelo, 50.	MAPFRE ESPAÑA, S.A.	20.0109	0.0000	(G)(A)	(G)(3)
	Majadahonda	MAPFRE RE, S.A.	22.0119			
	Madrid (España)	OTRAS SOCIEDADES DEL GRUPO	13.6947			
FONDMAPFRE GARANTIA IV, F.I.	Ctra. Pozuelo, 50.	MAPFRE VIDA, S.A.	100.0000	0.0000	(G)(A)	(G)(3)
	Majadahonda					
MEAG EUROPE OFFICE SELECT EOS SCSP SICAV-RIAV	60, avenue J.F. Kennedy	MAPFRE S.A.	5.0000	0.0000	(G)(C)	(G)(3)
	L-1855 Luxembourg	MAPFRE ESPAÑA, S.A.	22.5000			
	Grand Duchy of Luxembourg	MAPFRE RE, S.A.	22.5000			
SIEREFF MACQURIE 2	60, avenue J.F. Kennedy	MAPFRE VIDA, S.A.	12.6984	0.0000	(G)(C)	(G)(3)
	L-1855 Luxembourg	MSV LIFE PLC	15.8730			
	Grand Duchy of Luxembourg	OTRAS SOCIEDADES DEL GRUPO	19.0476			
BRAZIL						
MAPFRE SEGUROS GERAIS S.A.	Avd.Nações Unidas, 11711 16.	MAPFRE PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(7)
	Andar Brooklin					
	São Paulo. (Brasil)					
MAPFRE VERA CRUZ CONSULTORIA E ADMINISTRACAO DE FUNDOS LTDA.	Avd.Nações Unidas, 11711 16.	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(1)
	Andar Brooklin					
	São Paulo (Brasil)					
BB MAPFRE PARTICIPAÇÕES, S.A.	Avd.Nações Unidas, 11711 16.	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	25,0100(*)	25,0100(*)	(A)	(1)
	Andar Brooklin					
	São Paulo (Brasil)					
MAPFRE CAPITALIZAÇÃO S.A.	Avd.Nações Unidas, 11711 16.	MAPFRE PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(1)
	Andar Brooklin					
	São Paulo (Brasil)					
MAPFRE PARTICIPAÇÕES, S.A.	Avd.Nações Unidas, 11711 16.	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(1)
	Andar Brooklin					
	São Paulo (Brasil)					

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			2022	2021	method	Solvency
MAPFRE BRASIL PARTICIPAÇÕES, S.A.	Avd.Nações Unidas, 11711 16.	MAPFRE INTERNACIONAL, S.A.	99.1700	99.1700	(A)	(1)
	Andar Brooklin	MAPFRE INVESTMENT S.A.	0.8300	0.8300		
	São Paulo (Brasil)					
MAPFRE VIDA S.A.	Avd.Nações Unidas, 11711 16.	MAPFRE PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(7)
	Andar Brooklin					
	São Paulo (Brasil)					
MAPFRE INVESTIMENTOS LTDA.	Avd.Nações Unidas, 11711 16.	MAPFRE INVESTIMENTOS E PARTICIPAÇÕES S.A	99.9900	99.9900	(A)	(9)
	Andar Brooklin					
	São Paulo (Brasil)	MAPFRE BRASIL PARTICIPAÇÕES S.A	0.1000	0.1000		
MAPFRE PREVIDENCIA S.A.	Avda.Mª Coelho Aguiar 215	MAPFRE PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(7)
	Jardim São Luis Bloco F - 2º andar,					
	São Paulo (Brasil)					
MAPFRE INVESTIMENTOS E PARTICIPAÇÕES, S.A.	Avd.Nações Unidas, 11711 17.	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(1)
	Andar Brooklin					
	São Paulo (Brasil)					
ALIANÇA DO BRASIL SEGUROS, S.A.	R.Manuel da Nobrega, 12809.	BB MAPFRE PARTICIPAÇÕES S.A.	100.0000	100.0000	(A)	(7)
	Andar, Rio de Janeiro					
	Sao Paulo (Brasil)					
BRASILSEG COMPANHIA DE SEGUROS S.A.	R.Senador Dantas, 105 29 parte, 30 e 31. Andares. São Paulo-SP (Brasil)	BB MAPFRE PARTICIPAÇÕES S.A.	100.0000	100.0000	(A)	(7)
MAC INVESTIMENTOS S.A	Avenida das Nações Unidas, 12.495 11º	MAPFRE INVESTIMENTOS E PARTICIPAÇÕES SA	100.0000	100.0000	(A)	(1)
	Andar Brooklin					
	São Paulo-SP (Brasil)					
MAPFRE SAUDE LTDA	Avenida das Nações Unidas, 12.495 11º	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	99.9900	99.9900	(A)	(1)
	Andar Brooklin					
	São Paulo-SP (Brasil)					
PROTENSEG CORRETORA DE SEGUROS LTDA	Avenida das Nações Unidas, 12.495 11º	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(1)
	Andar Brooklin					
	São Paulo-SP (Brasil)					
LATAM NORTH						
MAPFRE TENEDORA DE ACC, S.A.	Costa del Este, diagonal al Business Park Panamá (Panamá)	MAPFRE AMERICA CENTRAL, S.A.	100.0000	100.0000	(A)	(9)
MAPFRE AMERICA CENTRAL S.A	Costa del Este, diagonal al Business Park Panamá (Panamá)	MAPFRE INTERNACIONAL, S.A.	99.9000	99.9000	(A)	(1)
MAPFRE SEGUROS HONDURAS S.A.	Avenida Berlín y Calle Viena, piso 7	MAPFRE TENEDORA DE ACC, S.A	73.2569	73.2569	(A)	(9)
	Lomas del Guijarro Sur. Edificio Plaza Azul	MAPFRE AMERICA CENTRAL, S.A.	25.1031	25.1031		
	Tegucigalpa, M.D.C. (Honduras)					
MAPFRE PANAMÁ S.A.	Costa del Este, diagonal al Business Park Panamá (Panamá)	MAPFRE AMERICA CENTRAL, S.A.	99.3772	99.3772	(A)	(1)
MAPFRE SEGUROS EL SALVADOR, S.A.	Alameda Roosevelt, 3107 Nivel 7	MAPFRE AMERICA CENTRAL, S.A.	78.1065	78.1065	(A)	(9)
	San Salvador (El Salvador)					

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			2022	2021	method	Solvency
INMOBILIARIA AMERICANA S.A.	Alameda Roosevelt, 31-07 San Salvador (El Salvador)	MAPFRE AMERICA CENTRAL, S.A.	78.9000	78.9000	(A)	(9)
MAPFRE SEGUROS COSTA RICA S.A.	Barrio Tournón, Edificio Alvasa, 2do. Piso Diagonal al Periódico La República en intersección con Ctra de Guapiles (Ruta 32) San José (Costa Rica)	MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000	(A)	(9)
MAPFRE SEGUROS GUATEMALA S.A.	5a Avenida 5-55 Zona 14 Europlaza Europlaza Torre 4 Nivel 16 y PH. Ciudad de Guatemala(Guatemala)	MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000	(A)	(9)
MAPFRE SEGUROS NICARAGUA S.A.	Edificio Invercasa, 1er. Piso Managua (Nicaragua)	MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000	(A)	(9)
MAPFRE DOMINICANA S.A.	Ave Abraham Lincoln, 952 esq. José Amado Soler Ensanche Piantini, Santo Domingo (República Dominicana)	MAPFRE INTERNACIONAL, S.A.	99.9999	99.9999	(A)	(9)
		CREDIPRIMAS, S.A.	0.0001	0.0001		
MAPFRE BHD COMPAÑÍA DE SEGUROS, S.A.	Ave Abraham Lincoln, 952 esq. José Amado Soler Ensanche Piantini, Santo Domingo (República Dominicana)	MAPFRE DOMINICANA S.A.	51.0000	51.0000	(A)	(9)
CREDIPRIMAS, S.A.	Ave Abraham Lincoln, 952 esq. José Amado Soler Ensanche Piantini, Santo Domingo (República Dominicana)	MAPFRE BHD COMPAÑÍA DE SEGUROS S.A.	100.0000	100.0000	(A)	(9)
MAPFRE SALUD ARS	Av. 27 de Febrero No. 50. Edificio ARS Palic, Urb. El Vergel, Santo Domingo (República Dominicana)	MAPFRE DOMINICANA S.A.	51.0000	51.0000	(A)	(9)
MAPFRE MÉXICO S.A.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc. Distrito Federal C.P. 06500 (México)	MAPFRE INTERNACIONAL, S.A.	55.6602	55.6602	(A)	(7)
		GRUPO CORPORATIVO LML S.A.	44.3398	44.3398		
GRUPO CORPORATIVO LML S.A. DE C.V.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc. Distrito Federal C.P. 06500 (México),	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE UNIDAD DE SERVICIOS S.A. DE C.V.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc. Distrito Federal C.P. 06500 (México)	MAPFRE MÉXICO S.A.	99.9982	99.9982	(A)	(7)
MAPFRE DEFENSA LEGAL S.A. DE C.V.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc. Distrito Federal C.P. 06500 (México)	MAPFRE MÉXICO S.A.	100.0000	100.0000	(A)	(7)
MAPFRE TEPEYAC INC.	109 Este San Ysidro Blvd No. 65 San Isidro California, EEUU	MAPFRE MÉXICO S.A.	100.0000	100.0000	(A)	(7)
MAPFRE SERVICIOS MEXICANOS S.A.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc. Distrito Federal C.P. 06500 (México)	MAPFRE MÉXICO S.A.	99.9900	99.9900	(A)	(7)
CESVI MÉXICO, S.A.	Calle 1 Sur No. 101 Parque Industrial Toluca 2000 Toluca. Estado de México (Mexico)	MAPFRE MÉXICO S.A.	16.6700	16.6700	(D)	(7)
MAPFRE FIANZAS S.A.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc. Distrito Federal C.P. 06500 (México)	MAPFRE MÉXICO S.A.	100.0000	100.0000	(A)	(7)

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LATAM SOUTH						
MAPFRE ARGENTINA HOLDING S.A.	Avda. Juana Manso, 205 C	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
	1107CBE Puerto Madero					
	Buenos Aires (Argentina)					
MAPFRE ARGENTINA SEGUROS S.A.	Avda. Juana Manso, 205 C	MAPFRE ARGENTINA HOLDING S.A.	99.9988	99.9988	(A)	(1)
	1107CBE Puerto Madero					
	Buenos Aires (Argentina)					
CLUB MAPFRE ARGENTINA S.A.	Avda. Juana Manso, 205 C	MAPFRE ARGENTINA HOLDING S.A.	97.0000	97.0000	(A)	(1)
	1107CBE Puerto Madero		3.0000	3.0000		
	Buenos Aires (Argentina)					
MAPFRE ARGENTINA SEGUROS DE VIDA S.A.	Avda. Juana Manso, 205 C	MAPFRE INTERNACIONAL, S.A.	64.0000	64.0000	(A)	(9)
	1107CBE Puerto Madero		36.0000	36.0000		
	Buenos Aires (Argentina)	MAPFRE ARGENTINA HOLDING S.A.				
CESVI ARGENTINA, S.A.	Calle 9 y 17. Parque Ind.Pilar	MAPFRE ARGENTINA SEGUROS S.A.	60.6400	60.6400	(A)	(1)
	Buenos Aires (Argentina)					
MAPFRE CHILE SEGUROS S.A.	Isidora Goyenechea 3520 p 16	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
	Las Condes					
	Santiago de Chile (Chile)					
MAPFRE CHILE ASESORÍAS, S.A	Isidora Goyenechea 3520 p 16	MAPFRE CHILE SEGUROS S.A.	99.9999	99.9999	(A)	(1)
	Las Condes	MAPFRE INTERNACIONAL, S.A.	0.0001	0.0001		
	Santiago de Chile (Chile)					
MAPFRE COMPAÑÍA DE SEGUROS GENERALES DE CHILE S.A.	Isidora Goyenechea 3520 p 16	MAPFRE CHILE SEGUROS S.A.	87.2900	87.2900	(A)	(1)
	Las Condes	MAPFRE CHILE ASESORÍAS, S.A	12.7100	12.7100		
	Santiago de Chile (Chile)					
MAPFRE CHILE VIDA, S.A.	Isidora Goyenechea 3520 p 16	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(9)
	Las Condes					
	Santiago de Chile (Chile)					
MAPFRE COMPAÑÍA DE SEGUROS DE VIDA DE CHILE S.A.	Isidora Goyenechea 3520 p 16	MAPFRE CHILE VIDA S.A.	99.9968	99.9968	(A)	(9)
	Las Condes	MAPFRE INTERNACIONAL, S.A.	0.0032	0.0032		
	Santiago de Chile (Chile)					
MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	Carrera, 14, nº 96-34	MAPFRE INTERNACIONAL, S.A.	93.8525	93.8525	(A)	(1)
	Santa Fé de Bogotá (Colombia)	APOINT S.A.	6.1425	6.1425		
		MAPFRE COLOMBIA VIDA SEGUROS S.A.	0.0000	0.0000		
CREDIMAPFRE S.A.	Carrera, 14, nº 96-34	MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	100.0000	100.0000	(A)	(1)
	Santa Fé de Bogotá (Colombia)					
MAPFRE COLOMBIA VIDA SEGUROS S.A.	Carrera, 14, nº 96-34	MAPFRE INTERNACIONAL, S.A.	94.3541	94.3541	(A)	(1)
	Santa Fé de Bogotá (Colombia)	APOINT S.A.	5.6459	5.6459		
CESVI COLOMBIA, S.A.	Carrera 87, Num.15-87	MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	67.7723	67.7723	(A)	(1)
	Santa Fé de Bogotá(Colombia)					
MAPFRE SERVICIOS EXEQUIALES SAS	Carrera, 14, nº 96-34	CREDIMAPFRE S.A.	100.0000	100.0000	(A)	(1)
	Santa Fé de Bogotá (Colombia)					
MAPFRE ATLAS COMPAÑÍA DE SEGUROS, S.A.	Kennedy e Norte, Justino Cornejo y Avda, Luis Orrantia. Edificio Torres Atlas	MAPFRE INTERNACIONAL, S.A.	67.6550	67.6550	(A)	(9)
	Guayaquil (Ecuador)					
MAPFRE PARAGUAY COMPAÑÍA DE SEGUROS S.A.	Av.Mariscal López, 910	MAPFRE INTERNACIONAL, S.A.	89.5400	89.5400	(A)	(9)
	Asunción (Paraguay)					
DE SEGUROS Y REASEGUROS S.A. (Absorbed en 2022 por MAPFRE PERU VIDA CIA. DE SEGUROS Y	Av.Veintiocho de Julio, 873	MAPFRE INTERNACIONAL, S.A.	0.0000	99.2902	(H)	(H)
	Miraflores- Lima 18 (Perú)					

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MAPFRE PERÚ ENTIDAD PRESTADORA DE SALUD	Av.Veintiocho de Julio, 873	MAPFRE INTERNACIONAL, S.A.	98.5866	98.5866	(A)	(9)
	Miraflores- Lima 18 (Perú)	MAPFRE PERU CIA. SEGUROS Y REASEGUROS S.A.	1.4134	1.4134		
DE SEGUROS Y REASEGUROS S.A. (in 2021 Mapfe Peru Vida cia. De	Av.Veintiocho de Julio, 873	MAPFRE INTERNACIONAL, S.A.	99.5900	95.3906	(A)	(1)
	Miraflores- Lima 18 (Perú)	MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS S.A	0.0000	0.0000		
CORPORACIÓN FUNERARIA, S.A.	Av.Veintiocho de Julio, 873	MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS S.A	100.0000	100.0000	(A)	(1)
	Miraflores- Lima 18 (Perú)					
APOINT S.A.	Col. 993 Piso 3	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(9)
	Montevideo (Uruguay)					
MAPFRE URUGUAY SEGUROS S.A.	Juncal 1385 piso 2	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(9)
	Montevideo (Uruguay)					
MAPFRE LA SEGURIDAD C.A. DE SEGUROS	Avenida Francisco de Miranda,	MAPFRE INTERNACIONAL, S.A.	99.5159	99.5159	(A)	(9)
	Torre Financiera Caracas, piso 14, Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)					
CENTRO DE FORMACION PROFESIONAL SEGUROS LA SEGURIDAD C.A.	Avenida Francisco de Miranda,	MAPFRE LA SEGURIDAD C.A. DE SEGUROS	100.0000	100.0000	(A)	(9)
	Torre Financiera Caracas, piso 14, Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)					
INVERSORA SEGURIDAD-FINANCIADORA DE PRIMAS, C.A.	Avenida Francisco de Miranda,	MAPFRE LA SEGURIDAD C.A. DE SEGUROS	100.0000	100.0000	(A)	(9)
	Torre Financiera Caracas, piso 14, Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)					
CLUB MAPFRE S.A.	Avenida Francisco de Miranda,	MAPFRE LA SEGURIDAD C.A. DE SEGUROS	100.0000	100.0000	(A)	(9)
	Torre Financiera Caracas, piso 14, Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)					
AUTOMOTRIZ MULTISERVICAR-VENEZUELA, C.A.	Avenida Francisco de Miranda,	MAPFRE LA SEGURIDAD C.A. DE SEGUROS	97.0000	97.0000	(A)	(9)
	Torre Financiera Caracas, piso 14, Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)					
AMA-ASISTENCIA MEDICA ADMINISTRADA, C.A.	Avenida Francisco de Miranda,	MAPFRE INTERNACIONAL, S.A.	99.7000	99.7000	(A)	(9)
	Torre Financiera Caracas, piso 14, Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)					
UNIDAD EDUCATIVA D.R FERNANDO BRAVO PEREZ CA	Avenida Francisco de Miranda,	MAPFRE LA SEGURIDAD C.A. DE SEGUROS	99.7000	99.7000	(A)	(9)
	Torre Financiera Caracas, piso 14, Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)					
NORTH AMERICA						
MAPFRE INSURANCE COMPANY OF FLORIDA	5959 Blue Lagoon Drive, Suite 400, Miami (E.E.U.U)	COMMERCE INSURANCE	100.0000	100.0000	(A)	(7)
MAPFRE INSURANCE COMPANY	100 Campus Drive New Jersey 07932-2007 (E.E.U.U.))	COMMERCE INSURANCE	100.0000	100.0000	(A)	(7)
MAPFRE INTERMEDIARIES	5959 Blue Lagoon Drive, Suite 400, Miami (E.E.U.U)	COMMERCE INSURANCE	100.0000	100.0000	(A)	(7)

APPENDIX 1: SUBSIDIARIES, ASSOCIATED UNDERTAKINGS AND JOINT VENTURES AT DECEMBER 31, 2022 AND 2021

PARTICIPATION IN CAPITAL							Integration
Name	Address	Holder	Percentage		Consolidation	method for	
			2022	2021	method	Solvency	
MAPFRE USA CORPORATION INC	211 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)	
THE COMMERCE INSURANCE COMPANY	211 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(7)	
THE CITATION INSURANCE COMPANY	211 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(7)	
MAPFRE TECH USA CORPORATION	211 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(1)	
ACIC HOLDINGS COMPANY, INC.	215 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(1)	
AMERICAN COMMERCE INSURANCE COMPANY	3590 Twin Creeks Drive, Columbus, OH 43204 (EE.UU.)	ACIC HOLDINGS	100.0000	100.0000	(A)	(7)	
MM REAL ESTATE, LLC	Blue Lagoon, Drive Suite, 200 Miami (E.E.U.U)	COMMERCE INSURANCE	100.0000	100.0000	(A)	(7)	
THE COMMERCE WEST INSURANCE COMPANY	4301 Hacienda Drive, Suite 200, Pleasanton, CA 94588 (EE.UU.)	ACIC HOLDINGS	100.0000	100.0000	(A)	(7)	
BIGELOW & OLD WORCESTER, LLC	211 Main Street, Webster, MA 01570 (EE.UU.)	COMMERCE INSURANCE	100.0000	100.0000	(A)	(7)	
BFC HOLDING CORPORATION	211 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(1)	
VERTI INSURANCE COMPANY	211 Main St, Webster, MA 01570 (EE.UU)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(7)	
AUTO CLUB MAPFRE INSURANCE	4400 Easton Commons Way, Suite 125 Columbus, OH 43219	MAPFRE USA CORPORATION	68.3800	0.0000	(G)(A)	(G)(7)	
MAPFRE ASSISTANCE USA INC.	7300 Corporate Center Drive, Suite 601 Miami, FL 33126 (E.E.U.U.)	MAPFRE ASISTENCIA, S.A.	0.0000	0.0000	(A)	(1)	
		MAPFRE USA CORPORATION INC	100.0000	0.0000			
MAPFRE WARRANTY CORPORATION OF FLORIDA	5959 Blue Lagoon Drive, Suite 400 Miami, FL 33126 (E.E.U.U.)	MAPFRE ASSISTANCE USA INC	100.0000	100.0000	(A)	(1)	
CENTURY AUTOMOTIVE SERVICES COMPANY	6565 Americas Parkway NE. Suite 1000. Albuquerque NM 87110 (E.E.U.U.)	MAPFRE ASSISTANCE USA INC	100.0000	100.0000	(A)	(1)	
FEDERAL ASSIST COMPANY	7300 Corporate Center Drive, Suite 601 Miami Florida 33126 (U.S.A.)	MAPFRE ASSISTANCE USA INC.	100.0000	100.0000	(A)	(1)	
MAPFRE PRAICO CORPORATION	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)	
MAPFRE PRAICO INSURANCE COMPANY	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)	
MAPFRE PAN AMERICAN INSURANCE COMPANY	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)	
MAPFRE INSURANCE AGENCY OF PUERTO RICO, INC.	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)	

APPENDIX 1: SUBSIDIARIES, ASSOCIATED UNDERTAKINGS AND JOINT VENTURES AT DECEMBER 31, 2022 AND 2021

Participation in Capital						Integration
Name	Address	Holder	Percentage		Consolidation	method for
			2022	2021	method	Solvency
MAPFRE FINANCE OF PUERTO RICO CORP.	Urb. Tres Monjitas Industrial 297	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
	Avda.Carlos Chardón Hato Rey					
	San Juan (Puerto Rico)					
MAPFRE LIFE INSURANCE COMPANY OF PUERTO RICO	Urb. Tres Monjitas Industrial 297	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
	Avda.Carlos Chardón Hato Rey					
	San Juan (Puerto Rico)					
MAPFRE SOLUTIONS, INC	Urb. Tres Monjitas Industrial 297	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
	Avda.Carlos Chardón Hato Rey					
	San Juan (Puerto Rico)					
MULTISERVICAR INC	Calle Celestial Esq. Joaquina Bo.	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
	Cangrejo Arriba					
	Carolina (Puerto Rico)					
EURASIA						
VERTI VERSICHERUNG AG	Rheinstraße 7a	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
	14513 Teltow					
	[Alemania]					
VERTI ASSICURIZIONI S.P.A.	Via Alessandro Volta, 16	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
	20093 Cologno Monzese					
	MI (Italia)					
MAPFRE MIDDLESEA P.L.C.	Middle Sea House	MAPFRE INTERNACIONAL, S.A.	55.8325	55.8325	(A)	(1)
	Floriana JTL, 16 (Malta)					
MAPFRE M.S.V. LIFE P.L.C.	Middle Sea House	MAPFRE MIDDLESEA INSURANCE P.L.C.	50.0000	50.0000	(A)	(1)
	Floriana FRN 9010 (Malta)					
BEE INSURANCE MANAGEMENT LTD	4th Floor Development House st.Anne Street	MAPFRE MIDDLESEA INSURANCE P.L.C.	100.0000	100.0000	(A)	(1)
	Floriana FRN 9010 (Malta)					
GROWTH INVESTMENTS LIMITED	Pjazza Papa Giovanni XXIII, Floriana,	MAPFRE M.S.V. LIFE P.L.C.	100.0000	100.0000	(A)	(4)
	FRN 1420,[Malta]					
CHURCH WARF PROPERTIES	Middle Sea House, St Publius Street	MAPFRE MIDDLESEA INSURANCE P.L.C.	50.0000	50.0000	(B)	(10)
	Floriana FRN 1442 (Malta)					
EURO GLOBE HOLDINGS LIMITED	Middle Sea House, St Publius Street	MAPFRE M.S.V. LIFE P.L.C.	50.0000	50.0000	(B)	(10)
	Floriana FRN 1442 (Malta)					
EUROMED RISKS SOLUTIONS LIMITED	4th Floor Development House st.Anne Street	BEE INSURANCE MANAGEMENT LTD	100.0000	100.0000	(A)	(1)
	Floriana FRN 9010 (Malta)					
MAPFRE SIGORTA, A.S.	Yenişehir Mah. Irmak Cad. No:11. 34435	MAPFRE INTERNACIONAL, S.A.	99.7450	99.7450	(A)	(1)
	Salipazari Istanbul (Turquía)					
MAPFRE YASAM SIGORTA, A.S.	Yenişehir Mah. Irmak Cad. No:11. 34435 Salipazari Estambul (Turquía)	MAPFRE SIGORTA, A.S.	99.7778	99.7778	(A)	(1)
GENEL SERVİS YEDEK PARÇA DAĞITIM TİCARET A.S.	Çevreyolu Caddesi No.2	MAPFRE SIGORTA, A.S.	51.0000	51.0000	(A)	(1)
	34020 Bayrampaşa					
	Estambul (Turquía)					
MAPFRE INSULAR INSURANCE CORPORATION (Sold in 2022)	Acacia Ave Mandrigal Business	MAPFRE INTERNACIONAL, S.A.	0.0000	74.9384	(H)	(H)
	Park Ayala Alabarg					
	MuntinlupaCity (Filipinas)					

APPENDIX 1: SUBSIDIARIES, ASSOCIATED UNDERTAKINGS AND JOINT VENTURES AT DECEMBER 31, 2022 AND 2021

Participation in Capital					Integration	
Name	Address	Holder	Percentage		Consolidation	method for
			2022	2021	method	Solvency
PT ASURANSI BINA DANA ARTA TBK (Sold in 2022)	Plaza ABDA 27 Th floor Jl. Jend. Sudirman Kav. 59 JAKARTA 12190 (Indonesia)	MAPFRE INTERNACIONAL, S.A.	0.0000	62.3264	(H)	(H)
ASSISTANCE						
MAPFRE ASISTENCIA COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A.	Ctra. Pozuelo, 52 Majadahonda Madrid (España)	MAPFRE, S.A. MAPFRE ESPAÑA, S.A.	99.9970 0.0030	99.9970 0.0030	(A)	(1)
IBERO ASISTENCIA, S.A.	Edificio Europa, Av. José Malhoa, 16 F, 7º, 1070-159 Lisboa, (Portugal)	MAPFRE ASISTENCIA, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE ASSISTENCIA LTDA	Alameda Rio Negro 503, 24º andar, sala 2414 Barueri/SP, CEP 06454-000 São Paulo (Brasil)	MAPFRE ASISTENCIA, S.A. MAPFRE BRASIL PARTICIPAÇÕES, S.A.	99.9990 0.0010	99.9990 0.0010	(A)	(1)
AFRIQUE ASSISTANCE, S.A.	Immeuble Tamayouz, 4ème Etage, 1082 Centre Urbain Nord Tunis 1002 (Túnez)	MAPFRE ASISTENCIA, S.A.	49.0000	49.0000	(A)	(1)
SERVICIOS GENERALES VENEASISTENCIA, S.A.	4ta transversal de Motecristo, Edificio Axxa, Planta Baja, Los Dos Caminos, (Venezuela)	MAPFRE ASISTENCIA, S.A. MAPFRE RE, S.A.	99.9980 0.0020	99.9980 0.0020	(A)	(1)
ANDIASISTENCIA COMPAÑÍA DE ASISTENCIA DE LOS ANDES, S.A.S	Carrera 14 N 96 -34 Piso 2 Bogotá (Colombia)	MAPFRE ASISTENCIA, S.A. IBEROASISTENCIA S.A.	98.0900 1.9100	98.0900 1.9100	(A)	(1)
IBEROASISTENCIA, ARGENTINA S.A.	Lavalle 344/346/348, PB y 3º Ciudad de Buenos Aires (Argentina)	MAPFRE ASISTENCIA, S.A. IBEROASISTENCIA S.A.	98.4200 1.5800	98.4200 1.5800	(A)	(1)
SUR ASISTENCIA, S.A.	Av.Apoquindo 4499 Santiago de Chile (Chile)	MAPFRE ASISTENCIA, S.A. IBEROASISTENCIA S.A.	99.0000 1.0000	99.0000 1.0000	(A)	(1)
IBEROASISTENCIA, S.A.	Ctra. Pozuelo, 52 Majadahonda. Madrid (España)	MAPFRE ASISTENCIA, S.A. MAPFRE ESPAÑA, S.A.	99.9300 0.0700	99.9300 0.0700	(A)	(1)
IRELAND ASSIST, LTD	22-26 Prospect Hill Galway (Irlanda)	MAPFRE ASISTENCIA, S.A.	100.0000	100.0000	(A)	(1)
GULF ASSIST, B.S.C. (Sold in 2022)	Manama Centre Building Manama (Barhrain)	MAPFRE ASISTENCIA, S.A.	0.0000	74.6250	(H)	(H)
MAPFRE INSURANCE SERVICES AUSTRALIA PTY LTD. (Sold in 2022)	Suite4 Level 1, 19 Harris Street, Pymont NSW 2009 Sydney, NSW 2000 (Australia)	MAPFRE ASISTENCIA, S.A.	0.0000	100.0000	(H)	(H)
EUROSOS ASSISTANCE, S.A.	473 Messogion Avenue 15343 Agia Paraskevi. Atenas (Grecia)	IBEROASISTENCIA S.A. MAPFRE ASISTENCIA, S.A.	0.0000 25.0000	0.5000 99.5000	(C)	(3)

APPENDIX 1: SUBSIDIARIES, ASSOCIATED UNDERTAKINGS AND JOINT VENTURES AT DECEMBER 31, 2022 AND 2021

Participation in Capital					Integration	
Name	Address	Holder	Percentage		Consolidation	method for
			2022	2021	method	Solvency
CARIBE ASISTENCIA, S.A.	Avda. Tiradentes Esq.Pres. González. Edif.La Cumbre. Ens. Naco.Domingo (República Dominicana)	MAPFRE ASISTENCIA, S.A.	83.5823	83.5823	(A)	(1)
ECUASISTENCIA, S.A.	Avda.Doce de Octubre, N42 -562	MAPFRE ASISTENCIA, S.A.	99.2600	99.2600	(A)	(1)
	N42 -562 y Luis Cordero	ANDIASISTENCIA S.A.	0.7399	0.7399		
	Quito (Ecuador)					
MÉXICO ASISTENCIA, S.A.	Av. Insurgentes Sur no.2453 Piso 15,	MAPFRE ASISTENCIA, S.A.	99.9998	99.9998	(A)	(1)
	Col. Tizapán San Angel Deleg.					
	Alvaro Obregón. C.P. 01090 México D.F. (México)					
PANAMÁ ASISTENCIA, S.A.	Costa del Este – Avenida la Rotonda, Torre GMT, Piso 1 – Edificio Mapfre Ciudad de Panamá (Panamá)	MAPFRE ASISTENCIA, S.A.	84.0000	84.0000	(A)	(1)
TUR ASSIST, LTD. (Sold in 2022)	19 Mayıs Cd.İsmet Öztürk Sk.Şişli Plaza Ofis Blokları E Blok B-2 Şişli Estambul (Turquía)	MAPFRE ASISTENCIA, S.A.	0.0000	99.8300	(H)	(H)
		IBEROASISTENCIA S.A.	0.0000	0.1700		
URUGUAY ASISTENCIA,S.A.	Plaza Cagancha 1335, oficina 901 Montevideo (Uruguay)	MAPFRE ASISTENCIA, S.A.	97.3317	97.9000	(A)	(1)
		IBEROASISTENCIA S.A.	2.6683	2.1000		
QUETZAL ASISTENCIA, S.A.	8a. Ave. 3-80 Zona 14	MAPFRE ASISTENCIA, S.A.	99.9920	99.9920	(A)	(1)
	Edificio La Rambla II nivel 5 Of. 5-2 (Guatemala)					
EL SALVADOR ASISTENCIA, S.A.	Alameda Roosevelt No. 3107	MAPFRE ASISTENCIA, S.A.	99.9900	99.9900	(A)	(1)
	Edificio La Centro Americana, Nivel 7.	IBEROASISTENCIA S.A.	0.0100	0.0100		
	San Salvador (El Salvador)					
NICASSIST, S.A.	Edificio Invercasa, Torre II, 5to. piso, modulo # 501 Managua, (Nicaragua)	MAPFRE ASISTENCIA, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE WARRANTY S.P.A.	Strada Trossi 66 13971 Verrone (Italia)	MAPFRE ASISTENCIA, S.A.	100.0000	100.0000	(A)	(1)
NORASSIST, INC D/B/A ROAD CANADA (Sold in 2022)	2445 Eagle Steet North	MAPFRE ASISTENCIA, S.A.	0.0000	100.0000	(H)	(H)
	Cambridge. ON N3H 4R7, (Canadá)					
ROAD CHINA ASSISTANCE Co, LTD	Suite 603, Zhongyu Plaza,	MAPFRE ASISTENCIA, S.A.	100.0000	100.0000	(A)	(1)
	A6 Gongti North Road, Chaoyang District, Beijing, PR (China)					
MAPFRE ABRAXAS SOFTWARE, LTD (Dissolved in 2022)	9, Blenheim Court Beaufort Park Almondsbury, Bristol BS32 4NE (Reino Unido)	MAPFRE ASISTENCIA, S.A.	0.0000	100.0000	(H)	(H)
ABRAXAS INSURANCE	1 Victoria Street, Bristol Bridge	MAPFRE ABRAXAS SOFTWARE, LTD	100.0000	100.0000	(A)	(1)
	Bristol BS1 6AA					
	(Reino Unido)					
INDIA ROADSIDE ASSISTANCE PRIVATE LIMITED	602, Thawar Apartment, Opp. Heena Residency	MAPFRE ASISTENCIA, S.A.	99.6300	99.6300	(A)	(1)
	Main Carter Road, Kasturba Rd, Borivali (East), Mumbai	IBEROASISTENCIA S.A.	0.3700	0.3700		
	400066-Maharashtra (India)					

APPENDIX 1: SUBSIDIARIES, ASSOCIATED UNDERTAKINGS AND JOINT VENTURES AT DECEMBER 31, 2022 AND 2021

Participation in Capital					Integration	
Name	Address	Holder	Percentage		Consolidation	method for
			2022	2021	method	Solvency
ARABA ASSIST FOR LOGISTIC SERVICES (Sold in 2022)	Abdel Hamid Sharaf Street,	MAPFRE ASISTENCIA, S.A.	0.0000	0.0000	(H)	(H)
	The plenary Center, Bldg. No. 74, 2nd floor	GULF ASSIST, B.S.C.	0.0000	100.0000		
	P.O. Box 5906					
ROADSIDE ASSIST ALGERIE SPA	Amman 11953 - (Jordania)					
	45, Rue des Freres Adessalami	MAPFRE ASISTENCIA, S.A.	60.3000	60.3000	(A)	(1)
	5eme étage. Vieux Kouba.	IBEROASISTENCIA S.A.	0.4000	0.4000		
NILE ASSIST	Alger 16050 (Algeria)	CONSULTING SOL.Y TEC. SIAM S.A.	0.3000	0.3000		
	18th Floor, Apartment No. 1804 of Holiday Inn Maadi Hotel	MAPFRE ASISTENCIA, S.A.	98.0000	98.0000	(A)	(1)
	building Comeish Maadi	IBEROASISTENCIA S.A.	1.0000	1.0000		
MAPFRE ASISTENCIA COMPANY LIMITED (Sold in 2022)	Cairo - (Egipto)	CONSULTING SOL.Y TEC. SIAM S.A.	1.0000	1.0000		
	3F. No.43, Sec.1, Min-sheng E. Rd. Zhongshan District Taipei City 104 - (Taiwan)	MAPFRE ASISTENCIA, S.A.	0.0000	100.0000	(H)	(H)
MIDDLESEA ASSIST LIMITED	18ª, Europa Centre, John Lopez Str Floriana, FRN 1400, (Malta)	MAPFRE ASISTENCIA, S.A.	51.0000	51.0000	(A)	(1)
		MIDDLESEA INSURANCE P.L.C.	49.0000	49.0000		
PT MAPFRE ABDA ASSISTANCE (Sold in 2022)	Plaza Kelapa Gading (Ruko Inkopal)	MAPFRE ASISTENCIA, S.A.	0.0000	51.0000	(H)	(H)
	Blok A, nº 9 Jalan.	PT ASURANSI BINA DANA ARTA TBK	0.0000	49.0000		
	Raya Boulevard Barat Kelapa Gading					
	14240 Jakarta Utara (Indonesia)					
PARAGUAY ASISTENCIA CIA. DE SERVICIOS S.A.	Av.Mariscal López, 930	MAPFRE ASISTENCIA, S.A.	98.9500	98.9500	(A)	(1)
	Asunción (Paraguay)	IBEROASISTENCIA S.A.	1.0500	1.0500		
REINSURANCE						
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	Paseo de Recoletos, 25	MAPFRE, S.A.	94.2086	93.7719	(A)	(1)
	Madrid (España)	MAPFRE ESPAÑA, S.A.	0.0003	0.0003		
MAPFRE CHILE REASEGUROS, S.A.	Avda.Apoquindo, 4499	MAPFRE RE, S.A.	99.9900	99.9900	(A)	(1)
	Santiago de Chile (Chile)					
CAJA REASEGURADORA DE CHILE S.A.	Avda.Apoquindo, 4499	MAPFRE CHILE REASEGUROS S.A.	99.8467	99.8467	(A)	(1)
	Santiago de Chile (Chile)					
C R ARGENTINA, S.A.	Bouchard 547 piso 14	MAPFRE CHILE REASEGUROS S.A.	99.9960	99.9960	(A)	(1)
	Buenos Aires (Argentina)					
MAPFRE RE DO BRASIL COMPAÑIA DE REASEGUROS S.A.	Rua Olimpadas, 242,5º andar	MAPFRE RE, S.A.	99.9999	99.9999	(A)	(1)
	conjunto 52 Vila Olimpia;	MAPFRE ASISTENCIA LTDA	0.0001	0.0001		
	São Paulo (Brasil)					
MAPFRE RE ESCRITORIO DE REPRESENTACION COMPAÑIA DE REASEGUROS	Rua Olimpadas, 242,5º andar	MAPFRE RE, S.A.	99.9999	99.9999	(B)	(10)
	conjunto 52 Vila Olimpia;	MAPFRE RE DO BRASIL S.A.	0.0001	0.0001		
	São Paulo (Brasil)					
INMOBILIARIA PRESIDENTE FIGUEROA ALCORTA, S.A.	Bouchard 547 piso 14	MAPFRE RE, S.A.	99.9985	99.9985	(B)	(10)
	B. Aires (Argentina)					
MAPFRE MANDATOS Y SERVICIOS, S.A. (Liquidated in 2022)	Bouchard 547 piso 14	MAPFRE RE, S.A.	0.0000	95.0000	(H)	(H)
	B. Aires (Argentina)	MAPFRE ARGENTINA HOLDING	0.0000	5.0000		
REINSURANCE MANAGAMENT INC.	100 Campus Drive	MAPFRE RE, S.A.	100.0000	100.0000	(A)	(1)
	07932 New Jersey					
	[E.E.U.U.]					
MAPFRE EURO BONDS FUND	Ctra. Pozuelo, 50.	MAPFRE RE, S.A.	100.0000	100.0000	(A)	(3)
	Majadahonda (Madrid)					

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			2022	2021	method	Solvency
MAPFRE RE VERMONT CORPORATION	122 Cherry Tree Hill Road	MAPFRE RE, S.A.	100.0000	100.0000	(A)	(1)
	05651 East Montpelier					
	Vermont (E.E.U.U.)					
RISK MED SOLUTIONS, S.L.	Paseo de Recoletos, 25	MAPFRE RE, S.A.	100.0000	100.0000	(A)	(1)
	Madrid (España)					
OTHER						
MAPFRE INTERNACIONAL S.A.	Ctra. Pozuelo, 52. Majadahonda.	MAPFRE, S.A.	100.0000	100.0000	(A)	(1)
	Madrid (España)					
MAPFRE INVESTMENT S.A.	Avda. 18 de Julio, 841	MAPFRE, S.A.	100.0000	100.0000	(A)	(1)
	Montevideo (Uruguay)					
MAPFRE AM INVESTMENT HOLDING, S.A. (Merged with Mapfre S.A. in 2022)	Ctra. Pozuelo, 52. Majadahonda.	MAPFRE, S.A.	0.0000	100.0000	(H)	(H)
	Madrid (España)					
LA FINANCIERE RESPONSABLE	52, rue dePonthieu	MAPFRE S.A.	24.9500	24.9500	(C)	(3)
	75008 Paris (Francia)					
STABLE INCOME REAL STATE FUN GP S.A.R.I.	15, rue Bender	MAPFRE S.A.	100.0000	100.0000	(A)	(10)
	L-1229 (Luxemburgo)					
MAPFRE GLOBAL RISK AGENCIA DE SUSCRIPCION	Ctra. Pozuelo, 52. Majadahonda.	MAPFRE, S.A.	100.0000	100.0000	(A)	(1)
	Madrid (España)					
MAPFRE PARTICIPACIONES, S.A. (Merged with Mapfre S.A. in 2022)	Ctra. Pozuelo, 52.	MAPFRE, S.A.	0.0000	100.0000	(H)	(H)
	Majadahonda. Madrid (España)					
SOLUNION SEGUROS DE CREDITO S.A.	Avda.General Perón,40	MAPFRE S.A.	50.0000	50.0000	(E)	(3)
	Madrid (España)					
ALMA MUNDI INSURTECH FUND, FCRE	Plaza Santa Bárbara, 2	MAPFRE S.A.	26.3992	28.4600	(F)(C)	(F)(3)
	Madrid (España)					
ALMA MUNDI INSURTECH II FUND, FCRE	Plaza Santa Bárbara, 2	MAPFRE S.A.	35.4700	0.0000	(G)(C)	(G)(3)
	Madrid (España)					
SANTANDER MAPFRE HIPOTECA INVERSA EFC, S.A.	Calle Juan Ignacio Luca de Tena, 11 Madrid (España)	MAPFRE S.A,	50.0000	0.0000	(G)(C)	(G)(3)

CONSOLIDATION METHOD OR PROCEDURE

(A) Subsidiaries consolidated by global integration

(B) Subsidiaries excluded from consolidation

(C) Equity-accounted associated and investee companies

(D) Associated and investee companies excluded from consolidation

(E) Joint ventures consolidated using the equity method

(F) Companies added to the scope of consolidation in 2021

(G) Companies added to the scope of consolidation in 2022

(H) Companies removed from the scope of consolidation in 2022

INTEGRATION METHOD FOR SOLVENCY CALCULATION

(1) Full consolidation

(3) Adjusted equity-accounting

(4) Sectorial standards

(7) Local standards

(9) Exclusion from the scope of group supervision, pursuant to article 214 of Directive 2009/138/EC

(10) Consolidated as an equity investment

(*) MAPFRE holds the majority voting rights in the Annual General Shareholders' Meeting

APPENDIX 2. FINANCIAL INFORMATION FOR MAIN COMPANIES AT DECEMBER 31, 2022

Name	Effective tax rate	Activity	Year-end figures (thousand euros)			
			Assets	Equity	Revenue	Result for the year
IBERIA						
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	25% (1)(2)	Insurance and reinsurance	8,643,913	1,528,942	5,730,860	134,411
VERTI ASEGURADORA, COMPAÑIA DE SEGUROS Y REASEGUROS, S.A	25% (1)(2)	Insurance and reinsurance	183,656	64,501	104,458	(2,823)
FUNESPAÑA, S.A.U.	25% (1)	Burial services	89,676	87,676	1,334	840
FUNESPAÑA DOS, S.A.	25% (1)	Burial services	133,401	93,984	23,901	1,709
MAPFRE VIDEO Y COMUNICACIÓN S.A.	25% (1)	Asset Management	81,963	79,344	9,430	2,372
SANTANDER MAPFRE SEGUROS Y REASEGUROS S.A	25%(2)	Insurance and reinsurance	125,680	63,857	71,796	(23)
MAPFRE INMUEBLES, S.G.A.	25% (1)	Real Estate	550,194	485,766	15,180	(13,616)
MAPFRE TECH, S.A.	25% (1)(2)	IT	91,926	27,926	233,582	(631)
MAPFRE SEGUROS GERAIS S.A.	21 %	Insurance and reinsurance	226,356	50,947	112,963	2,528
MAPFRE SEGUROS DE VIDA S.A.	21 %	Insurance	332,661	31,151	38,167	1,403
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	25% (1)(2)	Insurance and reinsurance	13,660,685	1,300,249	2,618,913	237,900
MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.	25% (1)(2)	Investment company	151,434	111,651	111,492	53,520
BANKINTER SEGUROS DE VIDA, S.A.	25%(2)	Insurance and reinsurance	1,942,758	100,926	443,465	69,167
BRAZIL						
MAPFRE SEGUROS GERAIS S.A.	34 %	Insurance	2,589,951	434,105	1,773,774	8,928
MAPFRE VIDA S.A.	34 %	Insurance	180,828	79,740	165,666	7,897
MAPFRE PREVIDENCIA S.A.	34 %	Insurance	559,662	23,784	123,196	(1,837)
ALIANÇA DO BRASIL SEGUROS, S.A.	34 %	Insurance	231,667	42,987	218,936	8,516
BRASILSEG COMPANHIA DE SEGUROS S.A. (3)	34 %	Insurance	3,737,368	325,649	—	—
LATAM NORTH						
MAPFRE SEGUROS HONDURAS S.A.	25 %	Insurance	113,691	28,933	103,377	4,544
MAPFRE PANAMÁ S.A.	25 %	Insurance	382,394	84,470	263,090	(7,598)

MAPFRE AND SUBSIDIARIES

Name	Effective tax rate	Activity	Year-end figures (thousand euros)			
			Assets	Equity	Revenue	Result for the year
MAPFRE SEGUROS EL SALVADOR, S.A.	30 %	Insurance	104,233	22,693	105,170	4,226
MAPFRE SEGUROS COSTA RICA, S.A.	30 %	Insurance	77,145	21,266	83,186	2,099
MAPFRE SEGUROS GUATEMALA S.A.	25 %	Insurance	93,954	25,386	109,891	5,236
MAPFRE BHD COMPAÑÍA DE SEGUROS, S.A.	27 %	Insurance	286,006	64,012	213,784	7,988
MAPFRE SALUD ARS	27 %	Insurance	104,269	40,990	270,800	7,739
MAPFRE MEXICO S.A.	30 %	Insurance	1,825,777	279,205	1,085,008	28,259
LATAM SOUTH						
MAPFRE ARGENTINA SEGUROS S.A.	25 %	Insurance	272,297	70,379	257,342	1,013
MAPFRE COMPAÑÍA DE SEGUROS GENERALES DE CHILE S.A.	27 %	Insurance	911,761	61,177	403,693	4,675
MAPFRE COMPAÑÍA DE SEGUROS DE VIDA DE CHILE S.A.	27 %	Insurance	62,034	13,917	13,237	2,316
MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	35 %	Insurance	471,572	83,328	368,966	5,995
MAPFRE COLOMBIA VIDA SEGUROS S.A.	35 %	Insurance	703,938	19,008	161,787	40,814
MAPFRE ATLAS COMPAÑÍA DE SEGUROS, S.A.	25 %	Insurance	86,905	13,439	74,965	1,667
MAPFRE PARAGUAY COMPAÑÍA DE SEGUROS S.A.	10 %	Insurance	102,915	38,217	75,973	(6,264)
MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	29.5 %	Insurance	1,554,821	159,055	712,813	46,701
MAPFRE URUGUAY SEGUROS S.A.	25 %	Insurance	189,930	32,556	132,469	8,335
NORTH AMERICA						
MAPFRE INSURANCE COMPANY	21 %	Insurance	70,718	21,635	49,242	(2,141)
THE COMMERCE INSURANCE COMPANY	21 %	Insurance	2,421,049	636,906	1,656,477	(18,003)
THE CITATION INSURANCE COMPANY	21 %	Insurance	175,658	55,205	120,608	(4,713)
AMERICAN COMMERCE INSURANCE COMPANY	21 %	Insurance	294,591	90,655	197,374	(10,057)
THE COMMERCE WEST INSURANCE COMPANY	21 %	Insurance	157,056	48,879	112,736	1,854
CENTURY AUTOMOTIVE SERVICES COMPANY	21 %	Specialty risks	378,365	7,483	252,402	1,353
MAPFRE PRAICO INSURANCE COMPANY	21 %	Insurance	814,712	163,303	319,823	11,155

MAPFRE AND SUBSIDIARIES

Name	Effective tax rate	Activity	Year-end figures (thousand euros)			
			Assets	Equity	Revenue	Result for the year
MAPFRE PAN AMERICAN INSURANCE COMPANY	21 %	Insurance	91,974	40,159	46,530	4,139
EURASIA						
VERTI VERSICHERUNG AG	30 %	Insurance	687,978	159,294	391,037	9,276
VERTI ASSICURIZIONI S.P.A.	24 %	Insurance	891,204	262,675	216,650	(2,365)
MAPFRE MIDDLESEA P.L.C.	35 %	Insurance	145,658	33,781	89,893	4,305
MAPFRE M.S.V. LIFE P.L.C.	35 %	Insurance	2,356,682	223,942	352,275	11,489
MAPFRE SIGORTA, A.S.	23 %	Insurance	491,012	58,736	440,197	(40,536)
ASSISTANCE						
MAPFRE ASISTENCIA COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A.	25% (1)(2)	Insurance and reinsurance	347,165	139,162	231,702	6,090
REINSURANCE						
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	25% (1)(2)	Reinsurance	10,537,071	1,846,550	8,387,152	129,914
MAPFRE RE DO BRASIL COMPAÑÍA DE REASEGUROS S.A.	34 %	Insurance and reinsurance	450,740	42,959	301,575	8,971
MAPFRE RE VERMONT CORPORATION	21 %	Insurance and reinsurance	388,572	47,652	330,005	(681)
OTHER						
SOLUNION SEGUROS DE CREDITO S.A.	25 %	Insurance and reinsurance	560,814	124,295	280,286	9,579

TAX GROUP

(1) Company belonging to Tax Group 9/85

(2) Company belonging to VAT Group 87/10

CONSOLIDATED MANAGEMENT REPORT

YEAR 2022

MAPFRE S.A.

CONSOLIDATED MANAGEMENT REPORT 2022

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The content of this Consolidated Management Report (hereinafter "the Report") was prepared in accordance with the recommendations set out in the "Guide for the preparation of management reports by listed companies" published by the Spanish National Securities and Exchange Commission (the "CNMV").

The Alternative Performance Measures (APM) used in this report, which correspond to those financial measures that are used but not defined or explained in the applicable financial information framework, can be consulted at the following web page: <https://www.mapfre.com/en/financial-information/>

Some of the figures included in this Report have been rounded. Therefore, discrepancies may occur in the tables between the totals and the amounts listed due to this rounding.

ORGANIZATION OVERVIEW

BUSINESS MODEL

MAPFRE's **Vision** is to "YOUR TRUSTED GLOBAL INSURANCE COMPANY" for all our clients worldwide. We make this happen by leveraging a global presence and with a wide range of insurance, reinsurance and service products. We aspire to lead the markets we operate in through our proprietary and differentiated management model, which is sustainable and based on transformation and innovation to achieve profitable growth, with a clear and determined customer orientation, both private and enterprise, creating relationships founded on fairness and transparency, and with a multi-channel approach and a deep dedication to service.

Our corporate **Purpose**, the reason for the company's day-to-day existence, is defined when we tell the client that "We'll be by your side so you can take assured steps forward, helping to build a more sustainable and caring society." In other words, we help them in the present and also in the future, because we are prepared to support them and offer what they need, not just today, but also down the line, just as we have been doing for many years. Because in an uncertain world, we are defined by the capacity of more than 250,000 employees, collaborators and providers, giving the best service, innovating, adapting to customer needs and being there when they need us.

We execute on this commitment through the following **Values**, which help us make good on the Purpose and achieve the Vision of the company:

-Solvency: financial strength with sustainable results over time and full capacity to meet all obligations to stakeholders.

-Innovation: differentiation as a key aspect to delivering constant growth and improvement, with technology at the service of businesses and its objectives.

-Service: with the objective of delivering excellence and continuous improvement, aimed at creating more value for the client, and making service quality the relationship with the client differentiating elements.

-Multicultural and diverse team: attracting and retaining the best global talent to the company, and with the full involvement of employees, managers, agents and other collaborators with the MAPFRE project.

-Integrity: ethical action as the axis of behavior for everyone (managers, employees, agents and collaborators), with a socially responsible approach in all activities and long-term commitments.

MAPFRE's business model, which promotes profitable growth, is also geared towards contributing to the social development of the countries where we are present.

Accordingly, MAPFRE:

- Is firmly committed to growth in terms of both business volume and geographic development, generating suitable and sufficient profitability from its activities.
- Manages its business in an efficient manner and constantly improves productivity, reducing structural costs continuously in order to enhance its competitiveness.
- Professionally manages the risks it assumes, ensuring sustainable growth and results.
- Steers its development by diversifying its portfolio of insurance, reinsurance and service businesses as a means of boosting growth and minimizing risks.
- Deploys a global management model with ample capacity for local implementation, ensuring a balance between corporate involvement and business development in each country.
- Makes its resources available to the organization, thus harnessing the synergies derived from sharing talent, processes and tools.
- Promotes specialized management as a means of continuously optimizing results and enhancing service quality.

ORGANIZATIONAL STRUCTURE AND GOOD GOVERNANCE

A. ORGANIZATIONAL STRUCTURE

MAPFRE is a multinational company chiefly devoted to insurance and reinsurance activities, and operates in 38 countries worldwide.

The Group's parent company is the holding company MAPFRE S.A., the shares of which are listed on the Madrid and Barcelona stock exchanges. At year-end, the company is part of the IBEX 35, IBEX Top Dividend, FTSE All-World, FTSE Developed Europe and MSCI World Small Cap Index, as well as the FTSE4Good and FTSE4Good IBEX sustainability indexes, Bloomberg Gender Equality Index, IBEX Gender Equality Index, Ethibel Excellence and ESI Europe.

MAPFRE S.A. is a subsidiary of CARTERA MAPFRE, S.L. Sociedad Unipersonal, which is fully controlled by Fundación MAPFRE.

During 2022, the Group conducted its business activities through an organizational structure made up of four Business Units (Insurance, Asistencia, Global Risks and Reinsurance) and six Regional Areas¹: Iberia (Spain and Portugal), Brazil, and LATAM North (Mexico, the sub-region of Central America and the Dominican Republic), LATAM South (Argentina, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay and Venezuela), North America (the United States, and Puerto Rico) and EURASIA² (Europe, the Middle East, Africa, and Asia-Pacific).

The Insurance Business Unit is organized in line with the MAPFRE Regional Areas, which are the geographic units that plan, support and oversee the region.

The Reinsurance and GLOBAL RISKS units are integrated within MAPFRE RE.

The various Business Units' activities are supplemented by those of the Corporate Areas (Internal Audit, Strategy and M&A, Finance and Resources, Investment, Business and Clients³, Operations, People and Organization, External Relations and Communication, General Counsel and Legal Affairs Operation Transformation, Technology and Operations), which have global competences for all MAPFRE companies worldwide in terms of the development, implementation and monitoring of global, regional and local corporate policies.

The fact that the different MAPFRE companies belong to a business group implies, without prejudice to their legal autonomy, that they form an integral part of an organic structure that regulates their interrelations, the coordination of their activities and the oversight of the controlled companies by the controlling companies and, in the final instance, by the parent company.

The MAPFRE S.A. Board of Directors is the senior management and supervisory body for the entire Group. It features a Steering Committee that acts within all of its powers, except those which cannot be ceded by law, bylaws or the regulations of the Board of Directors, and three delegate committees (Audit and Compliance, Appointments and Remuneration, and Risk and Sustainability).

The Executive Committee is the body that exercises direct supervision over management of the Business Units and coordinates the various Areas and Units in the Group. The Transformation and Innovation Committee reports to the Executive Committee and has decision-making powers in relation to all transformation and innovation initiatives within MAPFRE.

The Global Business Committee is also responsible for analyzing the development of MAPFRE's insurance business and services throughout the world, its compliance with approved plans, and for proposing measures to correct or improve them.

The management, coordination and supervision of the activities of the different Units and Areas are carried out, according to their respective remit, by the local, regional and business unit management committees as well as the Executive Committee.

¹ As of January 2023, LATAM NORTH and LATAM SOUTH are integrated into a single area called LATAM SOUTH-CENTER, and Mexico is considered a strategic country and ceases to belong to the regional area.

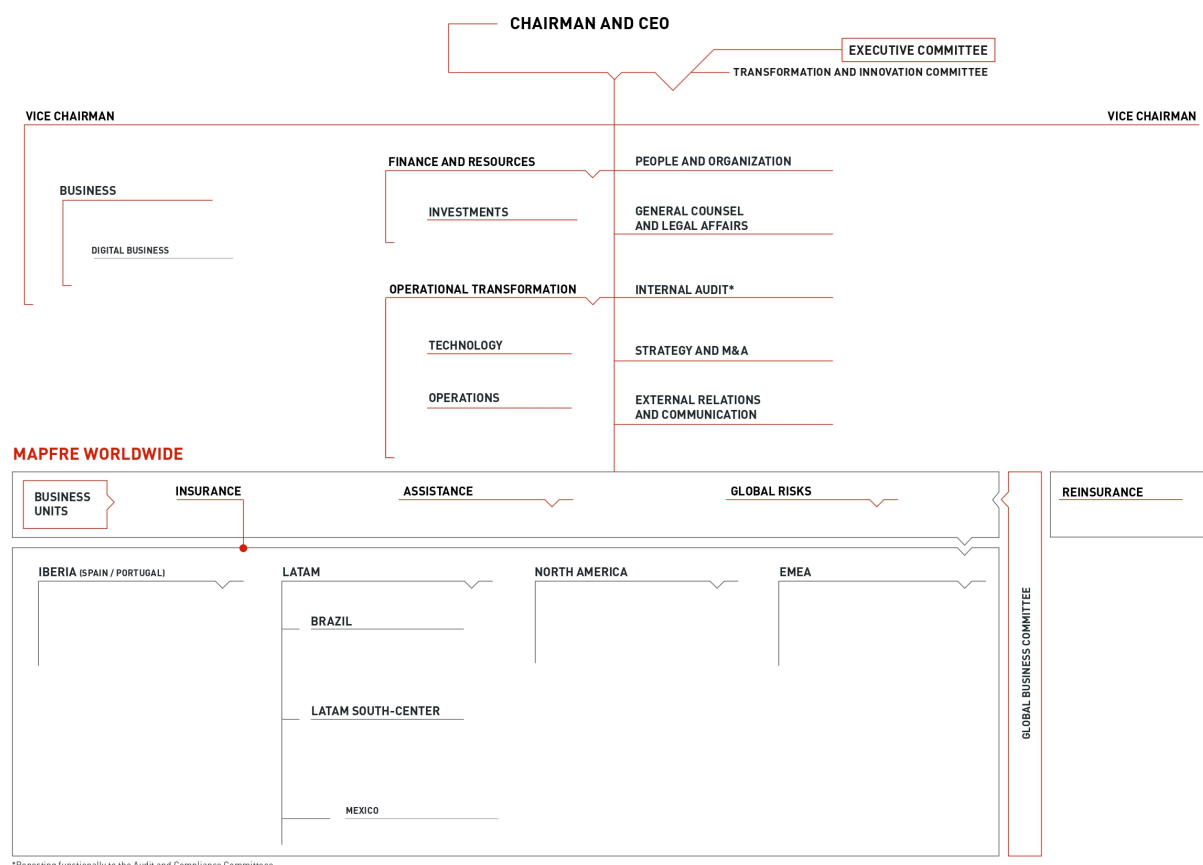
² The EURASIA Regional Area has been renamed to EMEA Regional Area with operational effect from January 1, 2023.

³ The Corporate Business and Clients Area has been renamed the Corporate Business Area, with operational effect from January 1, 2023.

MAPFRE AND SUBSIDIARIES

Each of the subsidiary companies has its own governing bodies, in which the structure and complexity depend on the importance of their activities and any legal provisions that may be applicable. They usually have a Board of Directors and, depending on the importance of their activities, a Management Committee as well. In the case of shell or very small companies, these bodies are replaced by two administrators.

The Group's current organizational structure is shown in the accompanying chart:



B. GOOD GOVERNANCE

MAPFRE has constantly and decidedly striven from the start to adopt the best corporate governance practices. MAPFRE's good governance practices are oriented toward creating sustained financial and social value over the long-term. The company's objective is to ensure financial stability and safeguard the interests of shareholders, while maximizing the positive impact on society as a whole.

MAPFRE is governed by the Recast Text of the Spanish Companies Act and has a series of Institutional, Business and Organizational Principles in place that have been approved by the Board of Directors of MAPFRE S.A., which, together with its Bylaws and the Board of Directors' Regulations, define the structure, composition and functions of each of its governing bodies and make up the minimum mandatory compliance framework for all of the companies in the MAPFRE Group and their respective governing bodies. In addition, MAPFRE's governance system is supplemented by a group of corporate policies⁴.

⁴ The Institutional, Business and Organizational Principles of the MAPFRE Group and other corporate regulations are available on the Company's website (www.mapfre.com).

MAPFRE complies fully with 90.62 percent, and fully or partially with 96.87 percent, of the recommendations set out in the Spanish National Securities Market Commission's Good Governance Code for listed companies at December 31, 2022.

The Annual Corporate Governance Report 2022 offers a detailed explanation of the structure of MAPFRE's governance system and its operation in practice⁵, providing the minimum content established by Article 540 of the Recast Text of the Spanish Companies Act.

OPERATIONAL FRAMEWORK

During the financial year, the Group's activities were developed through its Business Units.

The Insurance Business Unit was organized in 2022 in line with the Regional Areas⁶: the Iberia Regional Area, which is made up of Spain and Portugal; the Brazil Regional Area; the LATAM North Regional Area (Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama and the Dominican Republic); LATAM South (Argentina, Colombia, Chile, Ecuador, Paraguay, Peru, Uruguay and Venezuela); the North America Regional Area (United States and Puerto Rico) and the EURASIA⁷ Regional Area (which includes, with the exception of Spain and Portugal, operations in Europe, Africa, China, the Philippines, Japan, Malaysia and Singapore).

The MAPFRE distribution network is the largest in the Spanish insurance industry and one of the largest belonging to a financial group in Latin America.

MAPFRE is committed to multichannel distribution, adapting its sales structure to the legislation governing the different countries in which it operates.

Some of the key features behind the success of its business model include its client orientation, global product offering and adaptation to the legal and commercial nature of each market.

At the end of 2022, the MAPFRE global distribution network consisted of 12,387 offices. The breakdown is shown in the accompanying table.

OFFICES	2022	2021
IBERIA		
Direct and Delegate	3,176	3,163
Bancassurance	3,386	5,829
Subtotal IBERIA	6,562	8,992
BRAZIL		
Direct and Delegate	599	648
Bancassurance	3,983	4,368
Subtotal BRAZIL	4,582	5,016
LATAM NORTH		
Direct and Delegate	298	326
Bancassurance	167	176
Subtotal LATAM NORTH	465	502
LATAM SOUTH		
Direct and Delegate	386	396
Bancassurance	0	0
Subtotal LATAM SOUTH	386	396
NORTH AMERICA		
Direct and Delegate	6	28
Bancassurance	0	0
Subtotal NORTH AMERICA	6	28
EURASIA		
Direct and Delegate	349	381
Bancassurance	37	39
Subtotal EURASIA	386	420
TOTAL OFFICES	12,387	15,354

At the end of the year, MAPFRE's footprint in the Iberia Regional Area comprised 6,562 offices, while the Brazil Regional Area had 4,582 offices.

During 2022, more than 83,000 intermediaries, including agents, delegates and brokers, have collaborated in the distribution of products. The following table shows the composition of this group.

⁵ For further information, please consult the Annual Corporate Governance Report 2022, which forms an integral part of this Consolidated Management Report.

⁶ As of January 2023, LATAM NORTH and LATAM SOUTH are integrated into a single area called LATAM SOUTH-CENTER, and Mexico is considered a strategic country and ceases to belong to the regional area.

⁷ The EURASIA Regional Area has been renamed to EMEA Regional Area with operational effect from January 1, 2023.

SALES NETWORK	2021	2020
IBERIA		
Agents	10,475	10,898
Delegates	2,879	2,865
Brokers	3,747	3,727
Subtotal IBERIA	17,101	17,490
BRAZIL		
Agents	0	0
Delegates	446	560
Brokers	19,090	19,090
Subtotal BRAZIL	19,536	19,650
LATAM NORTH		
Agents	12,728	3,688
Delegates	2,881	2,752
Brokers	4,466	5,133
Subtotal LATAM NORTH	20,075	11,573
LATAM SOUTH		
Agents	6,721	7,889
Delegates	410	446
Brokers	9,651	9,419
Subtotal LATAM SOUTH	16,782	17,754
NORTH AMERICA		
Agents	5,766	5,777
Delegates	0	15
Brokers	1,251	1,214
Subtotal NORTH AMERICA	7,017	7,006
EURASIA		
Agents	1,470	2,916
Delegates	106	141
Brokers	1,245	1,224
Subtotal EURASIA	2,821	4,281
TOTAL SALES NETWORK	83,332	77,754

MAPFRE's own networks are supplemented by the distribution capacity provided by the agreements with different companies, and especially bancassurance agreements (Banco Santander, Bankinter, Banco do Brasil, BHD Leon and Bank of Valleta, among others). MAPFRE distributed its products in 2021 through 7,573 bancassurance offices, 3,983 in Brazil, 3,386 in Spain and Portugal, 167 in LATAM North and 37 in EURASIA.

Within the insurance business, MAPFRE is the largest Spanish insurer in the world, holding 13.8 percent of the Spanish Non-Life insurance market and 7.1 percent of the country's Life segment. MAPFRE is the 10th largest insurer in Europe by premium volume and is present in nearly every country in Latin America, where it is the leading Non-Life insurance group, with a market share of 5.5 percent (according to the figures for 2021, the latest available). Furthermore, the Group's reinsurance company, MAPFRE RE, occupies position 18 in the global reinsurance ranking⁸.

⁸ Source: S&P Global Ratings

BUSINESS PERFORMANCE AND RESULTS

ECONOMIC CONTEXT AND DEVELOPMENT OF INSURANCE MARKETS

Economic context

2022 was defined by the return of inflation. It started with energy, but quickly spread to the next levels of the production chain. General inflation surpassed 10 percent in the Eurozone and in many member states. Underlying inflation reached 5 percent in the Eurozone and 6 percent in Spain. In the United States, general inflation reached 9.1 percent and underlying reached 6.6 percent. The global economy has not seen these levels in 20 years.

The high gas prices, which impacted fertilizers as well as oil and electricity, directly affect final prices for food, which increased 20 percent in Germany and 15 percent in Spain. The cost of transportation also grew, especially flight prices, going up 30 percent in the Eurozone.

In the United States, producer prices have increased 8 percent (purchasing in general) and close to 20 percent for construction material. In the Eurozone, producer prices have also skyrocketed, reaching a maximum of 45.8 percent in Germany, while increasing 43 percent in Spain and 53 percent in Italy, influenced most significantly by energy. Producer prices, which companies have avoided passing on to the consumer, will eventually end up impacting the final price, if inflationary pressure continues.

For 2023, although it could go down as a result of the base effect, the CPI is expected to continue being high, for as long as the energy crisis continues. Hopes that the price index returns to around 2 percent seems to only be feasible for 2024. As such, the European Commission, in its projections this autumn, raised 2023 inflation expectations to 6.1 percent in the Eurozone and 7.0 percent in the whole of the European Union.

The energy crisis does not look like it is going to be resolved, due to the complications regarding Russian gas flowing toward Europe again. With regards to oil, the OPEC does not seem to be willing to increase the supply. In addition to this, the goal of shifting energy consumption toward green energies is leading the fossil fuel industry to reduce its investment in exploring, extracting and refining. This means the fuel supply will continue to be tight in the future, with the expected effect on prices. In France, there was already a fuel shortage this fall.

Central Banks continue to harden monetary conditions to control inflation, with interest rates hikes. These hikes will take time to affect bank loans (both for renewals as well as new loans) and with financial markets. As such, the Euribor will gradually be reflected in mortgages and in corporate loans.

In December, the US Federal Reserve raised interest rates to 4.5 percent, and the market expects that this could reach 4.9 percent by mid-2023. Further, it has indicated that interest rates will be high for some time. As a result, markets no longer consider an imminent scenario of inflection in the monetary policy, which will only occur when the Federal Reserve needs to defend employment levels.

The Federal Reserve has made it clear that it is determined to use all its available resources to control inflation, even if this implies a serious economic contraction. As such, the market has raised the probability of recession in the next 12 months in the United States to 65 percent, in the Eurozone to 80 percent, and in Germany to 90 percent.

In the Eurozone, the European Central Bank (ECB) is lagging behind in the rising interest rate cycle, with the market assuming that it could reach 3.25-3.50 percent by mid-2023. With recessions brewing for 2023 in some European countries (Germany and Italy in particular), the ECB will reevaluate its policy as new macroeconomic data is released.

Moreover, the strengthening of the dollar, although it lost momentum at the end of the year, is putting pressure on the whole of the international debt market issued in this currency. Additionally, many countries have had to accompany the Federal Reserve with rate hikes in order to defend their exchange rates.

In the short-term, the energy crisis is expected to continue as long as there is geopolitical pressure. The United States is using its strategic oil reserves in order to lower price tension in the market, but the OPEC wants prices to remain high. This situation, together with the lack of investment in fossil fuels, will keep prices high, at least in the short term. Energy planning in western countries, in their transition toward green energy, should keep this aspect in mind.

The following is a more detailed analysis of the most relevant markets in which MAPFRE operates:

Spain

Spanish GDP grew 5.3 percent in 2022. Among the European economies, Spain is one of the few that will escape recession in 2023, which will not prevent it from facing a small contraction at the beginning of 2023.

Inflation, although it seems to have reached maximums, will have trouble returning to previous levels. Energy costs are still high, the cost of financing is going up, and salary costs, which were contained in 2022, will possibly have to recover some of their lost ground in 2023.

Economic activity for Spain in 2023 will inevitably be marked by the rising Euribor and by inflation, which continues to be high for foods and is stabilizing at high levels for fuel. This all reduces household disposable income and will be reflected in spending. December CPI stood at 5.7 percent, with underlying inflation reaching 7.0 percent.

Regarding outlook indicators, PMIs have worsened. The manufacturing index receded to 46.4 points in December. The consumer confidence index continues getting worse (-29.9), getting close to the levels of the 2008 and 2012 crises (-37 and -39, respectively).

The IBEX 35 index fell 5.6 percent since January, closing at 8,229 points.

United States

The US economy grew 2.0 percent in 2022. The Federal Reserve has maintained its strategy of consistently raising interest rates with the aim of controlling inflation, and could only begin to worry about its other concerns – employment and economic activity – when unemployment increases.

Regarding expectations for future activity, December PMIs place the composite indicator at 45.0 points, manufacturing at 46.2 and services at 44.7 points (below the 50-point contraction level).

The hardening of financial conditions and the now expected recession have led to a 19 percent fall in the S&P and a 33 percent fall in the Nasdaq100. The 10-year Treasury bond yields have gone up from 1.51 percent at the close of the previous year to 3.88 percent at the end of December, while the 2-year bond reached 4.43 percent.

December CPI in the United States stood at 6.5 percent, already falling, but underlying inflation remained at 5.7 percent. The dollar finally gave way in the last two months of the year and closed at 1.07 euros, appreciating 6.6 percent.

The S&P500 index closed the year with a 19.4 percent fall, reaching 3,839 points.

Brazil

The Brazilian economy has behaved fairly well, with estimated growth of 3.0 percent in 2022. On the other hand, the beginning of 2023 could be more difficult, and a certain slow-down of activity is expected. For the whole of 2023, the economy is expected to grow 0.9 percent.

The interest rate cycle in Brazil has been ahead of the majority of developed and even emerging economies, and it seems to have been able to control inflation before everyone else. Interest rates could begin to go down in the second half of 2023.

Given the circumstances, the Brazilian economy is behaving well. Spending is estimated to have grown 3.8 percent and exports 2.5 percent. However, December PMIs are giving mixed signals, with a composite indicator of 49.1 points, manufacturing at 44.2 points and services at 51.0 points.

Inflation reached 5.8 percent in December, on a downward trend from the maximum of 12.1 percent in April. By item, food has increased 11.6 percent, household goods 7.9 percent, and automotive fuel went down 24 percent (the item that influences the decline the most).

In 2022, the Brazilian real appreciated 12.3 percent against the euro, closing at 0.1772 euros.

The BOVESPA index closed the year at 109,735 points, with a 4.7 percent increase.

Mexico

The Mexican economy is estimated to have grown 2.7 percent in 2022, although in the fourth quarter it will already have stood still in anticipation of the deceleration to come. Inflation, energy prices, rising interest rates, and weak private investment are factors that will persist in 2023 and will very probably cause a small economic contraction. In addition, the imminent economic slow-down in the United States will also affect the Mexican economy, due to the close economic and commercial ties between the two countries.

December PMIs are back to positive ground (51.3 points), and other industry surveys are also improving, save for investor confidence. Car sales have shown a downward trend the last six years, but that seem to have reached the "floor" in sales volume this year.

Inflation reached 7.8 percent in December, with underlying at 8.4 percent. Additionally, the increase in prices is beginning to translate to higher salaries, which in December picked up 8.4 percent year on year. The monetary policy interest rates stood at 10.5 percent after the Bank of Mexico raised rates 50 bps in December.

The exchange rate recovered 11.9 percent against the euro since the beginning of the year, closing at 0.0479 euros.

The Mexican Stock Exchange lost 9 percent in the year, closing at 48,464 points.

Development of Insurance Markets

Spanish market⁹

Despite the complex economic scenario in which the Spanish insurance sector operates, it continues to gradually recover from the decline in premiums that occurred in the first year of the COVID-19 pandemic, thanks above all to the boost in the Non-Life segment, which showed resilience during the health emergency and has maintained positive growth rates. The volume of premiums rose to 64.7 billion euros as of December 2022, 4.7 percent more than in 2021, with a 3.7 percent increase in Life volume and a 5.2 percent increase in Non-Life lines. However, these growths in the insurance business are not enough to offset an average inflation that in 2022 was around 8 percent.

⁹ Source: ICEA

As interest rates rise, the conditions for the development of some Life market modalities improve, which has had a positive behavior throughout 2022, with very similar increases in savings and risk insurance. The former have increased their premium volume by 3.7 percent and the latter by 3.8 percent. Analyzing the behavior of the different types of Life, in Life Savings the main boost came from life and temporary annuities, and Unit-Linked type products. Insurance pension plans, individual systematic savings plans, and individual long-term savings insurance (SIALP) showed decreases in premiums. Regarding managed savings, the technical provisions of the line stood at just under 194 billion euros, 1.01 percent less than in 2021.

Item	sept-2022	sept-2021	% Var. 22/21
Life	24,433	23,552	3.7%
Non-Life	40,240	38,247	5.2%
TOTAL Direct Insurance	64,673	61,798	4.7%

Figures in million euros

The Non-Life segment, for its part, grew by 5.2 percent in 2022, to 40.2 billion euros, with significant increases in premiums for Multirisk insurance (5.7 percent), highlighting the increases in Homeowners (5.5 percent), Industrial (8.8 percent), and Health (7 percent), due to the greater sensitivity of the population regarding health risks. Automobile insurance has started on the path of recovery in 2022, with premium volume of 11.4 billion euros, which represents an increase of 3.3 percent, thus recovering the level observed before the pandemic.

Item	2022	2021	% Var. 22/21
Automobile	11,353	10,990	3.3%
Health	10,543	9,854	7.0%
Multirisk	8,578	8,116	5.7%
Other Non-Life lines	9,765	9,287	5.1%
TOTAL NON-LIFE	40,240	38,247	5.2%

Figures in million euros

The claims ratio for the Non-Life lines rose by 0.7 percentage points (pp) as of September 2022 compared to the same period in 2021, which has resulted in the combined ratio worsening by 0.6 pp, while the expense ratio saw a slight improvement of 0.1 pp. In the Automobile line, the increase in mobility after the removal of restrictions due to COVID-19 and the current scenario of high inflation have caused an increase in the combined ratio, which in the first nine months of 2022 stood at 97.4 percent, which represents an increase of 2.6 pp compared to September 2021. For its part, Health insurance presents an increase of 0.9 pp in the claims ratio, as a result of the increase in the average cost of health benefits, as a product of the unblocking of pent-up demand during the pandemic. In Multi-risk insurance, the improvement in the loss ratio for Homeowners, Condominiums and Commercial lines led to a decrease of 1.9 pp in the combined ratio for the line. The Life technical financial result rose 6.8 percent, which offset a decrease in the result of the Non-Life technical account of 4.5 percent. Finally, in the third quarter of 2022, the Spanish insurance sector produced an aggregate profit of just under 4.1 billion euros, which represents an increase of 2.8 percent compared to the same period of the previous year.

The general increases in interest rates by central banks, high inflation, the war in Ukraine and the rise in energy prices continue to negatively affect financial markets. In Spain, the savings invested in insurance, pension plans and investment funds showed asset decreases in 2022. The volume of pension plan assets reached 115.6 billion euros as at the close of December 2022, 9.7 percent less than on the same date of the previous year, with decreases in the three systems. Year-on-year profitability at the end of December stood at -9.7 percent, as a result of the notable corrections that occurred in 2022. However, in the long and medium term, profitability remains positive: 2.8 percent at 26 years and 2.7 percent at 10 years.

Investment fund assets stood at 306.1 billion euros as at the close of December 2022, which represents a year-on-year decrease of 3.6 percent, with most investment funds registering decreases. The average return over 12 months for all the funds was negative, at -8.7 percent, with all categories posting negative returns.

Item	TOTAL NON-LIFE		AUTOMOBILE		MULTIRISK		HEALTH	
	Sep 2022	Sep 2021	Sep 2022	Sep 2021	Sep 2022	Sep 2021	Sep 2022	Sep 2021
Loss ratio	69.3%	68.6%	76.5%	75.8%	62.8%	65.0%	79.1%	78.2%
Expense ratio	23.0%	23.1%	20.9%	19.0%	33.0%	32.7%	13.1%	13.0%
Combined ratio	92.3%	91.7%	97.4%	94.8%	95.8%	97.7%	92.2%	91.3%

Item	2022	2021	% Var. 22/21
Life insurance	193,753	195,721	-1.0%
Mutual funds	306,151	317,547	-3.6%
Pension funds	115,641	127,998	-9.7%
TOTAL	615,545	641,266	-4.0%

Figures in million euros

Latin American markets

Despite the complex economic environment in which the insurance sector operates, premium income in all Latin American markets showed very positive growth rates for the first months of 2022¹⁰, in local currency and at current prices, both in the Life and Non-Life businesses. The main Non-Life lines continue the positive evolution that they had already begun in 2021, with double-digit increases in most markets. Likewise, the Automobile and Health lines, which have the largest market shares in the region, continue to grow in all countries.

COUNTRY	DATE	NON-LIFE	LIFE	TOTAL
Argentina	Sept-22	77.7%	71.6%	76.9%
Brazil	Nov-22	24.9%	13.3%	17.4%
Chile	Sept-22	25.7%	39.6%	32.6%
Colombia	Sept-22	20.2%	20.9%	20.4%
Mexico	Sept-22	10.3%	2.3%	6.6%
Peru	Nov-22	8.3%	5.1%	6.7%
Puerto Rico	Dec-21	8.6%	18.9%	9.6%

Source: MAPFRE Economic Research, using data from the supervisors in each country.

Premiums in the Brazilian insurance sector rose by 17.4 percent in the first eleven months of 2022, with a growth rate of 13.3 percent for the Life segment and 24.9 percent for Non-Life. Automobile and Agriculture insurance performed excellently, with increases of 33.9 percent and 37.4 percent, respectively. Vida Gerador de Benefícios Livres (VGBL) insurance, which represent 74 percent of Life premiums in the Brazilian market, was up 12.5 percent against the period ending November of 2021.

Mexico, the second largest market in the region, also turned in a very favorable performance in 2022, with an increase in direct insurance premiums of 6.6 percent in the third quarter of the year, driven by Non-Life insurance lines, which grew 10.3 percent, while Life delivered more modest growth of 2.3 percent.

The rest of the large insurance markets in Latin America also presented very positive revenue data in the analyzed period, both in the Life and Non-Life segments. Chile stands out, where pension insurance premiums rose significantly, by 61 percent, (a fundamental segment in the Life line in the country), after the slight drop suffered up to the end of September 2021.

Other markets

United States¹¹

Premium income from the Life, Property & Casualty (P&C) and Health segments in the United States performed positively in the first half of 2022, with increases of 6 percent, 9.9 percent and 11 percent, respectively. Premiums and direct deposits issued for Life insurance reached 585 billion dollars in that period, with a significant boost from annuities, which rose by 12 percent, and growth in all modalities except for Accident and Illness (-1 percent). Net earnings from this market segment were 24 billion dollars, up 23 percent compared to the first six months of 2021.

Direct premiums issued in the P&C lines amounted to 434.1 billion dollars, with increases in almost all the main lines of business. This behavior was influenced by the increase in prices as a consequence of the continued hardness of the market due to inflation and the increase in the frequency and severity of catastrophic events. Sector earnings fell 14.5 percent compared to the first half of 2021, to 34 billion dollars, due to underwriting losses largely as a result of a significant deterioration in Personal Automobile insurance results due to increasing severity of civil liability claims and inflationary pressure on physical damage, and also in commercial civil liability lines, which experienced a constant upward trend in loss ratios in recent years, driven by inflation. However, the return on investment has helped to offset the decline in the technical result.

Finally, Health insurance registered an 11 percent increase in direct premiums issued, standing at 498 billion dollars. The increase is mainly due to the Medicare (19 percent) and Medicaid (13 percent) business lines. Net earnings for the line remained practically unchanged compared to the same period of the previous year.

¹⁰ All countries have published statistical information as of September 2022. For some markets, such as Brazil and Peru, data is available as of November 2022. The latest information published by the Puerto Rico Insurance Commissioner's Office refers to 2021.

¹¹ Information obtained from the semi-annual reports of the National Association of Insurance Commissioners (NAIC) for the Property & Casualty, Life and Accident, and Health segments

BUSINESS PERFORMANCE

Revenues on operations

ITEM	DECEMBER 2022	DECEMBER 2021	Δ %
Total written and accepted premiums	24,540.3	22,154.6	10.8%
Financial income from investments	2,543.5	2,763.9	-8.0%
Revenue from non-insurance entities and other revenue	2,425.8	2,338.8	3.7%
Total consolidated revenues	29,509.7	27,257.2	8.3%

Figures in million euros

The Group's consolidated revenue reached over 29.5 billion euros, with an 8.3 percent improvement.

Premiums from direct insurance and accepted reinsurance reached over 24.5 billion euros, with a 10.8 percent increase. This growth is impacted, on the one hand, by the issuing of the extraordinary multi-year policy in Mexico in June 2021 (563 million dollars) and the sale of BANKIA VIDA the same year (premiums for the amount of 159.3 million euros), and on the other hand, by the positive behavior of almost all currencies against the euro in 2022.

Eliminating the effects of the two-year policy in Mexico and BANKIA VIDA in 2021, and maintaining exchange rates constant in 2022, recurring growth would be 8.7 percent (10.8 growth growth in Non-Life and 2.1 growth in Life).

Non-Life premiums grew 12.5 percent, primarily from improved issuing in Auto, General P&C, and Health and Accident lines, which are up 9.7, 16.6 and 14.2 percent to December, respectively. Improvements in General P&C are thanks to the favorable development in Brazil, the United States and Spain, while growth in Auto is primarily due to tariff increases in Brazil and the United States.

Life insurance premiums grew 5.8 percent thanks to Life Protection business, which grew 18.2 percent, primarily from business growth in Brazil, Peru, and Mexico.

Financial income from investments reached over 2.5 billion euros, 8.0 percent less than the previous year. This decrease comes primarily from Spain as a result of the BANKIA VIDA exit, as well as from lower gains in Unit-Linked products.

Finally, other revenue, which mostly includes non-insurance activity and non-technical revenue, went up 3.7 percent, primarily due to the increase of positive currency differences and the improvement of income from MAPFRE ASISTENCIA.

Earnings

The following chart gives a summary of the consolidated income statement as on December 2022, showing the various elements of MAPFRE's earnings and the comparison with the same period of the previous year.

ITEM	DECEMBER 2022	DECEMBER 2021	Δ %
I. REVENUE FROM INSURANCE BUSINESS	23,553.8	22,148.3	6.3%
1. Premiums earned, net	19,211.6	17,464.3	
2. Revenue from investments	2,446.1	2,671.0	
3. Positive currency differences	1,736.1	1,628.2	
technical revenues and	160.0	384.8	
II. INSURANCE BUSINESS EXPENSES	(22,008.6)	(20,664.5)	-6.5%
1. Incurred claims for the year, net	(13,247.7)	(12,865.4)	
2. Net operating expenses	(5,153.9)	(4,655.4)	
3. Investment expenses	(1,605.1)	(1,035.1)	
4. Negative currency differences	(1,676.7)	(1,574.2)	
5. Other technical and non-	(325.3)	(534.4)	
RESULT FROM THE INSURANCE BUSINESS	1,545.2	1,483.9	4.1%
III. OTHER ACTIVITIES	(87.3)	(115.6)	
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	(60.3)	(13.2)	
V. RESULT BEFORE TAXES	1,397.6	1,355.1	3.1%
VI. TAX ON PROFITS	(313.8)	(319.5)	
VII. RESULT AFTER TAX	1,083.8	1,035.6	4.7%
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	—	—	
IX. RESULT FOR THE FINANCIAL YEAR	1,083.8	1,035.6	4.7%
1. Attributable to non-controlling interests	441.6	270.4	
2. Attributable to the controlling company	642.1	765.2	-16.1%

Figures in million euros

Revenue from MAPFRE Group insurance business went up 6.3 percent. On the one hand, earned premiums grew as a result of higher issuing in the majority of operations as well as the positive exchange rate development. Revenue from investments went down as a result of the BANKIA VIDA exit from the Group, and from lower capital gains in Unit-Linked products.

The reduction in the heading "Other technical and non-technical revenues" is a result of the gain from the sale of BANKIA for the amount of 167.1 million euros, recorded in 2021.

Insurance business expenses went up 6.5 percent. The higher investment expenses due to growth of losses in Unit-Linked products in Spain and other Life Savings products in Malta are noteworthy. The increase in negative exchange differences is similar to the increase in positive differences that were included within the heading for revenue from insurance business.

The reduction in “Other technical expenses” is a result of including, in 2021, 175 million euros for the voluntary early retirement scheme in IBERIA.

The insurance business result reached 1.5 billion euros, which is a 4.1 percent increase.

Non-Life Insurance Business (Appendix 13.5)

Non-Life insurance business results reached 823.3 million euros, with a 23.2 percent decrease compared to the same period the previous year.

The following chart provides a breakdown of the combined ratios in key Non-Life lines:

Non-Life Combined Ratio	DECEMBER 2020	DECEMBER 2021	DECEMBER 2022
AUTO	91.7 %	100.8 %	106.1 %
GENERAL P&C	95.0 %	91.8 %	87.9 %
HEALTH & ACCIDENT	94.1 %	100.1 %	100.1 %
Total Non Life	94.8%	97.5%	98.0%

Figures in million euros

By business line, the Auto combined ratio deteriorated, reaching 106.1 percent, as a result of the higher loss ratio. This relevant increase in losses is occurring across all Group regions, and comes from the current global high-inflation scenario as well as from the increase in mobility after the elimination of COVID restrictions.

General P&C performed favorably, with a noteworthy improvement in Agro and Burial insurance, in a better economic context for these lines.

Health and Accident has a combined ratio of 100.1 percent, the same as the previous period, from the higher losses coming from the increase in the average cost of medical services.

Life Insurance Business (Appendix 13.5)

The Life insurance technical financial result reached 721.9 million euros, a 75.2 percent increase compared to the previous year.

This improvement is due, on the one hand to the improvement of the financial yields of investments, and on the other hand to organic growth in the line, tariff increases, and the improvement in losses in the Life Protection line as a result of the positive development of the COVID pandemic.

The positive evolution of the combined ratio of the Life Protection business line is detailed in the accompanying table, which illustrates how at the end of the 2022 financial year, pre-COVID levels had been recovered, with an improvement of 11.5 percentage points compared to the previous financial year.

Combined ratio	DECEMBER 2020	DECEMBER 2021	DECEMBER 2022
LIFE - PROTECTION	85.4 %	94.6 %	83.1 %

Balance sheet

ITEM	DECEMBER 2022	DECEMBER 2021	Δ %
Goodwill	1,445.6	1,409.8	-1.8%
Other intangible assets	1,469.7	1,370.3	2.1%
Other fixed assets	217.2	238.9	-2.7%
Cash	2,574.7	2,418.9	-10.8%
Real estate	2,065.5	2,239.9	-11.4%
Financial investments	31,623.4	36,511.1	-12.7%
Other investments	2,087.1	1,220.8	20.0%
Unit-Linked investments	3,037.1	2,502.4	2.7%
Participation of reinsurance in technical provisions	6,215.4	5,378.6	2.1%
Receivables on insurance and reinsurance operations	4,787.9	4,489.5	2.2%
Deferred tax assets	642.0	221.7	114.3%
Assets held for sale	49.1	8,159.5	-87.0%
Other assets	3,411.4	2,991.2	9.5%
TOTAL ASSETS	59,626.1	69,152.6	-6.6%
Equity attributable to the Controlling company	7,289.3	8,536.0	-13.9%
Non-controlling interests	1,070.8	1,301.8	-11.0%
Equity	8,360.0	9,837.8	-13.5%
Financial debt	2,934.7	2,993.6	-5.1%
Technical provisions	41,196.8	41,692.6	-4.0%
Provisions for risks and expenses	522.2	582.6	-20.1%
Debt due on insurance and reinsurance operations	2,128.6	2,256.9	-1.8%
Deferred taxes liabilities	208.0	670.6	-61.3%
Liabilities held for sale	11.7	7,263.9	-90.6%
Other liabilities	4,264.1	3,854.7	-9.0%
TOTAL LIABILITIES	59,626.1	69,152.6	-6.6%

Figures in million euros

Total consolidated assets reached over 59.6 billion euros at December 2022 and are down 6.6 percent compared to the close of the previous year, in large part due to the lower valuation of investment portfolios, partially offset by business growth and currency appreciation.

The deferred tax assets are up 114.3 percent mainly as a result of a reclassification from liabilities to assets as a result of lower gains on the assets available for sale portfolio.

The current balance of assets held for sale is down compared to December last year as a result of the exit of the majority of MAPFRE INMUEBLES land for sale, and to the sale of the ASISTENCIA business and direct insurance operations in Asia.

The rest of the changes in the headings for Assets and Liabilities from insurance and reinsurance operations are a result of the business management process itself.

Key indicators
Return on shareholders' equity (ROE)

Return on equity (ROE), which represents the relationship between net profit attributable to the parent company (deducting the share of non-controlling interests) and average shareholders' equity, was 8.2 percent (9 percent in 2021).

Management ratios

The combined ratio measures the impact on premiums of management costs and the loss ratio for the period. In 2022 and 2021 this ratio stood at 98.0 percent and 97.5 percent, respectively. The accompanying table shows the evolution of the main management ratios by business unit.

	EXPENSE RATIO(1)		LOSS RATIO(2)		COMBINED RATIO(3)	
	2022	2021	2022	2021	2022	2021
IBERIA	22.4%	25.5%	74.4%	72.6%	96.8%	98.1%
LATAM NORTH	25.2%	22.9%	73.0%	73.0%	98.3%	95.9%
LATAM SOUTH	35.5%	35.4%	68.9%	62.6%	104.4%	98.0%
BRAZIL	34.6%	35.8%	52.2%	52.0%	86.9%	87.7%
NORTH AMERICA	29.5%	30.4%	78.7%	68.4%	108.2%	98.9%
EURASIA	28.4%	32.2%	83.8%	77.3%	112.2%	109.5%
MAPFRE RE	26.5%	29.0%	70.3%	68.1%	96.8%	97.1%
Reinsurance	27.3%	29.9%	70.1%	68.3%	97.4%	98.2%
Global Risks	16.5%	17.3%	73.5%	65.8%	90.0%	83.1%
MAPFRE ASISTENCIA	43.3%	48.1%	53.8%	54.0%	97.1%	102.0%
MAPFRE S.A.	27.4%	29.3%	70.6%	68.2%	98.0%	97.5%

1. (Operating expenses, net of reinsurance – other technical revenues + other technical expenses) / Allocated premiums, net of reinsurance. Figures refer to Non-Life insurance.
2. (Incurred claims for the period, net of reinsurance + variation in other technical provisions + profit sharing and returned premiums) / Allocated premiums, net of reinsurance. Figures refer to Non-Life insurance.
3. Combined ratio = expense ratio + loss ratio. Figures refer to Non-Life insurance.

Information by Business Unit

MAPFRE structures its business through the following Business Units: Insurance, Reinsurance, Global Risks and Assistance. The Reinsurance and Global Risks Units are integrated into MAPFRE RE.

The accompanying chart shows the premiums, attributable result, and Non-Life combined ratio for each Business Unit:

AREA / BUSINESS UNIT	Premiums			Attributable result			Combined ratio	
	2022	2021	Δ %	2022	2021	Δ %	2022	2021
IBERIA	7,625.6	7,596.4	0.4%	375.5	540.7	-30.6 %	96.8%	98.1%
BRAZIL	4,851.5	3,340.1	45.3%	143.7	74.3	93.5 %	86.9%	87.7%
LATAM NORTH	2,117.1	2,187.7	-3.2%	45.9	26.8	71.4 %	98.3%	95.9%
LATAM SOUTH	2,006.8	1,631.1	23.0%	111.3	54.8	103.2 %	104.4%	98.0%
NORTH AMERICA	2,589.5	2,073.1	24.9%	(16.8)	88.8	-119.0 %	108.2%	98.9%
EURASIA	1,317.2	1,360.8	-3.2%	(29.6)	0.9	--	112.2%	109.5%
TOTAL INSURANCE	20,507.8	18,189.2	12.7%	630.0	786.2	-19.9 %	98.5%	97.5%
REINSURANCE	5,670.7	4,991.6	13.6%	122.6	117.8	4.1 %	97.4%	98.2%
GLOBAL RISKS	1,550.6	1,283.0	20.9%	20.8	33.9	-38.5 %	90.0%	83.1%
ASSISTANCE	213.7	486.4	-56.1%	6.9	0.6	--	97.1%	102.0%
Holdings and consolidation adjustments	(3,402.5)	(2,795.6)	-21.7%	(138.1)	(173.3)	20.3 %	---	---
MAPFRE S.A.	24,540.3	22,154.6	10.8%	642.1	765.2	-16.1 %	98.0%	97.5%

Figures in million euros

INSURANCE UNIT

IBERIA

IBERIA encompasses the business activities of MAPFRE ESPAÑA and its subsidiary in Portugal, as well as the Life business managed by MAPFRE VIDA and its bancassurance subsidiaries. Iberia represents 27.0 percent of total group premium volume.

Information by country:

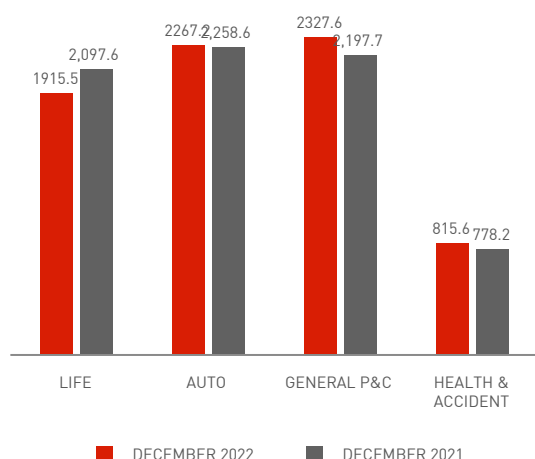
REGION / COUNTRY	Premiums			Attributable result			Combined ratio	
	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021
IBERIA	7,625.6	7,596.4	0.4%	375.5	540.7	-30.6%	96.8%	98.1%
SPAIN*	7,366.9	7,466.0	-1.3%	363.2	534.0	-32.0%	96.8%	98.1%
PORTUGAL	258.7	130.4	98.4%	12.3	6.6	85.2%	98.9%	98.0%

Figures in million euros

*Verti Spain's premiums totaled 98.6 million euros (+ 9.5 percent).

Written premiums in IBERIA reached over 7.6 billion euros, a 0.4 percent increase. Eliminating the effect of BANKIA VIDA premiums, which reached 159.3 million euros in 2021, underlying growth would have been 2.5 percent.

Written premiums in key lines



Figures in million euros

Non-Life

Non-Life premiums grew 3.8 percent and reflect the positive development of the Homeowners, Health, Condominiums and Commercial business.

Life

Life premiums fell 8.7 percent, primarily due to BANKIA VIDA's exit from the Group scope. Excluding this effect, premiums would have fallen 1.2 percent.

Earnings

IBERIA's attributable result reached 375.5 million euros with a 30.6 percent decrease compared to the previous year, primarily from the deterioration in losses in the Auto line. In 2021, the resolution of the BANKIA agreement implied 167.1 million euros. Additionally, in 2021, an attributable impact of 131.3 million euros were recorded for expenses from the voluntary early retirement scheme.

At the close of December 2022, 43.7 million euros in financial gains, net of losses, were recorded in the actively managed portfolio (79.5 million as of December 2021)

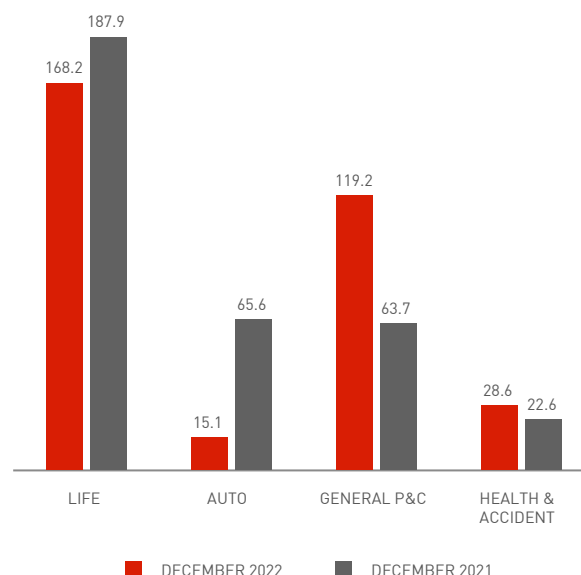
Non-Life

The Non-Life business result fell 41.2 percent, reaching 207.3 million euros, due to, on the one hand, the resolution of the BANKIA agreement in December 2021, which generated an extraordinary result of 140.4 million euros, and on the other hand, the current high inflation scenario worldwide, as well as from the increase in mobility after the elimination of COVID-19 restrictions.

Life

The Life business result fell 10.5 percent, reaching 168.2 million euros. This fall is caused by the resolution of the BANKIA agreement in December 2021, which generated an extraordinary result of 26.7 million euros.

Earnings in key lines



Figures in million euros

Shareholders' equity

The 32.6 percent fall in net equity in IBERIA is from a 998 million euro reduction in unrealized gains in the available for sale portfolio as a result of the increase in interest rates, as well as from a dividend upstream of 813.4 million euros, in order to adapt solvency levels to Group standards, after the exits of BANKIA and CCM.

The market shares in Spain* and Portugal as at December and September of 2022, respectively, are shown here:

SPAIN	Dec 2022	Dec 2021
Automobile	19.4%	20.0%
Health	6.8%	6.8%
Other Non-Life	14.4%	14.2%
Total Non-Life	13.8%	14.0%
Total Life	7.1%	8.5%
TOTAL	11.3%	11.9%

* Estimated market shares, using data published by ICEA, which only takes into account direct insurance written premiums.

PORTUGAL	Sept-2022	Sept-2021
Automobile	2.3%	2.3%
Total Non-Life	2.1%	2.0%
Total Life	3.7%	3.1%
TOTAL	2.9%	2.7%

Source: Portuguese Association of Insurance Companies
Includes Unit-Linked products and Assistance insurance

BRAZIL

This regional area encompasses the insurance activity in Brazil. Brazil contributes 17.3 percent of total group premium volume and is the second largest market in terms of contribution to the business.

The financial result improved 210.7 percent as a result of the higher yields in the fixed income securities portfolio with interest linked to inflation or central bank rates.

Progress and main countries:

REGION	Premiums			Attributable result			Combined ratio	
	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021
BRAZIL	4,851.5	3,340.1	45.3%	143.7	74.3	93.5%	86.9%	87.7%

Figures in million euros

Premiums

Written premiums grew 45.3 percent in euros, and in Brazilian reais they grew 23.0 percent. The improvement in issuance is due on the one hand, to the positive development of the Agro Insurance, Auto and Life Protection business, which grew in euros 79.2, 35.1 and 32.4 percent, respectively, and on the other hand, to the positive development of the Brazilian real, which appreciated 18.1 percent.

The positive growth in the Agro and Mass Market Multi-Peril business in the bank channel, and the Industrial Risk, Agro and Auto lines in the MAPFRE channel is noteworthy.

Result

Gross earnings at the close of December 2022 reached 705.1 million euros, improving 133.0 percent compared to the previous year.

The attributable result in Brazil at the close of December 2022 improved 93.5 percent, reaching 143.7 million euros.

This improvement is primarily a result of the Life Protection business, which reached 53.5 million euros, compared to the result of 1.9 million euros the previous year, as a result of the positive development of COVID-related losses

Additionally, the Agro business is performing positively, improving 143.0 percent compared to the previous year, despite having been negatively impacted by the drought in the central and southern regions of the country, which had a 36.7 million euro net impact on this line.

The Auto line has high losses, coming from the increase in frequency as a result of the return to normality and from the increase in average cost caused by current high inflation. Both of these effects have raised the combined ratio for this line to 114.8 percent.

LATAM NORTH

This regional area includes Mexico and the subregion of Central America and Dominican Republic. LATAM North contributes 7.7 percent of total premium volume to the group.

Progress and main countries:

REGION	Premiums			Attributable result			Combined ratio	
	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021
LATAM NORTH	2,117.1	2,187.7	-3.2%	45.9	26.8	71.4%	98.3%	95.9%

Figures in million euros

Premiums

Premiums in the region fell 3.2 percent compared to the previous year. This variation is due to the issuing in June 2021, of a multi-year policy in Mexico for the amount of 477.3 million euros. Eliminating the effect of this policy, growth would stand at 23.8 percent, driven in large part by the improvement in all currencies in the region.

Issuing in local currency grew in all countries in the region, with special emphasis on growth in Mexico (8.2 excluding the effect of the multi-year policy from 2021) and the Dominican Republic (12.1 percent).

Growth by business line in euros is equally positive, especially in General P&C, up 30.2 percent (excluding the effect of the multi-year policy from 2021), Health & Accident, up 23.8 percent, Life Protection, up 23.7 percent, and Auto, up 15.8 percent.

Result

The results in the LATAM NORTH region to December 2022 reached 45.9 million euros, 71.4 percent higher than the previous year. This improvement in results comes in part from the improvement in all currencies in the region, and also from the improvement in the Life Protection and Health lines, which claims have been favored by the lower COVID incidence rate.

Life Protection had 8.7 million euros in earnings compared to 14.0 million euros in losses the previous year, due to the already mentioned positive development of the pandemic in the region in the year.

The result of the Health line, also affected by already mentioned improvement in COVID, is reporting earnings for the amount of 7.9 million euros.

The Auto line is down as a result of a deterioration in losses in the region due to the return to mobility, as well as from the increase in average claims costs from the high rate of inflation.

LATAM SOUTH

This regional area encompasses the business activities in Peru, Colombia, Argentina, Chile, Uruguay, Paraguay, Ecuador and Venezuela. This regional area produces 7.1 percent of total group premium volume.

Progress and main countries:

REGION	Premiums			Attributable result			Combined ratio	
	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021
LATAM SOUTH	2,006.8	1,631.1	23.0%	111.3	54.8	103.2%	104.4%	98.0%

Figures in million euros

Premiums

Premiums in the region grew 23.0 percent compared to the previous year. This growth is due to, on the one hand, to currency appreciation in the region, and on the other hand it reaffirms the good performance of the business which has already been very positive in recent years.

In general, issuing in local currency grew at a good rate in all countries in the region, highlighting Argentina (86.8 percent), Peru (19.6 percent), Chile (18.3 percent) and Colombia (12.1 percent).

By line of business, all lines improved issuing in euros compared to the same period the previous year, highlighting Life Protection (33.3 percent), Life Savings (18.3 percent), Health & Accident (26.4 percent), General P&C (20.4 percent) and Auto (24.2 percent).

Result

At the close of December 2022, LATAM SOUTH had an attributable result of 111.3 million euros, growing 103.2 percent.

By country, Peru is the highest contributor to results in the region, with 51.1 million euros, from the positive development of the technical and financial result. Of this result, 13 million euros come from fiscal gains arising from the merger of the Life and General P&C companies.

Colombia is the second largest contributing country in the region, with 46.8 million euros, due to the excellent financial results from investments with inflation-liked interest rates, as well as to 8.2 million euros from reinsurance balance liquidations from previous years.

Paraguay had a 5.6 million euro negative result from the drought claim that has had a 9.0 million euro attributable impact and which was recorded in the first half of 2022.

By line of business, Auto and General P&C results have deteriorated as a result of the higher losses caused by inflation and the return to normality after the pandemic. On the other hand, the Life Protection and Health business have been favored by the reduction in the COVID incidence rate.

MARKET SHARES IN THE MAIN LATINAMERICAN COUNTRIES

The following table shows market shares for direct Non-Life insurance in the main countries in the region:

COUNTRY	Ranking (at Dec-2021)	Market share (1)	Market share date
Argentina	16	1.5%	sep-22
Brazil	2	13.8%	nov-22
Chile	5	6.3%	sep-22
Colombia	8	5.5%	sep-22
Honduras	3	16.5%	sep-22
Mexico	4	4.7%	sep-22
Panama	2	17.3%	sep-22
Peru	3	18.2%	nov-22
Dominican Republic	4	10.4%	sep-22

(1) Figures according to the latest available information for each market.

Source: MAPFRE Economic Research, using data from the supervisors in each country.

NORTH AMERICA

This regional area has its headquarters in Webster, MA (USA) and encompasses operations in United States and Puerto Rico.

REGION	Premiums			Attributable result			Combined ratio	
	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021
NORTH AMERICA	2,589.5	2,073.1	24.9%	(16.8)	88.8	-119.0 ^e	108.2%	98.9%

Figures in million euros

In the state of Massachusetts (USA), the market shares were as follows:

LINE	MASSACHUSETTS	
	Dec 2021	Dec 2020
Automobile	18.4%	19.8%
Total Non-Life	9.0%	9.9%
Total Life	0.0%	0.0%
TOTAL	2.7%	3.0%

Source: MAPFRE Economics, using data from the supervisors in each country

Premiums

At the close of December, premiums in NORTH AMERICA registered a 24.9 percent increase in euros, while in dollars they are 10.9 percent higher compared to the previous year.

Improved issuing is due in large part to the incorporation of Century (previously a MAPFRE ASISTENCIA subsidiary), which contributed 248.8 million euros to issuing at the close of December, as well as the positive development of the dollar. In 2021, only premiums corresponding to the fourth quarter were included.

Puerto Rico has 8.6 percent higher issuing in euros than the previous year.

Results

The result in NORTH AMERICA to December 31, 2022 stands at -16.8 million euros, compared to 88.8 million euros the previous year.

The fall in results is primarily due to the deterioration of the Auto line in the United States, which combined ratio stands at 110.9 percent, as a result of the increase in frequency, from the return to normality after the pandemic, as well as the high rates of inflation, which cause an increase in average claims costs.

Additionally, restrictions on tariff increases in some states limit the speed at which insurance prices can update for loss inflation.

Puerto Rico presents a result of 14.4 million euros, 10.6 percent lower than the same period the previous year, as a result of the catastrophic claim caused by Hurricane Fiona on September 14, with a 19.7 million euros attributable impact.

In Puerto Rico:

LINE	PUERTO RICO	
	Dec 2021	Dec 2020
Automobile	9.9%	10.7%
Non-Life (w/o Health)	12.9%	14.8%
Total Non-Life	2.5%	2.8%
Total Life	0.1%	0.3%
TOTAL	2.2%	2.5%

Source: MAPFRE Economics, using data from the supervisors in each country.

Over the course of 2022, 35.0 million euros in capital gains were realized on financial investments (42.7 million euros to December 2021).

Shareholders' equity

The 17.4 percent fall in net equity in NORTH AMERICA comes from a 274 million euro reduction in unrealized gains on the available-for-sale financial assets portfolio as a result of the increase in interest rates, as well as from upstreaming a 36.4 million euro dividend

EURASIA

This regional area encompasses the insurance operations in Italy, Germany, Turkey, Malta, Indonesia and the Philippines. (The operations in the last two of these countries were sold in 2022).

REGION	Premiums			Attributable result			Combined ratio	
	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021	Δ %	DECEMBER 2022	DECEMBER 2021
EURASIA	1,317.2	1,360.8	-3.2%	(29.6)	0.9	--	112.2%	109.5%

Figures in million euros

Market shares in EURASIA were as follows:

LINE	GERMANY		ITALY		MALTA	
	Dec 2021	Dec 2020	Dec 2021	Dec 2020	Dec 2021	Dec 2020
Automobile	1.3%	1.2%	1.3%	2.2%	34.3%	34.4%
Total Non-Life	0.3%	0.3%	0.6%	1.2%	33.3%	33.2%
Total Life	—%	—%	—%	—%	75.5%	76.4%
TOTAL	0.2%	0.2%	0.2%	0.3%	61.8%	60.1%

Source: MAPFRE Economic Research, using data from the supervisors in each country.

Premiums

At the close of December, premiums in EURASIA were down slightly, 3.2 percent, with declines in Italy (-9.2 percent), and Malta (-17.1 percent) and improvements in Turkey (21.2 percent), and Germany (0.6 percent).

Issuing in Turkey is affected by two factors - on the one hand, the depreciation of the Turkish lira (-45.8 percent), and on the other hand the restatement for hyperinflation applied for the first time to the country in September this year. In local currency, issuing in Turkey improved 123.5 percent, in line with inflation.

The fall in issuing in Italy is tied to the restrictions for new business in the car dealership channel, and in Malta, to lower issuing in Life Savings in the bank channel.

Result

At the close of December 2022, EURASIA presents an attributable result of -29.6 million euros.

Turkey recorded losses of 40.3 million euros. The following impacts are noteworthy:

- An increase in the loss ratio in Auto from the high inflation in the country, which significantly impacted average claims costs, as well as a 9.5 million euro negative impact booked for the participation in the National Auto TPL Pool and the increase in minimum wage for this business.

- The restatement for hyperinflation applied to the financial statements from the country, which has had a 16.6 million euro net negative impact to December 2022.

Italy has losses of 2.4 million euros, due to higher losses in the Auto line, as a result of higher claims severity.

In the year, the sale of subsidiaries in Indonesia and Philippines were formalized, which generated an attributable result for the Group of 5.9 and 3.4 million euros, respectively.

MAPFRE RE

MAPFRE RE is a global reinsurer and is the professional reinsurer of the MAPFRE Group.

MAPFRE RE offers reinsurance services and capacities, providing all kinds of solutions for reinsurance treaties and facultative reinsurance, in all Life and Non-Life lines.

MAPFRE RE also encompasses the GLOBAL RISKS Unit, which is the specialized unit within the MAPFRE Group for managing global insurance programs for large multinationals (policies that cover aviation, nuclear power, energy, civil liability, fire, engineering and transport for example).

The key data relating to MAPFRE RE is presented here.

Key figures

ITEM	DECEMBER 2022	DECEMBER 2021	Δ %
Gross written and accepted premiums	7,221.34	6,274.58	15.1%
- Non-Life	6,528.79	5,644.57	15.7%
- Life	692.55	630.01	9.9%
Net premiums earned	3,898.65	3,432.56	13.6%
Gross result	192.79	193.77	-0.5%
Tax on profits	(49.39)	(42.11)	
Attributable net result	143.40	151.65	-5.4%
Combined ratio	96.8%	97.1%	-0.3p.p.
Expense ratio	26.5%	29.0%	-2.5p.p.
Loss ratio	70.3%	68.1%	2.2p.p.

Figures in million euros

ITEM	DECEMBER 2022	DECEMBER 2021	Δ %
Gross written and accepted premiums	7,221.3	6,274.6	15.1%
Reinsurance Business	5,670.7	4,991.6	13.6%
Global Risks Business	1,550.6	1,283.0	20.9%
Attributable net result	143.4	151.7	-5.4%
Reinsurance Business	122.6	117.8	4.1%
Global Risks Business	20.8	33.9	-38.5%
Combined ratio	96.8%	97.1%	-0.3p.p.
Reinsurance Business	97.4%	98.2%	-0.8p.p.
Global Risks Business	90.0%	83.1%	6.9p.p.
Expense ratio	26.5%	29.0%	-2.5p.p.
Reinsurance Business	27.3%	29.9%	-2.6p.p.
Global Risks Business	16.5%	17.3%	-0.8p.p.
Loss ratio	70.3%	68.1%	2.2p.p.
Reinsurance Business	70.1%	68.3%	1.8p.p.
Global Risks Business	73.5%	65.8%	7.7p.p.

Figures in million euros

(*)2018 Global Risks data restated for comparison effect.

Premiums

Total written premiums in MAPFRE RE went up 15.1 percent compared to the previous year (net earned premiums grew 13.6 percent compared to the previous year).

Written premiums from the Reinsurance business reached nearly 5.7 billion euros, which is a 13.6 percent increase compared to the previous year, essentially as a result of a generalized rate increase in a favorable environment, an increase in participations in some cedent programs, as well as the impact from exchange rates.

Premiums from the Global Risks Unit, integrated in MAPFRE RE, reached almost 1.6 billion euros, representing 20.9 percent more than the previous period.

Composition of premiums

The breakdown of premium weight distribution to December 2022 is as follows:

ITEM	%	ITEM	%
By Type of business:		By Ceding company:	
Proportional	64.2%	MAPFRE	50.1%
Non-proportional	14.2%	Other	49.9%
Facultative	21.6%		
By Region:		By Insurance Lines:	
IBERIA	17.1%	Property	43.5%
EURASIA	38.3%	Life & Accident	13.0%
LATAM	31.2%	Motor	15.1%
NORTH AMERICA	13.4%	Global Risks business	21.5%
		Transport	3.5%
		Other	3.5%

Result

MAPFRE RE's attributable net result at the close of December 2022 reached 143.4 million euros, versus 151.7 million euros in 2021. The result was positive despite the increase in the number of mid-sized catastrophic events in the Reinsurance portfolio.

Regarding relevant claims, MAPFRE RE was affected by significant droughts in the Paraná River bed in Brazil and Paraguay. This loss had a 67.2 million euro impact on the Group attributable result.

Various other catastrophic events for lower amounts were also recorded (Eunice storm, Hurricane Fiona, floods in Australia and South Africa, hail storms in France, and Hurricane Ian in the United States).

Regarding COVID-related claims from previous years, to date there have been no relevant deviations, and approximately half of reported claims have been settled. The claims reported in the Property lines are concentrated in large part in certain business interruption coverage in Europe. In the immense majority of the property portfolio, business interruption coverage is dependent on the existence of material damage, and in this case, there is none. As such, this exposure only exists in exceptional cases. However, to date, there is still uncertainty about the final amount for possible claims and the results of certain claims that get taken to court or to arbitration, both with regards to the existence of coverage in original insurance policies as well as the validity of certain coverage claims in reinsurance contracts.

The attributable result of the Reinsurance business reached 122.6 million euros.

The attributable result of Global Risks business was a profit of 20.8 million euros.

The combined ratio of the Reinsurance business stands at 97.4 percent, while the combined ratio for the Global Risks business stands at 90.0 percent.

At the close of December 2022, net capital gains amounting to 3.4 million euros were recorded (70.2 million euros of capital gains to December 2021).

Shareholders' equity

The attributable equity increased 5.2 percent as a result of three effects:

1. A reduction of 282 million euros in unrealized gains on the available for sale portfolio as a result of the increase in interest rates.
2. An increase of 250 million euros from the capital increase carried out on December 30, 2022.
3. An increase of 143 million euros from the 2022 attributable result.

MAPFRE ASISTENCIA

MAPFRE ASISTENCIA specializes in travel assistance, roadside assistance, and other specialty risks of the Group.

Key figures

ITEM	DECEMBER 2022	DECEMBER 2021	Δ %
Operating revenue	432.00	559.57	-22.80%
- Gross written and accepted premiums	213.70	486.44	-56.07%
- Other revenue	218.30	73.14	198.47%
Net premiums earned	259.48	404.69	-35.88%
Result from other business activities	5.76	(4.75)	--
Gross result	10.62	(10.12)	--
Tax on profits	(3.42)	12.44	
Non-controlling interests	(0.34)	(1.71)	
Attributable net result	6.86	0.60	--
Combined ratio	97.12%	102.05%	-4.7p.p
Expense ratio	43.34%	48.08%	-4.7p.p
Loss ratio	53.78%	53.97%	-0.2p.p

Figures in million euros

Premiums

Premiums reached 213.7 million euros in MAPFRE ASISTENCIA, a 56.1 percent decrease compared to the previous year. The exit of Travel Insurance operations in the United Kingdom, and Century in the United States in the second half of last year, as well as the sale of the Australian and Middle Eastern business in the first half of this year, are the main cause of this reduction.

Non-insurance revenue improved 198.5 percent as a result of assistance revenue being considered revenue from services.

Result

The following chart provides a breakdown of MAPFRE ASISTENCIA's result before taxes, by region and business line at the close of December 2021:

REGION	ASSISTANCE	TRAVEL INSURANCE	SPECIALTY RISKS	Dec 2022	Dec 2021
EURASIA	0.9	2.3	5.1	8.3	10.8
LATAM	(1.1)	2.0	3.1	4.0	7.1
NORTH AMERICA	(12.8)	8.1	20.8	16.1	(17.6)
DISCONT. OPERATIONS	0.0	0.0	0.0	(17.8)	(10.4)
TOTAL	(13.0)	12.4	29.0	10.6	(10.1)

Figures in million euros

At the close of December, MAPFRE ASISTENCIA recorded a positive attributable result of 6.9 million euros. After several years of thorough restructuring of operations which are now considered to be completed, the unit is re-focused on business in LATAM and Europe.

In 2022, MAPFRE ASISTENCIA concluded the sale of its operations in Australia, Turkey, the Middle East, Greece, Philippines and Indonesia with an attributable result of 13.8 million euros. Additionally, there was a 4.6 million euro restructuring expense.

At the close of December, MAPFRE ASISTENCIA maintained a total of 12.1 million euros reclassified under the balance sheet heading assets held for sale, for assets from operations in Africa and Asia. The majority of these transactions are expected to be finalized during 2023, once the necessary formalities are completed in each market.

SIGNIFICANT ECONOMIC AND CORPORATE EVENTS

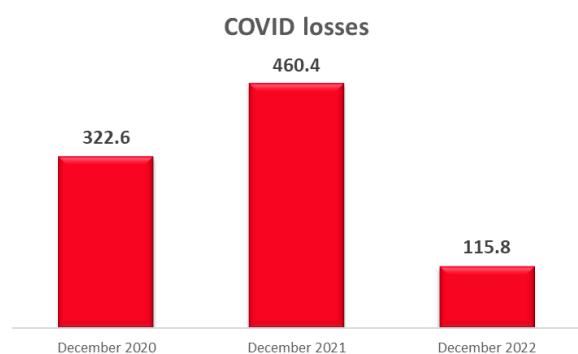
Relevant Economic Facts

Following the recommendations from ESMA and EIOPA, the impacts from the COVID pandemic, the Russian invasion of Ukraine, and the inflationary environment's impact on insurance operations' assets and liabilities are included in the significant economic events in this report.

The changing impact of the COVID-19 loss ratio

In 2022, losses were down thanks to the positive advances in vaccination, despite the arrival of new variants of COVID-19, as well as the return to normality after the elimination of health and mobility restrictions.

The accompanying chart shows accumulated losses to December each year.



The breakdown of COVID losses by region and business unit and line is as follows:

Regions and Units	December 2022	December 2021
IBERIA	14.3	32.7
LATAM NORTH	36.2	130.1
LATAM SOUTH	3.0	42.7
BRAZIL	27.1	188.7
NORTH AMERICA	2.3	2.7
EURASIA	0.5	3.3
TOTAL INSURANCE	83.3	400.2
MAPFRE RE	27.8	52.1
MAPFRE ASISTENCIA	4.6	8.0
TOTAL ACCUMULATED	115.8	460.4

Figures in million euros

Lines	DECEMBER 2022	DECEMBER 2021
LIFE PROTECTION	49.8	278.8
HEALTH	20.1	88.7
OTHER LINES	45.9	92.9
TOTAL ACCUMULATED	115.8	460.4

Figures in million euros

Invasion of Ukraine

On February 24, Russia began its invasion of Ukraine territory, initiating a war that continues today.

The direct impacts on both insurance and reinsurance activity as well as on investments held in Russia and Belarus have been immaterial.

In order to comply with the international sanctions against Russia for the Ukraine conflict, MAPFRE Group has issued global directives restricting direct insurance and reinsurance operations for Russian or Belarusian citizens with interests located in or destined for Russia or Belarus.

Impact of inflation on insurance and reinsurance operations

Persistent inflation has led to an increase in claims costs, especially in those Non-Life lines where the obligation to the client materializes through service provision. MAPFRE has chosen to implement efficiencies in its processes and reduce costs as a means of mitigating inflationary effects, as well as transfer to prices the minimum amount necessary to ensure sufficient tariffs to cover expected costs during the policy period.

This updating of tariffs, along with the insignificant amount of products with covers longer than one year, or where the payment of claims can be delayed for a period time (so-called long-tail lines), leads to MAPFRE having very limited exposure to inflationary impacts in its insurance liabilities.

Regarding investments related to insurance operations and inflationary impacts, MAPFRE opted in previous years to focus on diversification in alternative investments, primarily real estate and infrastructures, which offer additional protection against persistent inflation.

Further, MAPFRE chose in previous years to substitute part of its fixed coupon debt and bonds for securities with interest linked to inflation or to central bank interest rates, which provides protection against the current inflationary environment.

Interest rates and currency volatility

The rise in interest rates, the fall in equity markets, and the widening of credit spreads is negatively affecting shareholders' equity as a result of market price valuations. Interest rates have caused losses in valuation that do not constitute a risk to underlying earnings, however they reduce the value of assets and therefore of the net equity.

In the medium term, the financial result should improve as reinvestments are made at higher interest rates.

The US dollar and the majority of Latin American currencies have appreciated.

As such, at the close of December, the negative impact on assets as a result of the higher interest rates in investment portfolios reached nearly 1.8 billion euros, while currency conversion differences had a positive impact of 343.0 million euros.

Hyperinflationary economies

Economic indicators for Turkey continue to show adverse development, which has been reflected in a continuous depreciation of the currency against the euro. This fact has led to an accumulated negative impact in recent years in MAPFRE's consolidated shareholders' equity for the amount of 359.7 million euros, due to the loss of value of the subsidiary in this country from currency effects, as shown in section 5.2 of this report.

As established in EU-IAS 29 "Financial Reporting in Hyperinflationary Economies," the financial statements of companies registered in countries with high rates of inflation or hyperinflationary economies must be restated before being converted to euros.

As a result of the development of inflation in Turkey, MAPFRE has applied EU-IAS 29 to its subsidiary in this country. The following is a breakdown of the key impacts on MAPFRE Group financial statements at December 31, 2022:

- a. A 43.4 million euro increase in capital and reserves, primarily as a result of the revaluation of non-monetary assets from January 1, 2004 (date of the last restatement).
- b. A 16.6 million euro negative impact on results. This impact corresponds to the period from January to December 2022, which is reflected in the heading "Result from the restatement of financial statements".

Venezuela and Argentina continue to be considered hyperinflationary, with a 43.7 million euro negative impact on results in the period, indicated in the line "Result from the restatement of financial statements".

Catastrophic events**Drought in Brazil and Paraguay**

Since the end of December 2021 a catastrophic loss took place in the Agro line in Brazil and Paraguay, as a result of one of the greatest droughts in the last century in the Paraná river valley, with relevant impacts in the year.

At December 31, 2022, the attributable impact of this loss reached 112.9 million euros, of which, 67.2 million euros correspond to MAPFRE RE, 36.7 million euros correspond to Brazil and 9.0 million euros to Paraguay.

Hurricane Fiona

At December 31, 2022, as a result of Hurricane Fiona hitting Puerto Rico, MAPFRE Group has had a 31.0 million euro negative attributable impact, of which 19.7 million euros correspond to our subsidiary in that country and 11.2 million euros correspond to MAPFRE RE.

Debt issuances

On April 6, MAPFRE established the terms of an issue of subordinated notes for a nominal amount of 500,000,000 euros. The notes accrue a fixed annual coupon of 2.875 percent, whose payment may be deferred in certain circumstances. The maturity date of the notes is April 13, 2030.

The notes are governed by Spanish law and are admitted to trading on the Spanish regulated Fixed Income Securities Market.

The notes qualify as Tier 3 capital for MAPFRE and its consolidated group pursuant to the applicable solvency regulation.

Significant Corporate Events**Restructuring of MAPFRE ASISTENCIA**

In 2022, MAPFRE ASISTENCIA carried out a large part of its restructuring plan with the aim of continuing to adapt to the business' needs, and centering its operations in LATAM and Europe. The main transactions are the following:

- On January 7, 2022, an agreement was reached for the sale of MAPFRE INSURANCE SERVICES Australia. With this transaction, MAPFRE completed its exit from the Australian market, primarily focused on the sale and distribution of Travel Insurance. The attributable result of the transaction reached 6.0 million euros.
- In May, the sale of the assistance subsidiary in Turkey was closed for an amount similar to the company's shareholders' equity, which implied an attributable loss of 8.3 million euros from the recycling of the accumulated conversion differences.
- In June, the sale of the companies in the Middle East was formalized, which has implied an attributable result of 13.7 million euros.
- In August, the sale of the assistance subsidiary in Indonesia was closed, which implied an attributable result of 2.4 million euros.

- In November 2022, the assistance operation in the Philippines was sold. This transaction has implied an attributable result of 0.3 million euros.

Sale of ABDA

On March 7, 2022, MAPFRE reached an agreement for the sale of the entirety of its shareholding in the company PT ASURANSI BINA DANA ARTA TBK (ABDA), registered in Indonesia, which reached 62.3 percent.

MAPFRE first purchased its shareholding in ABDA in 2013 and bought another stake in 2017, through successive acquisitions for a total amount of 152.6 million euros, with an impairment of 102 million euros for this shareholding having been recorded in 2019 and 2020.

This transaction took place in August 2022 and has implied an attributable result of 5.9 million euros for the Group.

Sale of MAPFRE Insular

In May 2022, MAPFRE reached an agreement for the sale of MAPFRE Insular Insurance Corporation, registered in the Philippines in which MAPFRE held 74.9 percent of the share capital.

In October 2022, the sale was closed, which implied an attributable result of 3.4 million euros.

Merger of MAPFRE Peru Life and MAPFRE Peru

On June 1, 2022, the merger by absorption of MAPFRE PERÚ, CIA DE SEGUROS Y REASEGUROS, S.A. by MAPFRE PERÚ VIDA, CIA DE SEGUROS Y REASEGUROS, S.A., the latter now called MAPFRE PERU COMPAÑÍA DE SEGUROS Y REASEGUROS, took place.

The aim of this merger is to simplify administration, make the most of synergies and have more efficient capital management of the company.

This transaction generated a fiscal result that reached 13 million euros.

Ending of alliance with Caja Castilla la Mancha

On May 24, UNICAJA announced its decision to finalize the alliance for producing and distributing Life and Pension insurance through the UNICAJA network coming from Caja Castilla la Mancha.

On October 10, the transaction was formalized, with UNICAJA acquiring 50 percent, owned by MAPFRE, of CCM Vida y Pensiones, the company through which said alliance was carried out, for a consideration of 131.4 million euros, generating a net gain of 1.7 million euros.

Co-investment with Munich RE

In the third quarter of the year, MAPFRE Group, through MAPFRE INMUEBLES, formalized with MEAG (Munich RE's asset manager) a joint investment in a fund focused on real estate investment, with 50 percent participation from each party. MAPFRE contributed a singular property located in Madrid to the fund, resulting in a net gain of 28.5 million euros for the Group from this transaction.

Termination of Bancassurance alliance with BANKIA

MAPFRE has initiated legal proceedings in the courts of Madrid against the company that performed the valuation, Oliver Wyman, and against CAIXABANK, based on the incorrectness of the life insurance business valuation carried out by the company that performed the valuation in relation to establishing the price of the BANKIA VIDA shares that CAIXABANK had to pay for the termination of the bancassurance alliance between BANKIA and MAPFRE. These proceedings are currently underway, without anything worthy of mention having come to light so far.

Additionally, MAPFRE and CAIXA decided to submit to arbitration the discrepancy regarding whether MAPFRE should receive, as established in the contract, an additional 10 percent of the total Life and Non-Life business value in the alliance. In accordance with the valuation established by Oliver Wyman, this additional 10 percent would reach 52 million euros, though the amount could be modified in line with the result of the valuation proceedings. The arbitration began at the end of 2021 and it is hoped it is concluded in 2023.

New EU-IFRS 17 and EU-IFRS 9 standards

Starting January 1, 2023, EU-IFRS 17 "Insurance Contracts", which will substitute EU-IFRS 4", and EU-IFRS 9 "Financial Instruments", which will substitute EU-IAS 39, will enter into force.

Both standards are applicable for 2023 MAPFRE Group consolidated accounts, with a retrospective approach, providing a comparison with the 2022 figures.

Within MAPFRE Group, for 2023, only the companies in Malta and Portugal have to adapt to this standard as a result of local requirements from their respective insurance supervisors.

More detail on the impacts and implications of these new regulations is included in the consolidated annual accounts of the MAPFRE Group, within note 2 of the report, "Bases of presentation of the consolidated annual accounts".

ISSUES RELATING TO THE ENVIRONMENT, SECURITY AND EMPLOYEES

Environment

In November 2021, COP26 came to a close in Glasgow, from which the Net-Zero Alliance arose with the aim of achieving net zero insured portfolios of alliance members by 2050. MAPFRE joined this initiative during 2022 and is currently working together with the other members of the alliance to define a protocol for establishing objectives.

In 2022, the progress of the objectives defined for 2024 of the Environmental Footprint Plan continues. Said objectives, as well as the actions necessary to achieve them, are included in the 22-24 Sustainability Plan, to guarantee the aligned and coordinated action of all MAPFRE Group entities in this matter. Among the achievements obtained are:

- a. In June 2022, MAPFRE in Spain surpassed the target for self-consumption for 2024, with a generation of more than 3GWh per year. The installation of an additional 2 GWh is expected to be completed in the first quarter of 2023.
- b. 100 percent renewable electricity purchase contracts are already available, when the electricity market allows it, in Spain, Germany and Portugal. Progress continues in the percentage of kWh under this modality in Italy and Brazil, according to the planned planning.
- c. The new corporate expense standard has been approved with a clear objective of reducing the impact on the carbon footprint of work trips, mainly by plane. The standard is being adapted in all countries and in Spain it is directly implemented.
- d. Progress has been made with the implementation of hybrid remote work models in Group entities, which will reduce the carbon footprint of employees when traveling to the workplace.

In accordance with the neutrality strategy, MAPFRE's carbon footprint in Spain and Portugal has been offset, which involved the planting of more than 6,500 trees as part of reforestation projects. The selection of compensation projects is carried out in accordance with the Corporate Strategy for Greenhouse Gas Compensation, which defines the selection criteria to encourage the recovery of biodiversity and ensure ecosystem services and natural capital, going one step beyond the creation of carbon sinks.

To date, in the environmental aspect, MAPFRE continued to expand its certifications in this area, and already has 44 headquarters of Group companies in Spain, Brazil, USA, Mexico, Puerto Rico, Turkey, Peru, Italy, Germany, Colombia, Chile, Paraguay, Portugal and Argentina certified with ISO 14001, in addition to 26 headquarters buildings located in Spain, Puerto Rico and Mexico with ISO 50001 energy management certification.

Regarding the Carbon Footprint, the expansion of the scope of ISO 14064 also continues its progress according to the planned plan, having already verified the carbon footprint inventories of the Group entities located in Spain, Brazil, USA, Mexico, Puerto Rico, Turkey, Peru, Colombia, Chile, Germany, Italy, Portugal and the Dominican Republic.

Against the current backdrop of economic and climate crisis, the Circular Economy continues to stand out as a necessary solution, contributing to making companies more competitive and resilient. In this area, MAPFRE has certified its Data Processing Centers located in Alcalá de Henares in accordance with the AENOR Zero Waste Regulation, having previously maintained the same certification for the Group's headquarters located in Majadahonda (Madrid).

In relation to Natural Capital, the UN Conference on Biological Diversity (COP 15) took place in 2022, with the aim of agreeing on a new global framework to transform society's relationship with biodiversity and guarantee that, for 2050, the shared vision of living in harmony with nature is fulfilled. In this context, MAPFRE is analyzing, together with Fundación Biodiversidad, its current commitment in terms of Biodiversity and Natural Capital, to define the new challenges and objectives aligned with this new global framework.

Security

During 2022, work continued to ensure a safe environment in which MAPFRE could carry out its activity normally, through the protection of tangible and intangible assets, including the services it provides to its clients, as established by the Corporate Security and Privacy Policy approved by the Board of Directors of MAPFRE S.A. on December 13, 2018.

In relation to protection against cyber risks, this year the MAPFRE Group's Cyber Resilience Plan (PCR) has continued to be deployed, a master plan that articulates MAPFRE's evolution in terms of Cybersecurity, Privacy, Data Protection and Operational Resilience Digital.

As at the end of 2022, the PCR was 55 percent deployed compared to what is envisaged in the plan for same. Highlights from the year include action taken to improve the protection of critical elements of the technological platform, the deployment of information technological security solutions updates to better protect job positions and email services, including access to cloud environments, the definition of the evolution of the protection architecture for remote access to the MAPFRE network and the new security support model for projects that use agile methodologies and platforms (DevSecOps).

In addition, the increase in remote work and the appearance of new cyber attack mechanisms that exploit weaknesses in knowledge and/or awareness have required a new boost in actions to improve the culture of cybersecurity. Thus, during 2022, development of the "Firewall Mindset MAPFRE, #CybersecuritCulture" was finalized in Spain, and the initiative, which aims to improve cybersecurity awareness through interactive and dynamic training that sees employees completing a practical case of identifying a targeted phishing attack, was rolled out to other companies. As at year end, 14,417 cyberagents (employees) had completed the training exercise.

To verify the effectiveness of the training and awareness actions carried out, cyber exercises are carried out on a recurring and systematic basis aimed at evaluating the behavior of employees in the face of the most common cyber attacks. In 2022, the percentage of employees who performed adequately in these exercises exceeded 83 percent.

In addition to the previous actions, MAPFRE has continued to promote collaboration with external entities, forming part of specialized cybersecurity groups, such as the EFR's Cybersecurity Working Group, the CRO Forum's Ransomware Working Group and the Logical and Physical Security Working Group of UNESPA. In terms of privacy, MAPFRE Group experts are part of the Digital Transformation Working Group - GDPR of the Pan-European Insurance Forum (PEIF), the Working Group - Data Breach of the Data Privacy Institute (DPI) and the Data Protection working groups. Data and Digitization and Innovation of UNESPA.

In relation to Resilience and Continuity of Operations, it is worth highlighting the granting in 2022 by AENOR of the ISO22301 Business Continuity Management Systems Certification to the MAPFRE insurance companies located in Panama and Costa Rica, as well as to MAPFRE Investimentos of Brazil.

Added to the new certifications is the renewal and maintenance of those obtained in previous years by MAPFRE ESPAÑA, MAPFRE RE, MAPFRE GLOBAL RISKS, MAPFRE INVERSIÓN, MAPFRE Portugal, MAPFRE México, MAPFRE Turkey, MAPFRE Puerto Rico, MAPFRE BHD (Dominican Republic), MAPFRE Honduras, and the Global SOC of the MAPFRE Group, which means that 63 percent of the Group's premiums are covered by certified Business Continuity Plans.

In terms of privacy and data protection, in 2022, work was done on the automation and optimization of processes associated with compliance with the different legislation in force in this field, with the aim of facilitating a better response to requirements and minimizing human error.

In addition, in order to strengthen transparency in data processing and improve accessibility to the protection measures established at MAPFRE, the documents relating to privacy on our websites have been updated to provide greater detail. Additionally, a specific section on data protection has been implemented on the corporate website, where the MAPFRE Security document has been included, with more comprehensive information on this subject.

Another of the lines of work undertaken during 2022 has been the development of Binding Corporate Regulations (BCR). Work commenced with the Spanish Agency for Data Protection with the aim of having these BCRs approved after the favorable opinion of the Committee European Union of Data Protection and in this way, ensure that MAPFRE has a level of protection in place that is essentially equivalent to that of the European Union in all Group companies, regardless of their location.

In relation to the protection of people, over the course of 2022 work continued on the design and implementation of specific measures in events, business trips and staff secondment, including training actions and direct and specialized support in the event of risk or crisis situations, monitoring more than 600 trips made by employees from different countries through the "We travel with you" website on the Group's Intranet.

In addition, installation and maintenance of security and fire protection systems was carried out in 183 buildings, and more than 175 emergency drills were carried out in these installations, with more than 4,500 employees receiving related training.

Employees

The accompanying chart shows the headcount at the end of 2022, compared with the headcount for the previous fiscal year.

CATEGORIES	TOTAL NUMBER	
	2022	2021
BOARD DIRECTORS (*)	17	18
EXECUTIVES	45	48
SENIOR MANAGEMENT	1,616	1,628
MANAGERS	4,896	4,602
ADVISORS	15,581	16,500
ASSOCIATES	9,138	9,545
TOTAL	31,293	32,341

Executive board directors of Spanish companies.

MAPFRE is a global company built on the continuous effort of 31,293 people who lie at the heart of our people management strategy, the pillars of which are development, promotion and well-being.

The levers we use to meet these major challenges are:

- Strategic business needs
- Active listening to our employees
- A workplace centered on well-being that offers an inclusive and diverse environment that allows people to express themselves freely
- Developing capabilities through continuous learning, self-development and mobility
- Training in digital capabilities and new work methodologies
- Promoting social sustainability through constant improvement in the quality of employment and employability

With MAPFRE's commitment to people, our company becomes a place where the time that each person invests becomes meaningful.

Working in this regard helps to further our transition to a more open, more digital, and more transformative company.

MAPFRE has a Capability Transformation plan whose main objective is to identify and develop the necessary knowledge for the business in the short and medium term, in addition to improving employability with development plans, career plans, training itineraries, upskilling, reskilling and retention plans.

All countries define succession plans up to the third organizational level. These plans have a common methodology that defines immediate, short-term and medium-term replacement, as well as the professional road maps in order to prepare potential successors.

At MAPFRE, transfers remain essential for employee development and employability. In 2022, 15.7 percent of employees were transferred, representing 4,532 employees. In addition, 86.2 percent of managerial positions were filled internally.

A total of 41 percent of selection processes were covered by internal mobility.

MAPFRE has a global knowledge management technology platform in place, called Eureka, where all employees can connect to share knowledge and best practices

Currently more than 2,700 pieces of knowledge have been contributed from the company's 15 areas of knowledge, and more than 1,450 employees worldwide have been identified as Knowledge References, as they are the ones who mainly disseminate it.

MAPFRE promotes employee learning through its Corporate University, and all training activities are designed in accordance with its business strategy and objectives. The Corporate University has 15 schools, 17 knowledge rooms and an InnoLAB, and is present in all countries in which MAPFRE operates.

The company focuses on continuous and permanent collaboration with the world of education at a global level through our Universities Plan: "MAPFRE with Universities."

The plan is executed globally through three main pillars:

- Promoting knowledge of the insurance culture.
- Our "Grow with Us" Intern Plan.
- Sharing knowledge through a two-way relationship of collaboration, innovation and knowledge transfer.

We have developed a global transformational leadership plan in which we accompany leaders in a process toward a new way of working and leading. The plan will be implemented over three years and aims to support leaders and guide them so they can offer the "best version" of themselves.

Since MAPFRE is a company that cares for people, it establishes appropriate and competitive remuneration according to function/job position, merits and performance. This remuneration is based on applicable regulations while guaranteeing equality and nondiscrimination. The remuneration model focuses on productivity and the generation of added value, with flexibility to adapt to the different groups and circumstances of an increasingly demanding talent market.

Its guiding principle is a transparent Remuneration Policy, known to all employees, that makes remuneration an element of motivation and satisfaction, enabling the targets to be met and the strategy to be fulfilled within the framework of the company's long-term interests.

This policy also promotes appropriate and efficient risk management by discouraging both the acceptance of risks that exceed the company's tolerance limits and conflicts of interest. It gives specific treatment to the remuneration of the management groups and those with special impact on the company's risk profile.

To fulfill its Sustainability Plan 2022–2024, MAPFRE has committed to reducing its pay gap to within +/-1 percent by 2024. Therefore, in 2022, the methodology for calculating the equal pay gap, verified in 2018 by the consulting firm Ernst & Young (EY), continued to be applied.

Following the extraordinary success of the 2022 Share Remuneration Plan in Spain, a new flexible Remuneration Plan for Group employees in Spain was launched for 2023, with the aim of increasing their link to the company's strategy and future profit. Like the previous one, this plan offers the possibility of voluntarily allocating an annual amount of remuneration to the purchase of MAPFRE S.A. shares, although in this new edition there will be no delivery of additional shares. These shares will be delivered monthly throughout 2023. The new plan had a total of 1,581 applicants, representing 15 percent of the workforce in Spain, which continues to reflect a high level of trust among employees in the company's future.

MAPFRE is a diverse, egalitarian and inclusive company with a Global Diversity and Equal Opportunity Policy approved by the MAPFRE Board of Directors on July 23, 2015, and a Diversity, Inclusion and Equity Strategy called Inclusion for Sustainable Growth. People from five different generations coexist in the company, contributing and deploying all their talent and complementing each other with equal opportunities.

Both the aforementioned policies and the other corporate policies are available to the workforce on the Global Intranet.

Since February 2020, MAPFRE has been a signatory of the United Nations Women's Empowerment Principles. In 2021 and 2022, it was included in the Bloomberg GEI (Gender Equality Index), which distinguishes companies around the world that stand out for promoting equality and for their transparency in information related to gender issues. As at the end of 2022, women held 31.7 percent of management positions and accounted for 42 percent of job positions of responsibility.

MAPFRE promotes the integration of people with disabilities into the workforce and committed to ensuring that 3.5 percent of its employees are people with disabilities. Since 2015, the Group has had a Global Disability Program in place that has been implemented in every country, and it includes measures to promote integration and a culture of awareness. In 2022, people with disabilities made up 3.5 percent of the workforce.

Since October 2021, the group has been a part of the International Labour Organization (ILO) Global Business and Disability Network, which aims to help make corporate employment policies and practices more inclusive of people with disabilities worldwide, as well as to increase awareness of the positive relationship between disability inclusion and business growth.

The objective of the Policy on Health, Well-being, and Prevention of Occupational Risks is to protect and promote a safe and healthy workplace and improve the health of our employees and their families, both inside and outside the workplace. The Global Healthy Company Management Model, implemented worldwide, includes five areas of action: labor environment, health promotion, physical activity and nutrition, and mental well-being and work environment.

MAPFRE is present worldwide, with employees of 81 nationalities, giving the Group great cultural diversity and providing the talent it needs to successfully conduct its business activities while activating collaboration and sharing knowledge.

MAPFRE supports the diversity of sexual orientation and in 2020 adopted the Standards of Conduct for Business for Tackling Discrimination against Lesbian, Gay, Bi, Trans, & Intersex (LGBTI) People, an opportunity to expand companies' contribution to the fight against discriminatory practices around the world.

The company has implemented an active listening and experience measurement model that promotes employee participation and allows them to participate directly in decision-making on issues that affect them. This model involves the ongoing measurement of the employee's life cycle, identifying their different times of interaction with the company, from before they join the company until the time that they leave it, and is complemented by the continual measurement of employee satisfaction and commitments.

MAPFRE has a model in place to measure the employee experience:

- eNPS® Survey (RELATIONAL eNPS®).
- Employee experience life cycle analysis (TRANSACTIONAL eNPS®).

- Human Resources Perceived Quality Index.

The eNPS® survey, which is conducted twice a year, provides indicators on recommendation, satisfaction and engagement, among others.

- Relational eNPS®: The employee net promoter score measures the likelihood that employees will recommend MAPFRE as a company to work for. In 2022, this was measured in 29 countries, and 91 percent of the workforce asked to rate this aspect gave a response of Very good or Excellent.
- Employee Satisfaction Index - ESI: Measures employee satisfaction by assessing the following 10 elements: knowledge of objectives, pride in work carried out, recognition for work carried out, contribution to the company, receipt of quality feedback, opportunities for development, collaboration, work tools, care for people, pride in the social footprint. In 2021, the result was 70 percent.

MAPFRE has deployed a People app to serve as a channel for communication and interaction with employees in Spain, Mexico, Brazil, Turkey, Peru, Puerto Rico, and Germany, with a total of 12,734 active users. This information, communication and management channel aimed at employees allows them to, among other things, receive notifications, view their salary receipts, request medical appointments, communicate leave and vacations, read important news and information about their workplace and sign up for volunteer activities.

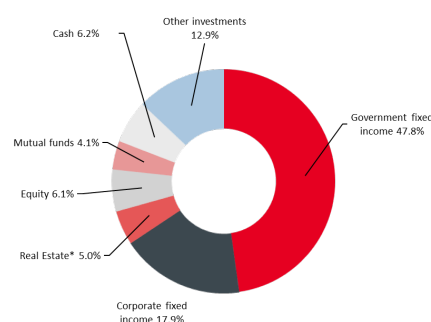
The Human Rights Policy guarantees the right to freedom of opinion, information and expression, respecting the diversity of opinions in the company and promoting dialog and communication, as well as the right to a safe and healthy working environment in which any display of harassment and violent or offensive behavior toward the rights and dignity of people is rejected. The Group expressly opposes, and does not tolerate, any harassment in the workplace, regardless of who the victim or perpetrator is. This commitment must be present in all relationships between employees and in relationships between employees and providers, clients, collaborators, and other stakeholders. Furthermore, it also extends to all the organizations with which MAPFRE works.

To facilitate well-being and a healthy work-life balance, MAPFRE offers its employees a wide range of company benefits, which accounted for an investment of 166.5 million euros in 2022.

LIQUIDITY AND CAPITAL RESOURCES

INVESTMENTS AND LIQUID FUNDS

Details of the investment portfolio* by type of assets, as of December 31, for the last two financial years is shown in the following graph.



ITEM	DECEMBER 2022	DECEMBER 2021	Δ %
Government fixed income	19,778.9	22,879.0	-13.5%
Corporate fixed income	7,405.9	7,617.4	-2.8%
Real Estate*	2,065.5	2,331.9	-11.4%
Equity	2,504.1	3,051.8	-17.9%
Mutual funds	1,713.7	1,877.3	-8.7%
Cash	2,574.7	2,887.7	-10.8%
Other investments	5,345.0	5,514.7	-3.1%
TOTAL	41,387.9	46,159.7	-10.3%

Figures in million euros

*"Real Estate" includes both investment property and real estate for proprietary use (at acquisition price).

A breakdown of the Fixed Income portfolio by geographical area and asset type follows:

ITEM	Government	Total Corporate Debt	Total
Spain	8,902.9	1,569.4	10,472.3
Rest of Europe	4,229.9	2,647.6	6,877.5
United States	1,008.6	2,098.5	3,107.2
Brazil	2,733.6	1.4	2,735.1
Latin America - Other	2,005.2	750.9	2,756.1
Other countries	898.7	338.0	1,236.7
TOTAL	19,778.9	7,405.9	27,184.8

Figures in million euros

MAPFRE AND SUBSIDIARIES

Four different types of portfolios are included in investment portfolio management:

- Those that aim for a strict immunization of the obligations derived from insurance contracts, and which minimize interest rate risk, through matching adjustments, by means of immunization techniques based on matching cash flow or duration.
- Portfolios that cover Unit-Linked policies composed of assets where the risk is borne by policyholders.
- Conditioned actively managed portfolios, that aim to exceed guaranteed returns and to obtain greater returns for policyholders within prudential parameters, such as portfolios with profit-sharing.
- Freely actively managed portfolios, which are only conditioned by the legal rules and internal risk limitations.

The following is a breakdown of actively managed Fixed Income portfolios:

		Market value (€bn)	Accounting yield (%)	Market yield (%)	Modified duration (%)
IBERIA NON-LIFE	12/31/2022	3.00	2.16	3.60	8.97
	12/31/2021	3.97	2.08	0.69	10.93
MAPFRE RE NON-LIFE	12/31/2022	3.26	1.87	4.04	3.46
	12/31/2021	3.18	1.28	0.69	3.78
IBERIA LIFE	12/31/2022	4.18	3.34	3.31	5.85
	12/31/2021	5.18	3.38	0.21	6.60
BRAZIL - MAPFRE SEGUROS	12/31/2022	0.94	8.85	11.44	2.86
	12/31/2021	1.13	7.05	8.73	3.07
LATAM NORTH	12/31/2022	1.05	7.06	7.55	3.12
	12/31/2021	0.99	5.48	5.39	3.48
LATAM SOUTH	12/31/2022	1.39	8.93	10.93	4.56
	12/31/2021	1.66	6.85	6.06	6.24
NORTH AMERICA	12/31/2022	1.80	2.62	5.30	4.40
	12/31/2021	1.98	2.47	1.74	5.63

The accounting yield of the IBERIA and MAPFRE RE Non-Life portfolios to December 31, 2022, would reach 2.4 and 2.1 percent excluding the impact of inflation-linked bonds.

At December 31, 2022, the unrealized capital losses on equity and mutual funds from IBERIA and MAPFRE RE's freely actively managed portfolios reached 12 million euros.

Assets under management

The following chart reflects the development of assets under management, which include the total Group investment portfolio as well as pension and mutual funds:

ITEM	DECEMBER 2022	DECEMBER 2021	Δ %
Investment portfolio	41,387.9	46,159.7	-10.3%
Pension funds	5,700.7	6,431.3	-11.4%
Mutual funds and other	5,526.0	5,403.3	2.3%
TOTAL	52,614.5	57,994.3	-9.3%

Figures in million euros

Real estate

The MAPFRE Group's strategy on real estate investments, both direct and through mutual funds, followed similar guidelines to the previous year. On the one hand, its investment focused on office properties in central locations in the main Eurozone capitals, profitable assets and top-level tenants; in short, assets with high price stability and resilience to crisis scenarios. And on the other hand, divestment from assets that do not fit that definition to the extent that they are unnecessary for MAPFRE's insurance operations.

New real estate investments are being made through agreements with top-tier international partners that provide their management capacity in markets such as France, Germany, Italy, Benelux, etc., including both preexisting agreements and those launched in 2022. These include the company's new agreement with Munich RE and its management firm (MEAG), with an expected investment volume of 500 million euros in its first phase, invested in Germany and Spain through an asset exchange; and the second fund managed by the Macquarie group, with a pan-European scope and an estimated investment volume of 500 million euros, which will incorporate its first assets imminently. As in previous cases, different companies in the MAPFRE Group invest in these funds.

The investment of the existing funds continued, with three assets being included in the pan-European agreement with Swiss Life totaling 72 million euros.

Several investments were also made in specialized funds in which MAPFRE does not participate as a manager.

Apart from these schemes, investments continue to be made on a one-off basis in real estate for the direct portfolio of Group companies, including the purchase of an office asset in Lima (Peru) for xx million euros this year. A building was also constructed that serves as MAPFRE Peru's headquarters.

On the divestments side, various sales agreements have been executed, on the one hand, for office buildings in Spain that did not fit into the group's current strategy; and on the other, for land, once purchased for housing developments, that has been sold for a combined amount of 87.5 million euros.

Investment asset rental plans are implemented consistently from year to year, and in 2022 the occupancy rate of assets located in Spain was raised by 0.6 percent, taking the overall occupancy rate for properties in Spain to 87.2 percent, with the direct portfolio in Spain producing a return of 3.83 percent for 2022.

At the end of 2022, MAPFRE's real estate investments at market value amounted to just over 2.9 billion euros, a net book value equivalent to 5.1 percent of total investments.

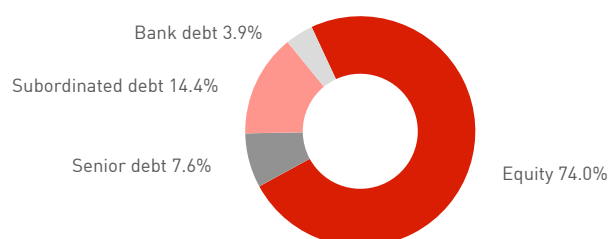
It was a year of consolidation for the infrastructure investments already made by MAPFRE in previous years. In the case of the investment with Macquarie, it was possible to commit 100 percent of the fund's size one year earlier than expected, and it will begin to distribute returns next year, as will the MAPFRE Energías Renovables I fund. Valuations have been maintained upward, thus showing its resilience to macroeconomic changes; the funds with Macquarie (invested in December 2020) are valued at 1.10x, and the co-investment in Iberdrola assets (which started in June 2021) is at 1.07x.

With regard to the MAPFRE Energías Renovables I fund, this year it was classified in the CNMV as an Article 8 fund under the SFDR sustainability standard. According to the sustainability KPIs at the close of the second quarter, 70,356 tons of CO₂ equivalent were reduced from the atmosphere, having supplied 39,436 Spanish households with green energy and prevented 469,051 trees from being cut down per year.

CAPITAL RESOURCES

Capital structure

The accompanying chart shows the composition of the capital structure at the close of 2022



Capital structure reached almost 11.3 billion euros, of which 74.0 percent corresponds to equity. The Group leverage ratio is 26.0 percent, a 1.8 percentage point increase compared to the close of 2021.

Debt instruments and leverage ratios

The following chart shows the evolution of the Group's debt instruments and leverage ratios:

ITEM	DECEMBER 2022	DECEMBER 2021
Total Equity	8,360.0	9,666.4
Total debt	2,934.7	3,091.5
- of which: senior debt - 5/2026	863.5	863.0
- of which: subordinated debt - (Issue 2022)	504.3	0.0
- of which: subordinated debt - 3/2047 (First Call 3/2027)	618.6	618.0
- of which: subordinated debt - 9/2048 (First Call 9/2028)	504.2	504.0
- of which: syndicated credit facility - 02/2025 (€ 1,000 M)	237.0	621.0
- of which: bank debt	207.2	485.5
Earnings before tax	1,397.6	1,355.1
Financial expenses	102.4	81.9
Earnings before tax and financial expenses	1,500.0	1,437.0
RATIOS		
Leverage	26.0%	24.2%
Equity / Debt	2.8	3.1
Earnings before tax and financial expenses / financial expenses	14.6	17.5

Figures in million euros

At December 31, 2022, the leverage ratio was above the 25 percent maximum limit of the Group reference framework. This is a temporary situation, from the previously mentioned fall in net equity resulting from the higher interest rates.

The Group expects to recover the 23-25 percent reference framework in the coming quarters with the expected increase of Group equity. However, MAPFRE has other levers available to reduce its debt level, if necessary to achieve this target ratio..

Equity developments

Consolidated equity amounted to nearly 8.4 billion euros at December 31, 2022, as compared to almost 9.7 billion euros at December 31, 2021. To December 31, 2022, the 1.1 billion euros in non-controlling interests' shares in subsidiaries corresponds primarily to financial entities in Spain and Brazil with which MAPFRE has bancassurance agreements. Consolidated equity attributable to the controlling Company per share was 2.36 euros at December 31, 2022 (2.75 euros at December 31, 2021).

The accompanying chart shows changes in equity attributable to the controlling Company in the period:

ITEM	DECEMBER 2022	DECEMBER 2021
BALANCE AT 12/31 PREVIOUS YEAR	8,463.4	8,536.0
Additions and deductions recognized directly in equity		
Financial assets available for sale	(3,470.7)	(1,425.3)
Shadow accounting	1,715.1	947.7
Subtotal	(1,755.5)	(477.6)
Currency conversion differences	343.0	139.4
Other	28.0	12.2
TOTAL	(1,384.6)	(326.0)
Result for the period	642.1	765.2
Dividends	(446.5)	(415.6)
Other changes in net equity	14.8	(95.9)
BALANCE AS AT PERIOD END	7,289.3	8,463.6

Figures in million euros

Equity attributable to the controlling Company at the close of December 2022 includes:

- A decrease of 3.5 billion euros in the unrealized capital gains from the financial assets available for sale portfolio, as a result of the increase in interest rates, partially offset by shadow accounting for 1.7 billion euros.
- An increase of 343.0 million euros from currency conversion differences, mainly due to the appreciation of the Brazilian real, the US dollar, and the Mexican peso.
- Earnings to December 2022 for the amount of 642.1 million euros.
- A reduction of 446.5 million euros from the 2021 final dividend and the 2022 interim dividend.

MAPFRE AND SUBSIDIARIES

The breakdown of equity attributable to the controlling Company is as follows:

ITEM	DECEMBER 2022	DECEMBER 2021
Capital, retained earnings and reserves	9,686.0	9,497.4
Treasury stock and other adjustments	-11.9	-61.7
Net capital gains / losses	-951.5	804.0
Unrealised gains / losses (Available for sale portfolio)	-827.4	2,643.3
Shadow accounting (Gains allocated to provisions)	-124.2	-1,839.3
Currency conversion differences	-1,433.3	-1,776.3
Attributable equity	7,289.3	8,463.6

Figures in million euros

The 827.4 million euros in net capital losses include 118.0 million euros corresponding to unrealized gains in the Life portfolio in Spain.

The following table shows a breakdown by region and Business Unit of gains/losses in the available for sale portfolio, net of shadow accounting, as well as its variation in the period:

Region / Unit	December 2022	December 2021	Var.
IBERIA	(220.7)	777.4	(998.1)
LATAM	(208.9)	(66.8)	(142.1)
NORTH AMERICA	(229.9)	43.9	(273.8)
EURASIA	(70.5)	(1.1)	(69.4)
TOTAL INSURANCE	(730.1)	753.3	(1,483.4)
MAPFRE RE AND OTHER	(221.4)	50.7	(272.1)
TOTAL	(951.5)	804.0	(1,755.5)

Figures in million euros

The following table shows a breakdown of the currency conversion differences and variations:

CURRENCY	DECEMBER 2022	DECEMBER 2021	VARIATION
US dollar	601.2	458.9	157.8
Brazilian real	(857.4)	(940.9)	3.8
Venezuelan Bolivar	(420.2)	(419.2)	4.1
Turkish lira	(359.7)	(386.6)	-40.7
Argentine peso	(92.9)	(111.6)	10.2
Mexican peso	(97.9)	(129.4)	11.5
Colombian peso	(101.2)	(81.9)	-19.3
Other currencies	(105.2)	(165.7)	60.5
Total	(1,433.3)	(1,776.3)	343.0

Figures in million euros

Hyperinflationary economies' effect on Equity

The Group accounting policy for recording operations in hyperinflationary economies consists of recording the accounting effects from inflation adjustments in non-monetary items and from currency conversion differences in Equity, with both recycled in P&L. The amounts included in the line "Currency conversion differences" and its variation in recent periods are the following:

ITEM	DEC 2020	Var. 2021	DEC 2021	Var. 2022	DEC 2022
Restatement for inflation	582.5	20.7	603.2	92.6	695.8
Currency conversion differences	(1,127.6)	(6.4)	(1,134.0)	(434.5)	(1,568.5)
Net	(545.1)	14.3	(530.7)	(342.0)	(872.7)

Figures in million euros

The breakdown, by country, of results from accounting restatement and equity from the subsidiaries operating in hyperinflationary economies is as follows:

COUNTRY	Results from restatement		Attributable equity	
	DEC 2022	DEC 2021	DEC 2022	DEC 2021
Argentina	(43.5)	(12.7)	95.7	73.2
Venezuela	(0.2)	(0.5)	5.2	5.8
Turkey	(16.6)	0.0	49.6	62.9
Total	(60.3)	(13.2)	150.5	141.9

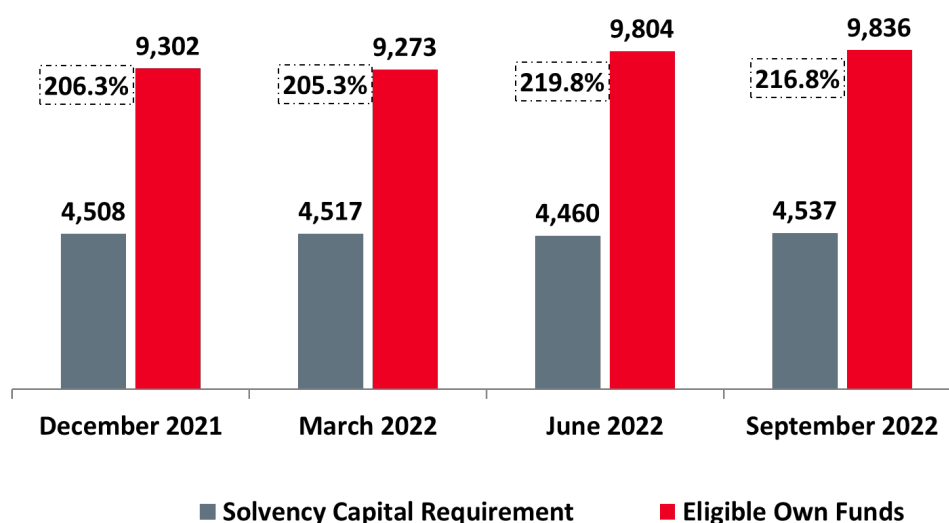
Figures in million euros

SOLVENCY II

The Solvency II ratio for MAPFRE Group stands at 216.8 percent at September 2022, compared to 206.3 percent at the close of December 2021, including transitional measures. This ratio would be 206.9 percent, excluding the effects of these measures. Eligible own funds reached over 9.8 billion euros in the same period, of which 84.0 percent are high quality funds (Tier 1).

The ratio shows a high level of solidity and stability, backed by high diversification and strict investment and asset and liability management (ALM) policies, as can be seen in the accompanying charts.

Solvency margin breakdown (Solvency II)

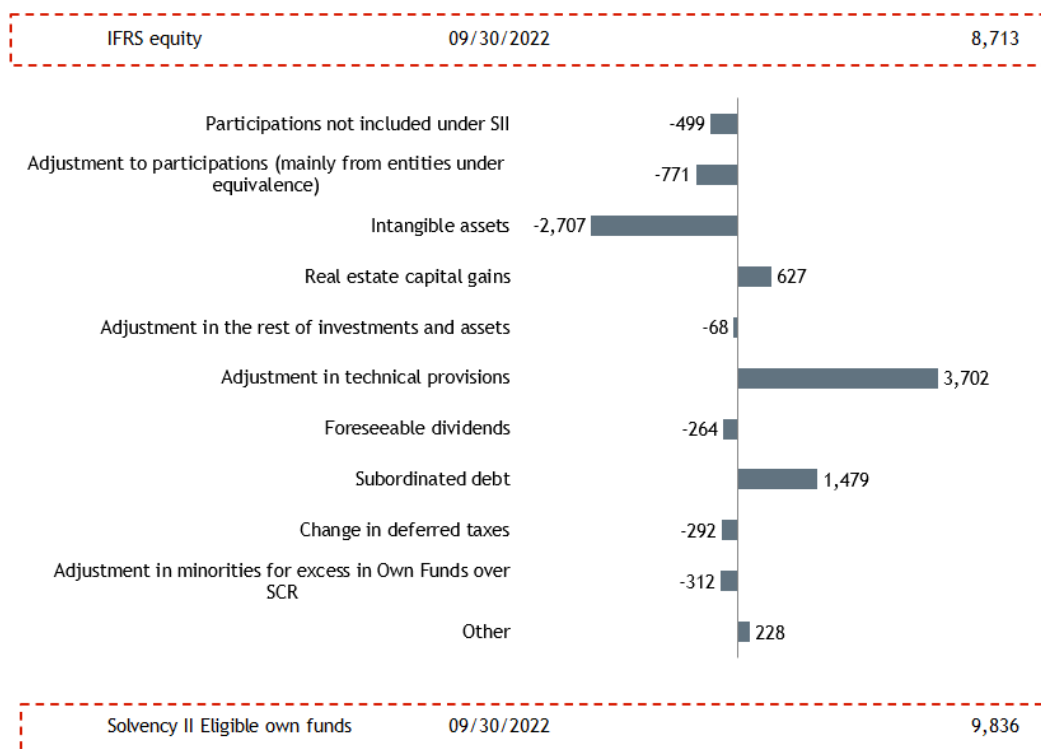


The Group recalculates the SCR quarterly, applying estimates in the underwriting and counterparty risk.

Impact of transitional measures and matching and volatility adjustments

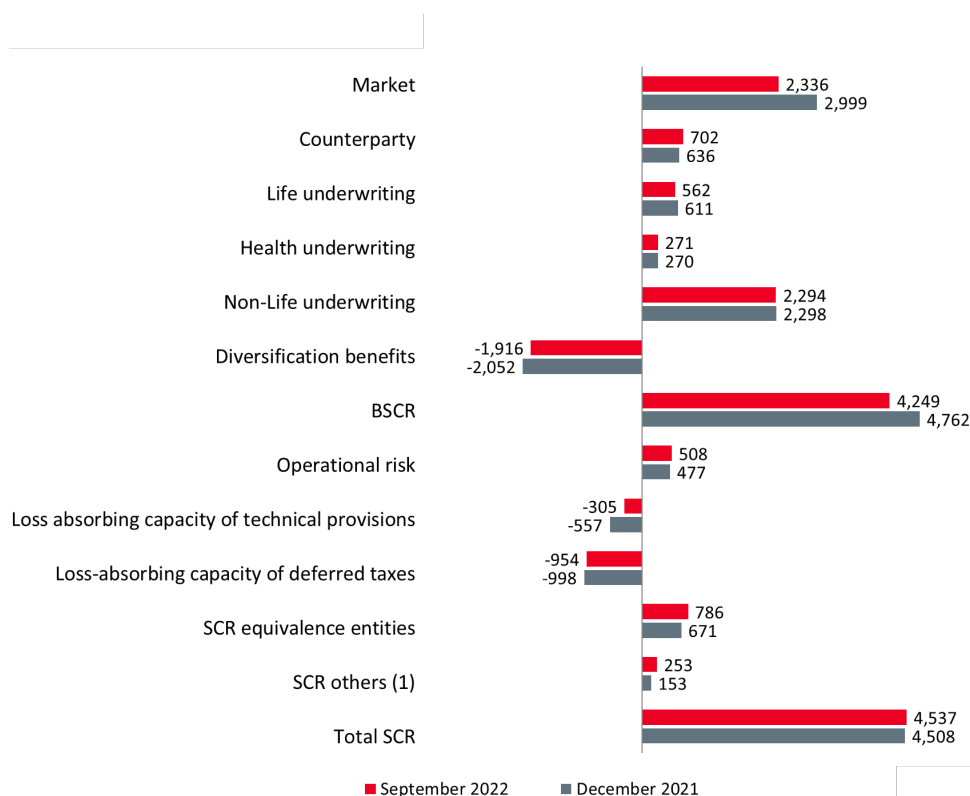
Ratio at 09/30/2022	216.8%
Impact of transition for technical provisions	-9.9%
Impact of equity transitional	—%
Total ratio without transitional measures	206.9%
Ratio at 09/30/2022	216.8%
Impact of matching adjustment	0.2%
Impact of volatility adjustment	-0.8%
Total ratio without matching and volatility adjustments	216.2%

IFRS and Solvency II Capital Reconciliation



Breakdown of Solvency Capital Requirement (SCR)

The breakdown of the SCR calculated to September 2022 and December 2021, is as follows:



Regulatory aspects in progress

The European Commission's proposed modifications to the Solvency II Directive adopted September 22, 2021 are in line with EIOPA's position of allowing diversification in the rest of the business for portfolios using the matching adjustment. Although it is necessary to wait for the result of the negotiations between the European Parliament and the Council, this diversification is expected to be allowed in the final modification. There is no effective date yet for these modifications, and it would be difficult for them to enter into force before 2024.

The following chart shows the impact approval of this measure would have on the Solvency II ratio, based on September 30, 2022 figures:

09/30/2022	
Solvency II ratio	216.8 %
Matching adjustment - diversification	3.2 %
Solvency II ratio (pro-forma, combined impact)	220.0 %

End of the alliance with CAJA CASTILLA LA MANCHA

After the exit of CCM Vida y Pensiones from MAPFRE Group in October 2022, there was a cash inflow of 131.4 million euros, which is expected to improve the Group Solvency position by approximately 1.7 percentage points.

ANALYSIS OF CONTRACTUAL OPERATIONS AND OFF-BALANCE SHEET OPERATIONS

At the fiscal year-end, MAPFRE had the following formal agreements in place related to the development and distribution of insurance products in Spain with different companies, some of which have undergone, or are currently immersed in, processes related to the restructuring of the banking system:

- Agreement with Bankinter S.A. for the exclusive distribution of Life and Accident insurance and pension schemes of the jointly owned company BANKINTER SEGUROS DE VIDA (of which MAPFRE owns 50%), through the bank's sales network.

The acquisition price for the shares was 197.2 million euros in cash, plus two payments of 20 million euros each plus interest to be paid, in light of the degree of compliance with the Business Plan, in the fifth and tenth year of said plan. In 2012, the degree of compliance with the Business Plan led to payment of the first additional amount, namely 24.2 million euros. As the long-term objectives were not achieved, the provision set up for an amount of 29 million euros was canceled during the first quarter of 2017.

On April 1, 2016, BANKINTER SEGUROS DE VIDA, owned 50-50 by Bankinter and MAPFRE, purchased the insurance business of Barclays Vida y Pensiones in Portugal for the sum of 75 million euros.

- Agreement with Bankinter, S.A. for the exclusive distribution of general and business insurance (excluding Automobile, Travel assistance and Homeowners insurance) of the jointly owned company BANKINTER SEGUROS GENERALES (of which MAPFRE owns 50.1%), through the bank's sales network.

The acquisition price of the shares was 12 million euros in cash (in addition to the payment of 3 million euros for the purchase of shares on December 27, 2011), plus an additional 3 million euros to be paid in the event of full compliance with the "December 2012 Business Plan" by the end of 2015. This additional price has not accrued due to non-compliance with this Business Plan.

- Agreement with Banco Santander S.A. for the exclusive distribution of certain Non-Life products. In January 2019, an agreement was reached whereby MAPFRE ESPAÑA would acquire from Banco Santander 50.01% of a newly established company to sell automobile insurance, multirisk commercial, multirisk SME and third-party liability insurance exclusively via its Banco Santander network in Spain, for a term until December 31, 2037. The remaining 49.99% of said company's capital still belongs to Banco Santander, through its subsidiary Santander Seguros.

The transaction, which amounted to 82.2 million euros, was formalized in June 2019 upon receiving the approval of the corresponding authorities. The company is now operational.

In April 2021, Banco Santander and MAPFRE ESPAÑA signed a commercial promotion contract whereby MAPFRE promotes sales of Banco Santander's banking products and services through its network.

In February 2022, Banco Santander S.A. and MAPFRE S.A. signed an agreement for the marketing of reverse mortgages.

The deal was formalized through the acquisition of 50% of the shares representing the share capital of the company Platinum Care S.A., which was executed on May 12, 2022, after obtaining the authorization of the European Commission's free competition defense authority. The remaining 50% of the shares are owned by Banco Santander S.A. Currently, Platinum Care S.A. is in the process of obtaining administrative authorization to operate as a credit institution.

MAPFRE terminated its agreements with Unicaja Banco, S.A. (as the successor to the Liberbank business, the successor, in turn, to the former Caja Castilla-La Mancha business) for the exclusive distribution of personal insurance and pension plans through the joint venture CCM VIDA Y PENSIONES (of which MAPFRE owned 50%) using said company's Caja Castilla la Mancha network, following the process initiated by Unicaja Banco to restructure its bancassurance alliances after its merger with Liberbank.

On October 10, 2022, the partnership with Unicaja Banco was formally terminated in accordance with the agreed terms. The operation amounted to 131.4 million euros (corresponding to 110% of the market value of 50% of the CCM VIDA Y PENSIONES shares, determined by an independent expert, capitalized from June 30, 2021, to October 10, 2022).

The restructuring of the strategic partnership with Banco Do Brasil began in 2018. As a result of this process, since November 30, 2018, MAPFRE has held 100% (previously 50%) of all of the business (Life and Non-Life) generated by the agency channel, and the automobile and large-risk businesses that are distributed through the bank channel. It also maintains a 25% share in BB MAPFRE, which incorporates home insurance from the bank channel into its business.

In addition, MAPFRE and Euler Hermes have a strategic partnership in place to jointly develop the surety and credit insurance business in Spain, Portugal, and Latin America. Under this agreement, both companies hold a 50% stake in a joint venture called Solunion, integrating the businesses of both groups in the aforementioned markets. Solunion covers risks in countries all around the world and has an international network of risk analysts located in more than 50 countries, who continuously monitor the situation regarding the risks of their insured, in addition to an extensive distribution network in countries where it is present.

Lastly, the non-controlling shareholders of MAPFRE RE have a put option on the shares of this company. If exercised, MAPFRE or a MAPFRE Group company would have to acquire the shares from the selling non-controlling shareholder. The purchase price for the MAPFRE RE shares will be calculated using the previously agreed formula. As of December 31, 2022, based on the variables included in the aforementioned formula, the commitment assumed by MAPFRE if this option were exercised would amount to a total of approximately [XX] million euros.

MAIN RISKS AND UNCERTAINTIES

MAPFRE's risk management system (RMS) is based on the integrated management of each and every business process and the alignment of risk levels to the defined strategic objectives.

FINANCIAL AND CREDIT RISK

Market and interest rate risks

A significant part of the Group's results and assets 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.

The main measures to mitigate the potential adverse effects of variations in market prices include a prudent investment policy (characterized by a high proportion of investment-grade fixed income securities) and the prudent selection, following sustainability criteria, of financial assets with the right characteristics to cover the obligations undertaken.

Investments in fixed-income securities represent 86.9 percent of the entire financial investment portfolio in 2022 (84.1% in 2021). Investments in equity instruments and mutual funds have a limited weight in the portfolio, accounting for approximately 13.3 percent of total financial investments in 2022 (13.6% in 2021).

During fiscal year 2022, in several of the markets in which the Group operates (Eurozone countries and USA), interest rates were raised to curb the strong inflationary upturn, which is increasing pressures on company costs. The above aspects can influence consumer behavior, causing a decrease in the demand and contracting of insurance products and services.

Revenues from MAPFRE's Life insurance and asset management operations are directly related to the value of the assets managed (whether fixed income or equities), which means that a fall in markets could have a negative impact on these revenues.

Exchange rate risk

Changes in the value of the euro against other currencies affect the value of the Group's assets and liabilities, and, therefore, its equity, operating results and cash flows. The currency conversion differences recorded in own funds attributable to the controlling company resulted in the positive acknowledgment of 343 million euros in 2022 (a positive result of 139.4 million euros in 2021).

Turning to technical provisions for operations abroad, the Group generally applies a policy of investing in assets denominated in the same currency as the commitments acquired by the insurer, thereby mitigating the exposure to exchange rate risk.

Credit risk

Returns on investments, among others, are sensitive to changes in the general economic conditions, including variations in the general credit rating of debt security issuers. Accordingly, the value of a fixed income instrument may be reduced by changes to the credit rating or insolvency of the issuer. There are similar risks in exposures to insurance, reinsurance and banking counterparties.

Exposure to credit risk is mitigated through a policy based on the prudent selection of security issuers and counterparties on the basis of their solvency, seeking i) an elevated degree of geographic correspondence between issuers of assets and the commitments assumed; ii) maintenance of an appropriate level of diversification; and iii) securing, if necessary, guarantees, collateral and other additional coverages.

The credit risk management policy establishes limits by issuer in line with the risk profile of the counterparty or of the investment instrument, as well as exposure limits related to the counterparty's rating.

OPERATIONAL RISKS

Regulatory risk

The Group works in a complex environment under increasing regulatory pressure, not only in the insurance sector, but also in matters of technology, corporate governance, corporate criminal responsibility and sustainability, with special attention to the fight against climate change.

Insurance companies are subject to special laws and regulations in the countries where they operate, and various local authorities are responsible for ensuring compliance therewith.

Legislative changes can (i) involve a risk if the Group is unable to adapt to them or (ii) affect the operations of the Group to the extent that the supervisory authorities have broad administrative control over various aspects of the insurance business. This control may affect premium amounts, risk selection and underwriting rules, marketing and sales practices, the distribution of profits among policyholders and shareholders, advertising, license agreements, policy models and contracts, solvency, capital requirements, investment portfolio management, and the requirements for publishing the financial and non-financial information of insurance companies. Furthermore, changes in taxation may affect the benefits of certain products marketed by the company or its subsidiaries that currently enjoy favorable tax treatment.

Legislative changes underway include the entry into force, in 2023, of the new criteria set out in the International Financial Reporting Standards adopted by the EU, namely IFRS 17 "Insurance Contracts" and 9 "Financial Instruments." These standards require insurance companies to apply changes in the recognition of insurance and reinsurance operations (affecting the valuation and presentation of revenue, expenses, assets and liabilities derived from the insurance business) and the classification and valuation of financial assets, respectively. The preparation of financial information under the new criteria involves a new way of presenting information that introduces new accounting items to the income statement that stakeholders are not yet familiar with. This will require an additional effort in terms of market disclosure to make clients, shareholders, analysts and investors aware of the new items introduced and the new approach to financial statements.

OTHER SIGNIFICANT RISKS

Material risks

In the analysis of the main risks faced by the Group during the period covered by the business plan, Cyber Risk and ICT system failures stand out. The continuous increase in the volume and sophistication of malicious cybernetic activity to which MAPFRE is exposed when conducting business in a digital or "cyber" environment poses a high operational risk, requiring the company to constantly update and reinforce its cybersecurity measures.

Secondly, persistent inflation has a direct impact on the energy component, affecting the price of all supplies and products and impacting all companies and clients across the board. In the insurance industry, this materializes in an increase in claims expenses and a decrease in demand for new insurance policies.

Emerging risks

The Group also analyzes risks with a significant potential impact that could affect the longer-term (5-10 years).

The risk derived from climate change stands out as a material and emerging risk. Its impact is analyzed from the following perspectives:

- **Physical risks:** The severity and frequency of extreme weather phenomena are increasing in the countries in which MAPFRE operates, with events such as flooding, fires, hurricanes, cut-off lows, heat waves, extreme droughts, etc. These events are increasing the loss ratios of insurance companies, which must revise their risk models in this context and adapt them to cope with the effects of these phenomena.
- **Transition risks:** There is great uncertainty about the potential impact of government measures and regulations geared towards decarbonizing the economy. These measures promote changes in consumer habits; for example, encouraging modified forms of mobility (e.g. in Spain, the Climate Change and Energy Transition Act should alter the use of private vehicles to boost green mobility) and discouraging the purchase of goods, services and assets considered unsustainable (e.g., in Europe, the EU Taxonomy Regulation includes a classification of economic activities considered to be environmentally sustainable). These measures aim to reduce demand for a large number of existing products and services, which will cause the impairment of assets that are not considered sustainable.

Climate change risk management essentially focuses on increasing our understanding of the greater catastrophic hazards derived from climate change and improving our management of exposures through:

- The integration of climate change into decision-making for our sales strategy.
- Detailed knowledge of the insured risks (such as their geolocation and the characteristics of their assets), in order to provide appropriate coverage and catastrophic protection.
- Suitable accumulation control and management to optimize the use of capital.
- Maximum collaboration and transparency between the insured party and the insurer to guarantee the best assessment and pricing.
- The provision of reinsurance coverage.

The avalanche of sustainability regulations, marked by great fragmentation, extensive ambiguity and disparate criteria in the different regulatory provisions, generates uncertainty in insurance companies as to the continuity and management of their existing product and service portfolios, as well as the assets that will be considered unsustainable and the impact that such treatment may have on their valuation.

The second emerging risk with a potentially significant impact on the Group concerns the challenge of adapting products and services to changes in the environment, society and the markets in which it operates. The speed of changes and the solutions demanded by customers, who are increasingly aware of sustainable products and new ways of operating with companies, require products and services to be constantly adapted; unless this is done properly, it could lead to a loss of competitiveness. To manage this risk in the Group, a broad set of initiatives have been established with the main objective of orienting processes toward the customer, with the ongoing adaptation of technical and operational management centered on the customer.

Another emerging risk identified is that of financial instability and crises due to conflicts and scarcity of resources.

The Group has long-term exposure to the triggering effects of sociopolitical risk, where drastic and very rapid changes are taking place, with a trend toward increased protectionism. Russia's invasion of Ukraine, the sanctions adopted by the European Union and the United States and China's economic and political influence are examples of this.

The COVID-19 pandemic, the Russia-Ukraine conflict and the sanctions and economic impacts, together with resource scarcity caused by climate change, could have geopolitical implications, encouraging states to adopt more nationalistic policies, initiate new conflicts or aggravate existing ones. This could increase political instability and social unrest, with the potential to spread rapidly if it coincides with structural causes in the economy and society (high food and energy prices, water scarcity, high unemployment, income inequality and poor public services, etc.). Along with the above factors, the rising and persistently high inflation rates, with countries increasing their debt to handle the various crises, could reduce purchasing power with the consequent contraction in the demand for insurance products.

The Group's long-term results may be altered by fluctuations in the financial markets in which it operates, by changes in interest rate exposure that may undermine the contracting of products (life, savings), investment returns, as well as the sufficiency of technical provisions and the increase in costs and loss ratio. Furthermore, regulatory changes resulting from conflicts may cause direct losses due to restrictions on operations.

MAPFRE attempts to identify aspects that could affect the Group socially and politically, as well as to monitor the main macroeconomic and financial variables, with special emphasis on their impact on the insurance industry and the Group's financial strength.

The Group is reasonably protected against the risks described above by maintaining a strategic approach based on:

- Technical rigor in risk underwriting and claims management, and a lower expense level than the market average;.
- Conservative policy in the management of investments with the application of sustainability criteria to generate a positive impact on the environment and society.
- Maintaining a reasonable level of indebtedness and liquid assets, which mitigates potential liquidity and debt refinancing problems under adverse conditions.
- Continuous analysis of client needs and flexible processes to adapt the supply of products and services to demand.

In turn, 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.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISKS

MAPFRE constantly analyzes factors that, should they arise, can or could impact business (referring to investment and underwriting). This analysis considers environmental, social and governance (ESG) factors, as these enable additional information to be gathered on social movements and transformations, and the expectations of stakeholders and the market that affect the organization.

A proper analysis of ESG factors, and how they might affect the business in the short, medium and long term, shows their relationship to the company and possible inclusion in the list of risks drawn up by the company and in the adoption of prevention and mitigation measures.

MAPFRE's business model and strategy are an example of how the company tackles global sustainability challenges, manages ESG risks and opportunities, and innovates in the development of insurance products and solutions that benefit customers and the society in which it operates.

ESG risks are naturally integrated into the business processes, providing long-term solutions. ESG risk and opportunity management helps in decision-making in areas such as underwriting, investment, innovation in products and services and service provision, which are key to building trust in stakeholders.

Integration of ESG aspects into investment processes.

With regard to investment processes, since 2017 MAPFRE has adhered to the United Nations Principles for Responsible Investment (PRI) and has a framework for action in responsible investment.

MAPFRE has an Investment Policy in place, approved by the MAPFRE S.A. Board of Directors, applicable to all insurance and reinsurance companies in the Group.

The Corporate Investment Area is the guarantor of compliance with the established responsible investment principles at the organization and must report annually on their fulfillment to the Sustainability Committee. Furthermore, MAPFRE ASSET MANAGEMENT (hereinafter MAPFRE AM) has a Risk Committee that regularly analyzes portfolio composition, ESG evaluations and any disputes that may arise from the application of MAPFRE's approved causes of exclusion, as well as the carbon footprint of the investment portfolio.

To monitor and manage ESG risks in investments, MAPFRE has its own ESG analysis framework that is reviewed periodically to incorporate best practices in this area. The investment team is responsible for implementing the methodologies included in the above framework, looking for opportunities and minimizing risks.

Integration of ESG aspects into the underwriting processes

In 2012, MAPFRE officially adopted the Principles for Sustainable Insurance (PSI) promoted by the United Nations Environment Programme Finance Initiative (UNEPFI), committing to integrate environmental, social and governance (ESG) issues into its decision-making for the underwriting processes of the Group's insurance operations.

This commitment is defined in the Underwriting Policy, approved by the Board of Directors of MAPFRE S.A., applicable to all insurance and reinsurance entities and aligned with the corporate business strategy. In addition to a Global Business Committee that meets monthly, MAPFRE has an Underwriting Policy Committee that meets weekly and that, among other functions, is responsible for the correct application of this policy and analyzes and proposes operational exclusion rules on ESG matters.

MAPFRE constantly analyzes factors that, should they arise, can or could impact business. This analysis considers ESG factors, as these enable additional information to be gathered on social movements and transformations, and the expectations of stakeholders and the market that affect the organization.

A proper analysis of ESG factors, and how they might affect the business in the short, medium and long term, will show their relationship to the company and possible inclusion in the list of risks drawn up by the company and in the adoption of prevention and mitigation measures.

For underwriting global risks, MAPFRE has developed an internal ESG evaluation model that is based on specialized tools, evaluating and quantifying the environmental, social and governance impact of the activity carried out by a business group, considering the sector and the countries where it operates.

The model assigns a reputational risk level to the business group, which is linked to the level of authorization required to underwrite the operation. The approval of the Management Committee of the Major Risks Unit may be required and, where appropriate, the additional authorization of the CEO.

Taking action during natural disasters requires an appropriate forecast of these events and a correct assessment of the losses they can cause, both of which are essential to manage an insurance company. The economic impact that the company will have to absorb as well as the response that it will be able to give its clients depend on this, and management of this action is inherent in its operations.

The Reinsurance Unit is entrusted with various tasks related to exposure control and catastrophic risk management of the Group, as well as providing adequate reinsurance coverage to each of the companies individually and the Group as a whole.

Sustainable underwriting products and services

Sustainable innovation is an important business opportunity. For this reason, MAPFRE continues working to design sustainable solutions, analyzing market options and moving towards new business models and solutions that arise from digital and technological changes. It does so with the ultimate aim of offering the best solutions and services to current and future customers while contributing to a just transition to a low-carbon economy and a more inclusive and equal society.

MAPFRE's experience as an insurance company enables it to manage risks and develop solutions for a sustainable future, adding value through dialog with stakeholders and sharing its experience to improve general awareness of risk and mitigation in the sector, focusing on the following products:

- Environmental products and services: insurance products or services aimed at specifically adapting and/or mitigating an environmental risk or opportunity and/or related to climate change.

- Social products and services: insurance products or services aimed at specifically covering the basic needs of the population, products or services related to the protection of life, health and education in disadvantaged communities and/or low-income groups (minimum wages or less), as well as aspects related to the protection of human rights, non-discrimination, inclusion and diversity.
- Good governance products and services: products that aim to protect businesses from one of the biggest vulnerabilities of today: cyber attacks.

ADDITIONAL INFORMATION

Note 7, "Risk Management," of the Consolidated Annual Report includes detailed information about the different types of risk that affect the Group.

Section 3.3.2. Sustainability in the business, part of the Integrated Report, presents more details on how MAPFRE manages risks related to ESG issues.

SIGNIFICANT EVENTS AFTER THE FISCAL YEAR-END

There have been no relevant events subsequent to close.

INFORMATION ON EXPECTED PERFORMANCE

OUTLOOK

The year 2022 will be marked as a turning point in recent economic history. Inflation has returned, causing many central banks to resume implementing a monetary policy not seen since the 1970s. These levels of inflation not seen in 50 years have been triggered, in the first instance, by the rise in gas, oil, problems in supply chains and the costs of maritime freight.

The hope that inflation would be transitory in nature did not materialize. On the contrary, energy prices, despite the recent easing in gas prices, are expected to remain high. The sabotage of the Nordstream pipelines has made a return to the previous energy status quo impossible, at least for a long time, even if relations with Russia were to normalize. As far as oil goes, OPEC+ has reiterated its desire to keep prices high, through cuts in the production target.

In Europe, the energy crisis has not yet had a full impact on consumption, due to the subsidies and tax reductions granted by governments, but this complicates the medium-term sustainability of public accounts. Additionally, the authorities in Brussels see an opportunity to speed up the transition to green energy, accepting that there is a cost to bear. Governments are accelerating investment in renewable energy, and now the debate is on whether nuclear and gas can be considered clean energy. Meanwhile, non-clean energies have the extra cost for CO₂ emission rights.

The high cost of energy and its implications for inflation were the central theme of 2022. The increase in costs for producers and transportation have turned out to be more persistent than initially expected, leading to an impact on other products and services.

Likewise, higher producer costs (28 percent in Germany, 21 percent in Spain and 36 percent in Italy, according to November data) have continued to deteriorate business margins, while their transfer to consumers is beginning to become evident, mainly in those companies with greater pricing power.

The end of the era of cheap and abundant energy has implications for competitiveness and, therefore, for the continuity of much of the industry in Europe. Large companies, with a high volume of business around the world, are aware of how these geostrategic complexities affect them in the long term. Everything seems to indicate that Europe has already realized that the energy situation will continue to drag industry down, with Germany and Italy facing a recession, while Spain and France, among others, will continue to grow, although below their potential. Without peace with Russia, cheap energy is not likely to return, while social unrest looks set to rise.

In the United States, the Federal Reserve has sharply tightened financial conditions to try to alleviate demand pressure, following in the footsteps of Paul Volker in the 1970s. However, at that time, the level of indebtedness of the entire system was much lower than the current one. In the current context, doubling interest rates has a much bigger impact in terms of the cost of servicing debt.

The current rises in interest rates signal an entry into uncharted waters, which occurs with sovereign bond rates that have been falling for 40 years, official rates that have remained low for 15 years, and successive increases in indebtedness (due to the quantitative monetary expansions to save the crises of 2008, 2012, and 2020). Now energy costs and the cost of living in general are slowing down consumption and the economy, and the action of central banks further deepens the slowdown due to the increase in financial costs.

In short, inflation will fall as long as central banks maintain their policy of keeping interest rates high for longer, even at the cost of the level of economic activity and increasing solvency risks. Europe, for its part, faces the additional obstacle of a weak euro, which is felt in imports, especially energy.

The strong dollar affects the entire market for bonds issued outside the United States, making it more expensive to repay principal and interest. The situation has been alerted by organizations such as the United Nations and the World Bank, which have petitioned central banks not to raise rates any further, due to the stifling effect it is having on emerging countries.

As for China, the probability of a recession is lower because it is coming off the back of many years of sustained high levels of growth. The risks in China are to be found in real estate and in systemic financial risks. China is now Saudi Arabia's largest oil importer, and has replaced Europe as the largest importer of Russian gas, so it is in a position to expand its manufacturing competitive advantage.

In this context, the estimate for global growth in 2022 would be 3.5 percent, and 2.0 percent for 2023, after an estimated 6.1 percent growth in 2021. The probability of a recession in 2023 now stands at 65 percent for the United States, 80 percent for the Eurozone, 90 percent for Germany, 58 percent for Spain and 87.5 percent for Italy.

In terms of risks, inflation in 2023 will benefit from the base effect in the comparison. Gas prices have eased, although this may be temporary, partly because storage capacity in Europe is full at the start of the winter season. However, the forecast is that energy costs will remain high, not only because there is no visibility on the normalization of relations with Russia, but also because the fossil fuel industry is not investing in new exploration, extraction and refining projects.

Attention must be paid to the dynamics of credit contraction, through which the central banks expect their monetary policy to control inflation. Commercial banks will cut back on granting credit, both because economic activity is slowing down and because the repayment capacity of some borrowers is reduced.

In this context, the Federal Reserve could, at a given moment, conclude the series of rate hikes, although the current probability of that happening is low, and would depend on how the inflation scenario evolves. The Fed could prioritize growth and employment objectives, in response to a labor market that is expected to begin to weaken in the coming quarters, as already indicated by the first layoffs in the technology sector.

STRATEGIC PLANNING

Our current strategic cycle, approved by the Executive Committee and the Board of Directors of MAPFRE S.A., covers the period 2022-2024, and contemplates a horizon of three additional years to manage and anticipate future uncertainty, through an iterative work model. The Group's strategy is based on three pillars:



The **Growth and Profitability** pillar relates to the framework established for disciplined growth, in terms of both retaining and attracting customers, and how to do so delivering adequate profitability. We will be focused on knowing the needs of customers, creating and developing products and channels that satisfy them. We will maintain a business portfolio with sufficient scale, which allows for competitive expense ratios, with an adequate technical level.

The **Efficiency and Productivity** pillar will mark our roadmap in everything we do, reflecting in our processes specific objectives to satisfy customers in terms of quality and speed and at the same time, doing so consuming the fewest possible resources, thereby improving expense ratios and being more competitive. Improving efficiency and productivity allows us to grow with greater agility and execute a more dynamic deployment of capabilities with greater impact.

The **Transformation** pillar is part of the process of continuous change in which we find ourselves immersed, and it will allow us to be an increasingly modern company, properly prepared for the future, ensuring the sustainability of our results. This transformation will allow us to continue progressing in our aspirations, as they pertain to knowledge of each market, the ability to adapt, speed of development, and geographic and product expansion.

Progress with the plan in 2022 and future outlook

Progress with the plan in 2022

We have some **aspirational objectives** in place that serve as a reference to guide our ambitions, which, at the end of 2022, were as follows:

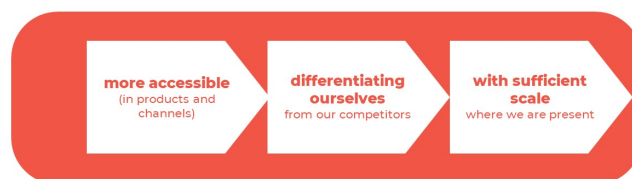
- ROE: 8.4 percent (excluding operational extraordinary items) versus a 2024 aspiration of 9-10 percent (average)
- Premium growth: 10.8 percent versus a 2024 aspiration of 5-6 percent (average growth).
- Combined Non-Life ratio: 98.02 percent versus a 2024 aspiration of 96 percent (on a composite basis).
- Gender pay gap: 1.86 percent versus a 2024 aspiration of +/-1.0 percent.
- ESG investments: 97.72 percent of the investment portfolio (managed by MAPFRE AM) qualified in line with ESG criteria, versus a 2024 aspiration of 90 percent (of the global portfolio).

We work continuously on adequately **diversifying** our portfolio, which allows for the prioritization of the business models that help us achieve our aspirational objectives and focus the activity of each company. Additionally, we are focusing our efforts on the continuous discovery of opportunities in the medium and long term, contemplating entry into new markets and preventing negative impacts, as well as achieving positive impacts on the economy, the environment and people.

Our **roadmap** for the coming years is marked by:

- Being a more **accessible** company:
 - With products that the customer needs (caring about what matters to them).
 - With channels based on ease of use, boosting agility and improving costs in order to offer better products at more competitive prices.

- Continuing to **differentiate ourselves** through a value proposition that reflects what the customer demands at all times, leveraging the capacities generated in the current technological revolution, all the while remaining committed to contributing to a sustainable future.
- Working on a sufficient **scale** that facilitates continuous improvements in efficiency and productivity.



Digitization will go hand in hand in everything we do, imbuing our day-to-day activity and affecting all the levers we activate.

Our **talent**, the capabilities that we have and will develop, the resources, the new operating models and the structures in place will all enable us to achieve the objectives that we have set for ourselves.

R&D+i ACTIVITIES

INNOVATION

MAPFRE OPEN INNOVATION (MOi) is MAPFRE's strategic commitment to boost client-centered transformation. With it, the company aims to foster innovation carried out by and for people.

Created as an open innovation platform, MOi uses partnerships with other stakeholders and emerging technologies to make a positive impact on our business and on society. In other words, for MOi, accelerating value creation for MAPFRE is as important as contributing to the progress toward a more prosperous, just and equal society. Since 2019, more than two million clients have benefited from solutions originating from this model, in terms of both insurance operations (contracting or benefits) and relational and aspirational aspects. These solutions address major social issues, such as the democratization of medical care, support for the independence of the elderly or services designed with a gender perspective.

In addition, proposals have been analyzed from more than 2,500 startups, of which more than 40 have gone through *insur_space*, MAPFRE's fast-track-to-market program for startups, which has consolidated our relationship with entrepreneurs in the insurance industry and our role as a benchmark for the insurtech environment. MAPFRE has managed to attract the best projects in their class, signing agreements with some of the most valued startups and the top insurtech solutions in the market. As part of our commitment to venture capital investment associated with the insurance industry, MAPFRE participates as the main investor in the venture capital fund *Alma Mundi Insurtech*, managed by *Mundi Ventures*. Fund I, with 100 million euros, has already entered the divestment phase. Fund II, which initially closed at 120 million euros with a projected size of 250 million euros, was launched in early 2022 and has already made six investments.

In 2022, initiatives were launched in the areas identified as priorities at the beginning of the year: cyber protection, climate risk, emerging risks, new mobility, health and well-being. In addition, progress was made in the deployment, scaling and export of critical solutions to transform operations: image-based assessment, claims automation and voice automation.

With regard to cyber protection, MAPFRE has been working to develop new products and solutions for companies, especially SMEs (small and medium enterprises). The situation faced by these companies, which are key to the economic and social fabric of their countries, is critical: 60 percent of companies of this size that suffer a severe cyberattack do not recover and cease their activity in the six months following the cyber-incident; 70 percent of cyberattacks in Spain target SMEs, and the average cost of the economic impact exceeds 35,000 euros.

Thanks to the concept tests and pilots developed with innovative startups, MAPFRE already has an insurance solution that provides coverage to 14,000 companies in Spain. However, our approach goes beyond economic and compensation coverage and consists of offering proactive (pre-incident) prevention services, giving SMEs an active defense system to detect and neutralize attacks before they cause any damage. The work underway aims to identify the vulnerable areas of these companies in terms of cybersecurity. Our objective is to offer an advising service for insured companies to assist them with aspects of improvement, mitigation actions, and priority protection needs, helping to boost their technological security levels.

MAPFRE OPEN INNOVATION's activity is perfectly aligned with the group's purpose and the United Nations Sustainable Development Goals.

Ultimately, with the consolidation of MOi, MAPFRE aims to accelerate transformation from within and reinforce our leadership position. By adapting faster to the changing circumstances and moving toward the new business models and innovative solutions that arise from digital and technological changes, the ultimate goal is to offer the best solutions and services to clients.

Accumulated data for fiscal years 2022, 2021 and 2020 are:

- Clients who have benefited from MOi products and services: 2,340,508.
- Initiatives developed in 15 countries.

DIGITAL BUSINESS

MAPFRE continues to grow its digital business, operating through three brands: MAPFRE, VERTI and SAVIA. At year end, digital business growth stood at 8.2 percent. During this period, progress was made in extracting more value from existing digital capabilities, gaining maturity in digital attraction processes and operations, online pricing, digital client management and advanced fraud detection, among other areas. New scalable digital capabilities were also provided for the Group, mainly focused on improving digital acquisition and sales, developing new digital distribution channels with a focus on digital partners, and improving profitability. Much emphasis has been placed on the use and activation of digital data and client knowledge as transversal themes.

QUALITY

In order to assess the quality perceived by customers, the MAPFRE Quality Observatory applies a global model for measuring customer experience that facilitates:

- To establish a homogeneous framework in all countries and businesses to determine the customer experience level at MAPFRE and its competitors in a consistent and comparable way.
- To identify pain points that negatively impact MAPFRE customers and the probability that they will recommend MAPFRE. This allows actions to be taken to improve perceived quality, based on active listening to the customer.

- To understand the promotion and recommendation levers that customers consider to be the company's strengths. Promoting these strengths helps to improve customers' financial performance and to attract a new portfolio, thanks to the power of being recommended by MAPFRE promoters.
- To provide the countries with a decision-making tool based on first-hand knowledge of customers' priorities.

The MAPFRE Quality Observatory is responsible for defining models and carrying out all comprehensive measurements of the customer experience. These measurements are carried out through surveys of internal and external clients in all the countries and businesses in which MAPFRE operates, covering the lines of insurance, reinsurance, global risks and assistance services. To do this, by analyzing the Net Promoter Score (NPS®) indicator, the level of customer perception of the company and its critical points of contact with the company are evaluated, which in turn produces recommendations on the main areas for improvement.

The Quality Observatory performs diagnoses on the level of customer experience through the preparation of reports on the results of the measurements, which help the different business areas make decisions.

In 2022, two relational NPS® measurement waves were carried out, involving a representative sample of MAPFRE's portfolio. These two waves, involving more than 100,000 respondents, covered more than 20 countries and lines of business. As part of this study, the observatory also measures the client experience level at MAPFRE's major competitors in each country and line of business. Specifically, 84 companies were analyzed around the world.

Comparing the results of MAPFRE companies in recent years shows that the percentage of businesses whose NPS® exceeds the market average is as follows:

2020	2021	2022	OBJECTIVE FOR 2023
82.3 %	88.7%	87.4%	>= 70%

To complement these measurements of relational NPS®, the Quality Observatory defined a Global Model for transactional NPS®, which allows MAPFRE to find out a client's perception in real time after interacting with us. This model has already been implemented in Brazil, Spain, the United States, Puerto Rico, Mexico, Peru, Chile, Panama, Costa Rica, Nicaragua, Honduras, El

Salvador, Guatemala, Dominican Republic, Germany and at MAPFRE Asistencia in Italy. The homeowners business line in the United States has also adopted the model.

When analyzing the results of the measurements in the relational and transactional NPS® programs, the distributor client has been observed to play an important role in the end client's experience. Therefore, it is essential to determine this group's perception of MAPFRE. To meet this objective, in 2022 the Global Distributor Client Relational NPS® model was defined, and it has begun to measure the broker's experience with MAPFRE in Brazil. Specifically, it evaluates the perception of brokers who collaborate with MAPFRE in terms of their relationship with the company, levers of success, and the company's support and advice for policy sales and the management of policy use by the end client.

Additionally, in 2022 the Quality Observatory conducted the fifth measurement of internal client experience (iNPS®) and of the experience of cedants and brokers of the reinsurance services provided by MAPFRE RE. For the first time, it also carried out a survey on the perception of MAPFRE GLOBAL RISKS' service to the Group companies with which it interacts.

Based on the results obtained in the surveys, the Business and Clients area coordinates all transformation actions and plans whose main objective is to improve perceived quality (relational and/or transactional). Through these plans and the information collected in surveys, MAPFRE can better understand its clients and adapt processes to their needs, focusing on pain points. All this work will help to improve the NPS® while reducing social, economic and personal risks derived from a poor perception of MAPFRE's service. In addition, continual improvement will allow the company to offer products and services tailored to clients' needs.

MAPFRE has 262 people, a significant number of employees, assigned to quality control and monitoring throughout the world, and several companies are in possession of quality certifications. To renew these certifications, these companies must maintain high customer service standards.

MAPFRE holds ISO 9001 certification for Spain and Turkey. MAPFRE ASISTENCIA is certified in this quality standard in Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Italy, Mexico, the Dominican Republic and Tunisia.

ACQUISITION AND DISPOSAL OF TREASURY STOCK

Purchase and sale transactions involving MAPFRE S.A. shares, where appropriate, comply with the provisions of the Internal Code of Conduct regarding Listed Securities issued by MAPFRE, the Regulation on market abuse and Circular 1/2017 of the Spanish National Securities and Exchange Commission.

During fiscal years 2022 and 2021, no MAPFRE S.A. shares were purchased, and 203,765 and 221,914 shares, respectively, representing 0.0066 percent and 0.0072 percent of the capital, amounting to 368,203.36 and 380,346.98 euros, were issued to directors of subsidiaries as part of their variable remuneration.

In addition, in fiscal year 2022, under the Flexible Remuneration Share Plan approved in 2021, employees of MAPFRE subsidiaries in Spain were issued 10,070,672 shares representing 0.3270% of the capital, amounting to 17,407,950.02 euros.

As of December 31, 2022 and 2021, the total balance of treasury stock was 19,789,583 and 30,064,020, respectively, representing 0.6426 percent and 0.9762 percent of the capital, amounting to 41,432,726.03 and 62,944,009.97 euros.

OTHER RELEVANT INFORMATION

THE MAPFRE SHARE

The following table shows the key information relating to MAPFRE shares at the 2021 fiscal year-end.

Number of shares outstanding	3,079,553,273 fully underwritten and paid up
Face value of each share	0.1 euros
Share class	Common, represented by book entries. All outstanding shares carry identical voting and dividend rights
Stock exchange listings	Madrid and Barcelona Stock Exchanges (continuous market)
Código ISIN	ES0124244E34

According to data published by the Spanish stock market operator (BME Group), an average of 3,928,545 shares were traded daily in 2021, and the effective average daily transaction value was 6.9 million euros.

VALUE AND RETURN

The share price performance is shown in the following table, compared to two key benchmark indices (the IBEX 35 and the sectorial STOXX Europe 600 Insurance and IBEX 35 Bancos indices):

	1 YEAR	2 YEARS
MAPFRE	0.2%	13.8%
STOXX Europe 600 Insurance	-1.0%	14.3%
IBEX 35	-5.6%	1.9%
IBEX 35 Banks	13.1%	39.2%

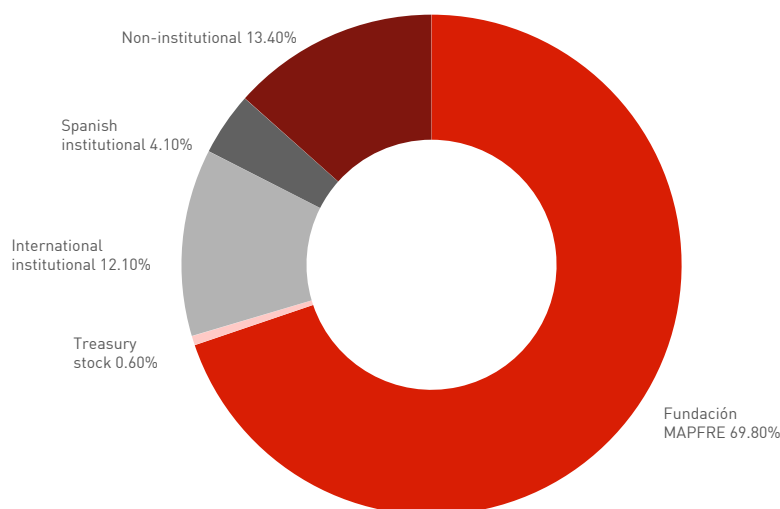
MAPFRE's earnings per share (EPS) during the same period are shown in the following table:

	2022	2021
EPS (euros)	0.21	0.25
Var. %	-16.1%	45.3%

SHAREHOLDER STRUCTURE

At the end of fiscal year 2021, MAPFRE had 219,031 shareholders.

The accompanying graph shows company's shareholder structure.



REMUNERATION

On November 30, 2022, the interim dividend charged to 2022 profits was paid at 0.0604 euros per share before tax, after the amount corresponding to treasury stock had been applied to the remaining shares on a proportional basis. The total dividend paid out in the year was 0.145 euros per share, giving a total remuneration of 446.5 million euros.

The final dividend for fiscal year 2022 to be proposed at the Annual General Meeting is 0.085 euros per share before tax. Consequently, the total dividend against fiscal year 2022 amounts to 0.145 euros per share before tax, representing a payout ratio of 69.5 percent.

Dividend payments and the dividend yield, calculated on an average share price basis, are shown in the accompanying table.

	2022	2021
DIVIDEND PER SHARE (euros)	0.145	0.135
DIVIDEND YIELD	8.3%	7.6%

CREDIT RATING MANAGEMENT

Over the course of 2022, the main ratings agencies confirmed the credit ratings of MAPFRE S.A. and its main subsidiaries as follows:

- Fitch maintained MAPFRE S.A.'s credit rating as well as MAPFRE ASISTENCIA's financial strength rating and MAPFRE SIGORTA's rating.
- S&P also confirmed the credit rating of MAPFRE S.A. and the financial strength rating of MAPFRE RE.
- A.M. Best reaffirmed the financial strength rating of MAPFRE RE, MAPFRE ESPAÑA, MAPFRE U.S.A. Group, MAPFRE PRAICO, MAPFRE MÉXICO and MAPFRE PANAMÁ.

The current status of credit ratings of the companies headquartered in Spain and the main companies headquartered outside of Spain is provided in the accompanying table.

Companies resident in Spain	S&P	Fitch	A.M. Best
MAPFRE S.A. - Issuer	A- (Stable)	A- (Stable)	-
MAPFRE S.A. - Senior debt	A-	BBB+	-
MAPFRE S.A. - Subordinated debt	BBB	BBB-	-
<i>Financial Strength</i>			
MAPFRE RE	A+ (Stable)	-	A (Stable)
MAPFRE ESPAÑA	-	-	A (Stable)
MAPFRE ASISTENCIA	-	A+ (Stable)	-
Companies not resident in Spain	S&P	Fitch	A.M. Best
<i>Financial Strength</i>			
MAPFRE SIGORTA A.S. (Tutkey)	-	AA+ tur (Stable)	-
MAPFRE SEGUROS GENERALES DE COLOMBIA	-	AA col (Positive)	-
MAPFRE BHD COMPAÑÍA DE SEGUROS (Dominican Republic)	-	AAA dom (Stable)	-
MAPFRE U.S.A. Group	-	-	A (Stable)
MAPFRE PRAICO (Puerto Rico)	-	-	A (Stable)
MAPFRE MÉXICO	-	-	A (Stable)
MAPFRE PANAMÁ	-	-	A (Stable)

TRANSPARENCY PLAN

The corporate website, with more than two million page views in 2022, is one of the Group's corporate communication channels. It provides stakeholders with information on the company's main lines of action, as well as editorial content in an informative tone, highlighting the identity, strategy and main attributes for which MAPFRE wishes to be recognized by the general public.

Social networks have been consolidated as a channel for the company's digital communication, using a standardized strategy across the different platforms to boost its positioning while sharing content of interest with society in general.

The participation and interaction of Group employees and executives has been strengthened, along with the sharing of meetings and presentations on Twitter, Instagram, Facebook and YouTube, among others, live streaming company's daily operations.

In addition, the corporate Intranet is the internal communication channel for employees, where there are areas available for each of the Group's companies. There is an area called "Organization Chart and Appointments," where employees can view MAPFRE's organization chart and its most senior representatives and the governing bodies, and stay current on any appointments that take place in the companies and countries. Likewise, there is an area where the workforce can view all the internal policies and regulations that are applicable worldwide.

The People Space of the Intranet is constantly evolving and updated. This space covers global and local content and news on people management of interest to employees, presenting the content in a structured way to facilitate easy navigation that enhances the user experience. It also includes surveys aimed at finding out employee opinions on aspects of interest, and it also provides links to collaborative, learning and self-management apps for employees.

In addition to global content, the Intranet also has specific areas for each company and area of the Group, making it easy to communicate information of interest to employees in their immediate work area.

The Intranet also has a specific area related to the company's strategy, covering all the reference information on the Strategic Plan. In 2022, a new space was launched, detailing the key aspects of the Strategic Plan 2022–2024, which has a creative format with videos and infographics. MAPFRE's new corporate purpose was also shared with all employees worldwide in a live streaming event.

Furthermore, the Global Intranet Space was improved in 2022, with the addition of new features, formats and content to offer employees a more engaging experience. In addition, the company continued its internal cybersecurity awareness campaign, which was successfully implemented in Spain, Latin America, Brazil and Portugal.

Over the last year, the Global Intranet homepage has evolved to accommodate, in addition to global news from the Group, other contextualized content for the employee (content for their country, company and function) and access to their work applications, allowing for a better employee experience and efficiency in their job position.

Furthermore, MAPFRE maintains a continuous, open dialog with workers' legal representation through various means, in countries where such representation exists. During 2022 in Spain, the shared channels became the main mechanism for sharing documents and information, thanks to the technological tools implemented at MAPFRE. These channels are a mechanism for sharing information that can impact labor relations, and they are also used as work tools for both parties within the collective bargaining process.

In addition, the MAPFRE People app has been implemented in Peru, Puerto Rico, Germany, Spain, Brazil, Mexico and Turkey. This channel for communication, collaboration, management, and learning is used to make life easier for employees by optimizing and reducing the time spent on administrative tasks with the company. The app has a wide range of features and personalized content, such as requesting vacations, leave or medical appointments, accessing vacancies, gaining immediate feedback, receiving alerts, accessing quick learning or the latest news. A total of 12,734 employees have downloaded the People app.

In 2022, work was done to implement the Global Hybrid Remote Working Model in the countries in which MAPFRE operates, which should promote respect for employees' right to digitally disconnect from work.

All employees worldwide have access to a knowledge platform on the Intranet called Eureka, which allows knowledge to be shared and localized in an agile, structured way. MAPFRE has more than 1,450 knowledge leaders around the globe, and employees have contributed more than 2,700 pieces of knowledge. Employees can find reports and studies, best practices, use cases and links of interest through a single search engine, and they can contribute anything they consider important to share, that may be of interest and value. They can also find contact references for each of the knowledge entries.

In terms of attracting and managing talent, 2022 saw the consolidation of the new global selection and mobility system. Employees have career plans based on job position and personal development plans, and they are involved in the process by being invited to make a proposal for their development plan, providing them with the necessary help to guide them throughout.

In order to share opportunities with employees, in 2022, 1,921 vacancies were published on the Corporate Intranet, which were viewed by 698,430 people.

An annual 360° feedback model is available worldwide for all employees, with the possibility of continuous feedback actions on objectives, activities, and conduct, not only between supervisors and collaborators, but also between internal peers and clients.

Plans have been developed for employee recognition in which they receive public thanks for their work and merits. These plans have been widely welcomed by employees, making a positive impact on their experience.

The Corporate University makes it possible for all employees worldwide to receive training in an agile, effective manner. As of December 31, 2022, 961,415.9 training hours were completed for 309,648 attendances. Among other features, the university promotes self-learning through a space where employees can access MAPFRE's training content catalog, enabling them to take charge of their own development.

Through profiles on social networks, Facebook, Instagram, Twitter, LinkedIn and YouTube, MAPFRE also communicates and interacts with its employees and candidates. LinkedIn is a global strategic provider for the MAPFRE Group's external recruitment, and as at year-end, it had 611,604 followers. In 2022, 3,052 vacancies were published, which received 698,420 visits, and 21,724 candidates responded to our job ads.

The Group also has a corporate magazine (The World of MAPFRE), whose digital dissemination on social networks was strengthened in 2022, encouraging interaction with both employees and the general public. This magazine is published quarterly and disseminated globally, reporting on current events at the company.

In order to maintain the comprehensive monitoring of processes that impact employees' commitment and development, the measurement model continued to be applied in 2022, allowing the ongoing analysis of the employee experience.

MAPFRE has an active listening and experience measurement model that promotes employee participation, enabling them to participate directly in decision-making on the issues that affect them. This model consists of:

1. The ongoing measurement of the employee journey, carried out through:
 - Focus groups with the participation of a representative sample of the workforce and specific groups (young people, senior profiles, strategic profiles, expatriates, new hires, recently promoted workers, etc.)
 - Transactional eNPS® questionnaires. This measurement is carried out through short questionnaires that complement the listening in focus groups.
2. The voice of employees is also heard through the recommendation, satisfaction and commitment survey, conducted twice a year, which measures:
 - Recommendation of the Company: Relational eNPS®: How likely employees are to recommend MAPFRE as a company to work for. In 2022, 91 percent of employees worked in countries with a very high recommendation score, above 20 points, or an excellent recommendation score, above 40 points.
 - Level 1 and level 2 root causes: the main reasons why an employee recommends MAPFRE as a company to work for to a lesser or greater extent.

The reasons for the recommendation are as follows:

- **Commitment:** The ESI (Employee Satisfaction Index) corresponds to the percentage of employees who gave an average score of between 8 and 10 in relation to their satisfaction with the following 10 variables: knowledge of objectives, pride in the work performed, recognition for the work performed, contribution to the company, receipt of quality feedback, development opportunities, collaboration, work tools, care for people, pride in the social footprint. In 2022, the commitment index was 70, meeting the objective of 70 established for 2022.
- **Management Recommendation Index: Leader Index** This measures the likelihood of employees recommending their supervisors. In 2022, on a recommendation scale from 0 to 10, 62 percent of employees gave a score of 9 or 10.
- **Satisfaction:** The satisfaction index, which stands at 67 percent, represents the number of employees who gave a score of between 8 and 10 in relation to their current level of satisfaction with the company.
- **Reputation:** Employees rated MAPFRE's reputation with a score of 8.3 out of 10.

The scope of these measurements covers 93.1 percent of employees.

Employee feedback is constantly received in the conversations between leaders and their teams, as well as through formal and informal meetings between management bodies and employees and other listening, participation, innovation and co-creation initiatives promoted by the company. The information collected on the employee experience through this constant listening is centralized and used anonymously through dashboards, allowing the employee's voice to be integrated into decision-making and the results of the listening process to be shared with the entire organization in an open manner.

MAPFRE also has an ethical whistleblower channel available to all stakeholders on its external website. This channel is available in Spanish, English, Portuguese and Turkish, and the complaints and queries are received directly by the Secretary of the Ethics Committee, guaranteeing their confidentiality.

The Ethics Committee is responsible for supervising and controlling compliance with MAPFRE's Code of Ethics and Conduct.

MAPFRE was rated as "transparent" in the latest edition of the 2021 Senior Career and Talent Report, promoted by Fundación Haz in collaboration with the NGO ITWILLBE and Fundación Knowdle, which analyzes the level of transparency and good governance at companies in Spain in terms of talent management for people over 50.

3. The employee life cycle, identifying the employee interaction touchpoints with the company, from before they join the company and up until the time they leave the company. This is combined with the continuous measurement of employee satisfaction and commitment.

ECONOMIC CONTRIBUTION TO SOCIETY

Insurance activity generates a direct economic value through the constant flow of transactions carried out (collection of premiums, payment of benefits, management of investments etc.), which affects different aspects related to the economic and social development of the environment in which the company operates.

Of the consolidated revenues for the year amounting to 29.51 billion euros (27.23 billion euros in 2020), MAPFRE has contributed financially to the company through payments made, as detailed in the accompanying table.

Item	2022	2021	%22/21
Benefits paid ⁽¹⁾	16,362.0	15,229.8	7.4%
Payments to providers ⁽²⁾	7,035.9	4,922.6	42.9%
Wages and salaries, and other ⁽³⁾	1,442.6	1,602.9	-10.0%
Activity subtotal	24,840.5	21,755.3	14.2%
Dividendos ⁽⁴⁾	876.4	614.3	42.7%
Shareholders subtotal	876.4	614.3	42.7%
Net income tax payment	376.2	349.2	7.7%
Social security	253.8	235.3	7.9%
Public administrations subtotal	630.0	584.5	7.8%
Interest paid	79.9	73.5	8.7%
Financing subtotal	79.9	73.5	8.7%
Total	26,426.8	23,027.6	14.8%

Figures in million euros

(1) Benefits paid and related expenses of direct insurance and accepted reinsurance.

(2) Includes payment of commissions and other activity services.

(3) Wages and salaries amounted to 1,229.4 million euros in 2022 (1,214.0 million euros in 2021).

(4) Dividend payments made during the fiscal year.

Furthermore, in its capacity as an insurer, the company makes commitments to its insureds in exchange for the management of resources that are invested in assets, particularly financial assets. The accompanying table gives information about the company in its role as an institutional investor at the close of the last two fiscal years.

Item	2022	2021	Δ %
THIRD-PARTY FUNDS UNDER MANAGEMENT ⁽⁵⁾	30,940.29	34,310.70	-9.8%
TOTAL INVESTMENTS	41,387.86	46,159.70	-10.3%
Financial investments	33,977.34	38,313.20	-11.3%
Fixed income	27,184.84	30,496.40	-10.9%
- Issued by governments	19,778.95	22,879.00	-13.5%
- Other fixed income securities	7,405.90	7,617.40	-2.8%
Other financial investments	6,792.50	7,816.80	-13.1%
Real estate investments ⁽⁶⁾	2,065.48	2,331.90	-11.4%
Other investments	5,345.04	5,514.70	-3.1%

Million euros

⁽⁵⁾ Technical provisions for Life, pension funds, mutual funds and managed portfolios, before shadow accounting adjustments.

⁽⁶⁾ Including real estate for own use.

PROVIDER PAYMENT TERMS

Details of the payments made by the Group's fully consolidated Spanish companies to providers in the fiscal years 2022 and 2021 are shown in the accompanying table.

Item	Days	
	2022	2021
Average provider payment period	6.1	7.9
Ratio of paid operations	5.7	7.8
Ratio of operations pending payment	22.0	18.2

Item	Figures in million euros	
	2022	2021
Total payments made	1,762.7	2,148.7
Total pending payments exceeding the maximum statutory term	37.5	29.5

The information on invoices paid in a period less than the maximum established in the delinquency regulations is shown in the accompanying table.

Item	2022	2021
Monetary amount paid (€ million)	1,762.7	2,148.7
Percentage of total monetary payments made to providers	97.9%	98.6%
Total number of invoices paid to providers	262,135	269,194
Percentage of the total number of invoices paid to providers	98.3%	98.6%

OTHER INFORMATION

The content corresponding to the Non-Financial Information Statement, which is reflected in the MAPFRE Integrated Report, is part of this Consolidated Management Report and meets the reporting requirements established by Law 11/2018 of December 28.

The table below provides an overview of the content in the Non-Financial Information Statement mentioned above.

CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

Contents of Law 11/2018	GRI reporting criteria (see GRI content index Section 6 of the MAPFRE Integrated Report 2022)
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General information

General	A brief description of the business model that includes its business environment, organization and structure	GRI 2-6 Activities, value chain and other business relationships
	Markets in which it operates	GRI 2-1 Organizational details GRI 2-6 Activities, value chain and other business relationships
	Organization's objectives and strategies	GRI 2-22 Statement on sustainable development strategy GRI 3-3 Management of material topics
	Main factors and trends that may affect its future performance	GRI 2-22 Statement on sustainable development strategy
	Reporting framework used	GRI 1-3 Reporting in accordance with the GRI Standards
	Materiality Principle	GRI 3-1 Process for determining material topics GRI 3-2 List of material topics

Environmental issues		
	Management approach: description and results of the policies related to these issues and of the main risks connected with those issues linked to the group's activities	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics
Detailed general information	Detailed information on the current and foreseeable impacts of company activities on the environment and, where appropriate, health and security	GRI 3-3 Management of material topics
	Environmental evaluation or certification procedures	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 2-23 Policy commitments GRI 3-3 Management of material topics
	Resources assigned to environmental risk prevention	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics
	Application of the precautionary principle	GRI 2-23 Policy commitments GRI 3-3 Management of material topics
	Amount of provisions and guarantees for environmental risks	GRI 3-3 Management of material topics GRI 307-1
Contamination	Measures to prevent, reduce or repair emissions that seriously affect the environment, considering any specific air pollution from an activity, including noise and light pollution	GRI 3-3 Management of material topics GRI 302-4 GRI 305-1, 305-2, 305-3, 305-5
Circular economy and waste prevention and management	Prevention measures, recycling, reuse, other forms of waste recovery and disposal Actions to combat food waste	GRI 301-1 GRI 306-2 (2020), 306-3 (2020)
Sustainable use of resources	Water consumption and water supply in accordance with local limitations	GRI 303-3, 303-5
	Consumption of raw materials and measures adopted to improve usage efficiency	GRI 301-1, 301-2
	Energy: Direct and indirect energy consumption. Measures taken to improve energy efficiency. Use of renewable energies	GRI 3-3 Management of material topics GRI 302-1, 302-2, 302-3, 302-4, 302-5

Climate change	Greenhouse gas emissions generated as a result of the company's activities, including the use of assets and services it produces	GRI 301-1 GRI 305-1 305-2 305-3 305-4
	Measures taken to adapt to the consequences of climate change	GRI 3-3 Management of material topics GRI 201-2 GRI 305-5
	Voluntary medium- and long-term reduction targets to reduce greenhouse gas emissions and means implemented for this purpose	GRI 3-3 Management of material topics GRI 302-4 GRI 305-5
Protection of biodiversity	Measures taken to preserve or restore biodiversity	GRI 3-3 Management of material topics
	Impacts caused by activities or operations in protected areas	GRI 304-1
Social and personnel matters		
Employment	Management approach: description and results of the policies related to these issues and of the main risks connected with those issues linked to the group's activities	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 2-19 Remuneration policies GRI 3-3 Management of material topics
	Total number and distribution of employees by country, gender, age and professional category	GRI 2-6 Activities, value chain and other business relationships GRI 2-7 Employees GRI 3-3 Management of material topics GRI 405-1
	Total number and distribution of work contract modalities and annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional category	GRI 2-7 Employees GRI 2-8 Workers who are not employees
	Number of dismissals by gender, age and professional category	GRI 401-1
	Average remuneration and its evolution broken down by gender, age and professional category or equal value	GRI 405-2
	Pay gap, the remuneration of equivalent job positions, or the average for the company	GRI 405-2
	Average remuneration of directors and managers, including variable remuneration, travel, subsistence and accommodation allowances, compensation, payments to long-term pension systems, and any other income broken down by gender	GRI 2-19 Remuneration policies GRI 2-20 Process to determine remuneration
	Implementation of policies for disconnection from work	GRI 3-3 Management of material topics
	Number of employees with disabilities	GRI 405-1

Organization of work	Organization of working time	2-7 employees
	Number of absenteeism hours	GRI 3-3 Management of material topics GRI 403-2, 403-9
	Measures aimed at facilitating a work-life balance and encouraging the corresponding exercise thereof by both parents	GRI 3-3 Management of material topics GRI 401-2, 401-3
Health and safety	Occupational health and safety conditions	GRI 3-3 Management of material topics GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8
	Workplace accidents, in particular their frequency and severity, as well as occupational illnesses; broken down by gender	GRI 403-2, 403-9, 403-10
Social relations	Organization of social dialog, including procedures to inform and consult personnel and negotiate with them	GRI 2-28 Membership associations GRI 2-29 Approach to stakeholder engagement GRI 402-1 GRI 407-1
	Percentage of employees covered by collective agreements by country	GRI 2-30 Collective bargaining agreements
	Overview of collective agreements, particularly in the field of occupational health and safety	GRI 403-1, 403-4 GRI 407-1
Training	Policies implemented in the field of training	GRI 404-2, 404-3
	Total number of training hours by professional category	GRI 404-1, 404-2, 404-4
Universal accessibility	Universal accessibility of persons with disabilities	GRI 405-1
Equality	Measures taken to promote equal treatment and opportunities between women and men	GRI 401-3 GRI 404-2
	Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment	GRI 405-1, 405-2 GRI 406-1
	Policy against all types of discrimination and, where appropriate, management of diversity	GRI 405-1, 405-2, 406-2

Respect for human rights

	Management approach: description and results of the policies related to these issues and of the main risks connected with those issues linked to the group's activities	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics
	Application of due diligence procedures in matters of human rights, prevention of risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses committed	GRI 2-23 Policy commitments GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 407-1, 408-1, 409-1, 410-1, 411-1, 412-2, 412-3, 414-2
	Prevention of risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses committed	GRI 3-3 Management of material topics GRI 412- 1
Human Rights	Complaints of human rights violations	GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 406-1 GRI 419-1
	Measures implemented to promote and comply with provisions of the key ILO conventions related to respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the elimination of forced or mandatory work; effective abolition of child labor	GRI 3-3 Management of material topics

Information on the fight against corruption and bribery

	Management approach: description and results of the policies related to these issues and of the main risks connected with those issues linked to the group's activities	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics
	Measures taken to prevent corruption and bribery	GRI 2-23 Policy commitments GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 205-1, 205-2, 205-3 GRI 415-1
Corruption and bribery	Measures to combat money laundering	GRI 2-23 Policy commitments GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 205-1, 205-2, 205-3
	Contributions to foundations and nonprofit organizations	GRI 2-28 Membership associations GRI 201

Information about the company		
	Management approach: description and results of the policies related to these issues and of the main risks connected with those issues linked to the group's activities	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics
The company's commitments to sustainable development	Impact of the company's activity on employment and local development	GRI 3-3 Management of material topics GRI 201-1 GRI 203-2 GRI 204-1 GRI 413-1, 413-2
	Impact of the company's activity on local populations and the territory	GRI 3-3 Management of material topics GRI 201-1 GRI 203-2 GRI 411-1 GRI 413-1, 413-2
	Relationships maintained with local community actors and modalities for dialog with them	GRI 2-29 Approach to stakeholder engagement GRI 204-1 GRI 413-1, 413-2
	Association or sponsorship actions	GRI 2-28 Membership associations GRI 3-3 Management of material topics GRI 201-1
Subcontracting and providers	Inclusion of social, gender equality and environmental issues in the purchasing policy	GRI 3-3 Management of material topics GRI 204-1 GRI 414-1, 414-2
	Consideration in relations with providers and subcontractors of their social and environmental responsibility	GRI 2-6 Activities, value chain and other business relationships GRI 308-1 GRI 407-1 GRI 409-1 GRI 414-1, 414-2
	Supervision and audit systems and their results	GRI 2-6 Activities, value chain and other business relationships
Consumers	Measures for consumer health and safety	GRI 3-3 Management of material topics GRI 416 -1 GRI 417-1, 417-2
	Complaint systems, grievances received and resolution of the same	GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 417-3 GRI 418-1

Tax information	Profits obtained country by country	GRI 3-3 Management of material topics GRI 201-1 GRI 207-4
	Tax on profits paid	GRI 3-3 Management of material topics GRI 201-1 GRI 207-4
	Public subsidies received	GRI 201-4
Taxonomy Regulation Requirements		
	Taxonomy Regulation Requirements	MAPFRE's own methodology prepared according to Article 8 on European Taxonomy

ANNUAL CORPORATE GOVERNANCE REPORT

The Annual Corporate Governance Report for the year 2022, as required by Article 538 of Royal Decree Law 1/2010, of July 2, approving the Consolidated Text of the Companies Act, forms an integral part of this Consolidated Management Report, and its content is available on the website of the Spanish National Securities Market Commission (CNMV) at the following address:

<https://www.cnmv.es/portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=1&nif=A08055741&lang=en>
and on the corporate website at www.mapfre.com.

ANNUAL REPORT ON DIRECTORS' REMUNERATION

The Annual Report on Directors' Remuneration for the year 2022, as required by Article 538 of Royal Decree Law 1/2010, of July 2, approving the Consolidated Text of the Companies Act, forms an integral part of this Consolidated Management Report, and its content is available on the website of the Spanish National Securities Market Commission (CNMV) at the following address:

<https://www.cnmv.es/portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=1&nif=A08055741&lang=en>
and on the corporate website at www.mapfre.com.

The Consolidated Annual Accounts for MAPFRE S.A., on the preceding pages 1 to xxx herein, and the Consolidated Management Report on the preceding pages xxx to xxx herein, corresponding to the financial year 2022, endorsed in their entirety by the Secretary of the Board, were ratified by the Board of Directors at its meeting held on February 8, 2023. The Board Members declare that, as far as they are aware, the aforementioned accounts have been prepared in accordance with the applicable accounting principles and offer a true and fair view of the equity, financial situation, and results of the Company and the companies comprising the consolidation as a whole. Likewise, the Management Report includes a true and fair view of the development of the results and of the position of the Company and of the Group, and broadly informs, along with the Consolidated Annual Report, of the risks and uncertainties they face.

Mr. Antonio Huertas Mejías
Chairman

Ms. M.ª Amparo Jiménez Urgal
Member

Mr. Ignacio Baeza Gómez
1st Vice Chairman

Mr. Francisco J. Marco Orenes
Member

Ms. Catalina Miñarro Brugarolas
2nd Vice Chairman

Mr. Fernando Mata Verdejo
Member

Mr. José Manuel Inchausti Pérez
3rd Vice Chairman

Mr. Antonio Miguel-Romero de Olano
Member

Ms. Ana Isabel Fernández Álvarez
Member

Ms. M.ª del Pilar Perales Viscasillas
Member

Ms. M.ª Leticia de Freitas Costa
Member

Mr. Ángel Luis Dávila Bermejo
Secretary and Non-Member

Ms. Rosa M.ª García García
Member

Mr. Antonio Gómez Ciria
Member

The English version is a translation of the original in Spanish for information purposes only. In case of discrepancy, the Spanish version shall prevail.

INTEGRATED REPORT 2022
MAPFRE

INTEGRATED REPORT 2022

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Dear friends,

The year 2022 has proven to be an extraordinarily complex one for companies, institutions and people the world over. Due to the economic, health and social effects that were still reverberating from the pandemic, an unjustifiable war in Ukraine has caused a global economic crisis that has not only slowed down the expected post-Covid recovery, but even threatens to provoke recession in many economies, with the consequent social effects in terms of employment and poverty. The raw materials crisis, which was already pushing inflation up, has brought on a serious problem regarding prices for the population as a whole, an additional unforeseen negative consequence in the cost structure of companies, institutions and governments.

Undoubtedly, the most relevant aspect of the unjustified war in Ukraine is the damage being caused to people and their property, an emergency that MAPFRE was sensitive to from the outset, activating emergency help lines for the country as an expression of our traditional commitment to people, especially those in vulnerable situations.

Unfortunately, as 2022 drew to a close the conflict raged on, and with it the consequences to which I have just referred, which are undoubtedly part of the reality of our activity as a global insurer despite the fact that our exposure in the conflict region is extraordinarily residual and, therefore, does not impact notably on our insurance or reinsurance activity. But its effects have materially conditioned our cost structure, especially in those lines of business most exposed to inflation, such as automobile and homeowners, where we also maintained a pricing containment policy adjusted to the lower claims levels produced during the lockdowns.

Faced with this reality, we immediately launched action plans in each country to reduce this impact on the accident rate and to be able to reverse the deviations in the combined Non-Life ratio, an indicator that we have managed to close at 98 percent, a percentage that will improve in the coming months, as the technical measures that have been implemented are consolidated.

Our ambitions are always demanding, especially when it comes to achieving adequate profitability, which recognizes the trust that shareholders place in us. Having said this, I sincerely believe that we can classify 2022 as a good one for MAPFRE, taking into account the very negative environment that we had to deal with last year. Revenues grew 8.3 percent to exceed 29.5 billion euros, generating net earnings of 642 million euros, which will allow us to meet our objectives of creating value and, therefore, payout to all of you, in cash, as always. We feel very honored to be able to contribute with this dividend to improving the income of our shareholders, who, like everyone else, are also being greatly affected at this time by the significant pressure on prices, which is causing significant imbalances in both domestic and international economies. To conclude this section, I draw your attention to the excellent result achieved in Latin America, with a contribution of more than 9 billion euros in premiums, and an excellent contribution to earnings of more than 300 million euros. In 2022 MAPFRE achieved absolute leadership positions in both the Life and Non-Life segments in the region.

In the Report, the financial evolution of the company is available and with total transparency, both that of the Group and that of each of the business units, among which I would like to highlight that 2022 was a good year for the reinsurance and large risks business units, each of which enjoyed double-digit growth. Additionally, reinsurance market conditions have improved, which opens up interesting prospects for growth and improved profitability for MAPFRE in the coming quarters. We want to make the most of this potential, which is why a capital increase in the amount of 250 million euros has been approved for MAPFRE RE, which will enable it to enlarge its scope of action in terms of attracting business, maintaining, as always, its prudent and rigorous underwriting policy. As far as the Assistance unit goes, last year saw the completion of its intense transformation process was completed, which produced a concentration of its geographical footprint where it can add more value to its clients and to MAPFRE's insurance business, as well as an intense renewal of its portfolio to boost the digital provision of services. As part of this new phase, the transformation has also led to a redefinition of the brand to kickstart 2023, which will see all countries operate under the new name of MAWDY, (MAPFRE Worldwide Digital Assistance Company).

To conclude this first part of figures, I also want to reiterate the enormous solvency of your company, where the capital ratio stands at 216.8 percent, as per the last published measurement, which is in the upper part of the range determined by the Board of Directors established with aim of guaranteeing capital solvency at 200 percent with a range of +/-25 points. In short, we saw it in the toughest moments of the pandemic, we have seen it again this year, and we will undoubtedly see it in the years to come. Whatever the prevailing environment, MAPFRE has built a solid and solvent business model based on geographic and business diversification that enables us to do business year in and year out producing stable results and earnings, all the while protecting the future with a solid capital base. We have adjusted the pace and prioritized our development better, but we have held firm on all our commitments and action.

I would like to refer now to our Strategic Plan 2022-2024, a roadmap drawn up just before the start of the war in Ukraine, which has led us to gradually adjust some of our expectations, but without renouncing its essential objectives. We are now entering the middle year of the three-year phase, and, with the exogenous scenario that I described at the beginning of the letter, we anticipate difficulties in fully complying with some indicators, but we are determined to keep working to the best of our abilities on all of them right up until the close of 2024. Specifically, as stated in section 2.2. of this publication, after the first year of the cycle, we find ourselves in compliance with most of the aspirational objectives that we set out in the Plan, except for the Combined Ratio, due to the effect of inflation on claims, and ROE, due to the environment in which we operated over the course of the last fiscal year.

Another issue on which we have also remained firm despite the vicissitudes of the current environment is our commitment to sustainability. Deployment of our environmental, social and governance (ESG) strategy continued in 2022, as is detailed in this report, with a special emphasis on the S for social, in that we understand that all the effort that society is making to reconfigure the planet in a sustainable manner must be centered on people. We are fully committed to the United Nations 2030 Agenda, and with all our commitments to Human Rights, are rolling out actions at global level. We believe that, despite the pandemic, we have an obligation to make the most of this decade of action to boost compliance with these Goals as much as possible. But more than anything, this is part of our nature – we staunchly defend that this energy transition and everything that goes with it must be fair for people.

Over the course of 2022 we raised our own requirements in terms of sustainability, helping our collaborators and clients move toward this new economic model and progressively abandon insurance and investment in those industries that are not only less sustainable but are also not implementing their own transformation plans in this area. Last year also saw us sign up to the Net-Zero Insurance Alliance (NZIA) and the Net Zero Asset Owner Alliance (NZAOA).

Our sustainability strategy is increasingly integrated into the business model, which allows us to take on the great global challenges by managing ESG risks and opportunities, innovating in the development of new insurance, reinsurance and service products and solutions, which benefit customers and, in aggregate, society as a whole.

As reported in this publication, we have met the objectives set for 2022 in ESG matters, and we continue to develop a policy of respect, transparency and trust in relation to all our stakeholders, with whom we work constantly to foster balanced and medium- and long-term relationships. During 2023 we will mark our first 90 years of history, a milestone that many companies are not capable of reaching, and which we have achieved thanks to a roadmap based on solid ethical and moral values throughout our entire history. The year just past was also the year in which we reformulated our corporate purpose, which defines us as a company committed to society. We maintain our vision and the values that have always accompanied us, and from now on MAPFRE's corporate purpose is expressed to each of our stakeholders as: "We are by your side every step of the way, accompanying you to move forward with peace of mind, contributing to the development of a more sustainable and supportive society."

To conclude, I affirm that we have completed a very satisfactory year in relation to the environment that accompanied it. We have a promising 2023 ahead of us to continue advancing in our strategy of disciplined growth and profitability, increasing efficiency and productivity in all our operations, while we continue with our process of digital, organizational and cultural transformation. The company faces this moment with a tremendously solid position from the financial and solvency point of view, a low level of debt and, therefore, with sufficient liquidity and capacity to be well positioned for the opportunities that may arise in any market.

MAPFRE S.A.

Ladies and gentlemen shareholders, I invite you to read this publication in more depth, where we collate in an integrated manner both the evolution of the business and that of our sustainability commitments; and I conclude by reiterating our gratitude for the trust you have all placed in us.

Antonio Huertas

CEO of MAPFRE

2.1. About us

2.1.1. Main activity

We are a multinational group that since 1933 has focused mainly on insurance, reinsurance, and financial activities, offering global solutions to protect people, professionals, and companies against risks with a wide range of products and services that allow them to manage their current and future needs. Our deployment is global, given that including our reinsurance activity, we do business in more than 130 countries around the world, with a direct presence in 38. Our corporate structure is adapted to match the continued evolution of the business and the needs of our clients.

We are the world's top Spanish insurer, the leading multinational insurance company in Latin America, and we hold relevant and/or leadership positions in most of the countries in which we operate.

We offer a complete personal lines insurance program that is adapted to the different countries through a wide insurance offering for life, health, accident, general P&C (homeowners, automobile, third-party liability, family, etc.), cyber risks, savings and investment, retirement, burial, travel and lifestyle policies.

We help professionals, entrepreneurs, self-employed people and small companies to develop their commercial undertakings, offering a broad portfolio of products and services that enable them to concentrate on their professional activity (with solutions for vehicles, third-party liability and assets, agriculture and livestock, commercial establishments, cyber risks, etc.), while also insuring their personal risks (accidents, health, life, retirement, savings and investments) and cyber risks.

We contribute actively to the Development Goals of the United Nations 2030 Agenda through an ambitious Sustainability Plan that involves not only business but also the actions we carry out in society.

We have specific solutions in place for small and medium-sized enterprises as well as large corporations, with a range of products and services adapted to the activity of each organization, at local, national and global level.

MAPFRE is the only Spanish insurer with the capacity to manage large business risks anywhere in the world, with an offering that is tailored to the management model of each client, with a wide range of products available for vehicles, third-party liability and general P&C, engineering and construction, hulls and aviation, goods transportation, agribusiness, surety and credit, group health, accident, life and retirement insurance, among others.

We adapt our products and services to new digital trends, offering the client a simple and complete digital experience at all touchpoints throughout their relationship with MAPFRE.

We have a reinsurance offering in place that complements our insurance activity.

We develop our own networks in the countries in which we operate, which are compatible with other distribution channels, in order to customize the service we offer clients and to contribute to job creation and activity in each market. MAPFRE's own networks are supplemented by online channels and its distribution capacity as a result of the signing of agreements with different companies, notably its bancassurance agreements, but also including those with other financial companies, automobile dealerships, shopping malls and service companies, etc.

Present in 38 countries	
Revenues 29.5 billion euros	31.293 employees
Shareholders' equity 7.3 billion euros	83.332 intermediaries
Attributable earnings 642.1 million euros	12.387 offices

2.1.2. Vision, purpose and values

Our vision is to be **THE MOST TRUSTED GLOBAL INSURANCE COMPANY** for all of our clients around the world, through maintaining a global presence and offering a wide range of insurance, reinsurance and service products. We aspire to lead the markets we operate in by deploying a sustainable, proprietary and differentiated management model, which is based on transformation and innovation, so as to achieve profitable growth, with a clear and determined customer orientation, for both private and enterprise clients, creating relationships grounded in fairness and transparency, and with a multi-channel approach and a firm vocation for service.

Our corporate purpose, the company's raison d'être in its day-to-day existence, manifests itself when we say to a client that **"we are by your side, accompanying you to move forward with peace of mind, contributing to the development of a more sustainable and supportive society."** In other words, we help them both in the here and now and in the future, because we are ready to support them and offer them what they need to deal with today and what comes down the line, just as we have been doing for many years. Because, in an uncertain world, we are defined by the capacity of more than 250,000 employees, collaborators and providers to deliver the best service, innovating, adapting to customer needs and being there when they need us.

We make good on this commitment through the following values, which help us develop the company's purpose and achieve its vision:

- Solvency: financial strength with sustainable outcomes over time and full capacity to meet all its obligations with stakeholders.
- Innovation: differentiation as a key requirement to drive constant growth and improvement, using technology to service the different businesses and their objectives.
- Service: the constant quest for excellence and continuous improvement aimed at creating more value for the client and making the quality of the service and the relationship with the client another element of differentiation.
- Multicultural and diverse team: attracting and retaining the best global talent to the company and with the full involvement of employees, managers, agents and other collaborators with the MAPFRE projects.
- Integrity: ethical conduct as a core element in how everyone (executives, employees, agents and collaborators) behaves, with a socially responsible focus on all long-term activities and commitments.

Our business model promotes profitable growth and is geared toward contributing to the social development of the countries in which we operate.

Accordingly, MAPFRE:

- Is firmly committed to growth, both in terms of products and services and geographic development, which is what strengthens our business model.
- Manages its affairs with efficiency, constantly seeking to boost productivity, continuously reducing structural costs to improve competitiveness.
- Professionally manages the risks it undertakes, ensuring sustainable growth and results.
- Integrates global management with a broad capacity for local execution, striving to achieve the right balance between corporate action and business development in each country.
- Makes existing resources available to the entire organization, thereby taking advantage of the synergies obtained by sharing talent, processes and tools.
- Promotes specialized management as a means of continuously optimizing results and enhancing service quality.

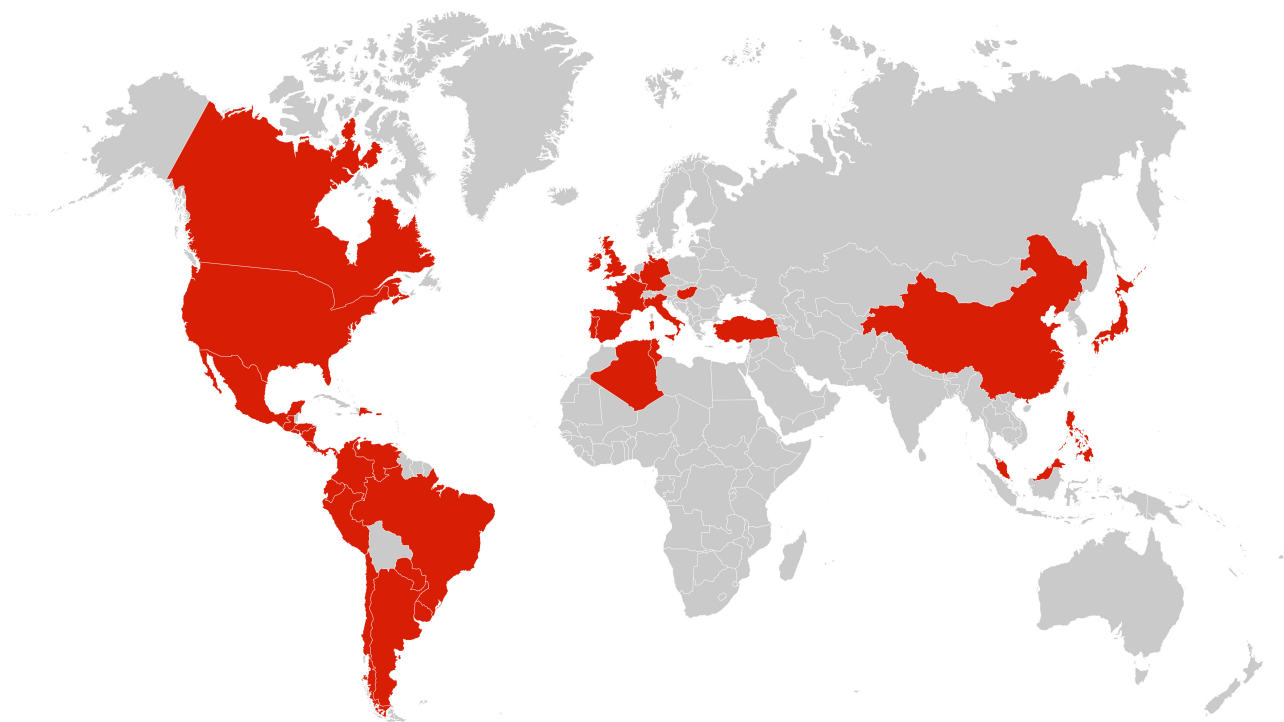
2.1.3. Geographic footprint (deployment)

MAPFRE is a global company principally engaged in insurance and reinsurance activities in 38 countries, through 197 companies. Throughout 2022, the scope of activity of the Assistance Unit has continued to be adjusted so as to align it with the social footprint of the insurance business, thereby bringing greater efficiency and profitability to this business, which in turn has led to the exit from eight markets.

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In a similar vein, in search of more profitable operations, the company has completed its reconfiguration in the EURASIA Regional Area, which led to the sale of the Indonesian and Philippine insurance businesses, resulting in MAPFRE's presence in Asia being centralized through the five MAPFRE RE offices in the region:

Singapore, Malaysia, the Philippines, Japan and China. The company's presence in China was reinforced in 2022 through MAPFRE RE receiving authorization from the local Supervisor to transform the representative office in Beijing into a full branch, which will allow it to boost its business in the country.



In today's society, the brands enjoying the greatest public recognition are those that best adapt to the needs and values of people. Consumers expect brands to collaborate in caring for and improving what is important to them, and this is exactly what MAPFRE has been doing for many years. At a time when companies are required to demonstrate their real commitment to society, we have designed and communicated our differentiating corporate purpose, which amounts to being by our clients' side, every step of the way, accompanying them to move forward with peace of mind, contributing to the development of a more sustainable and supportive society. This is something that, since our inception, has formed part of the very essence of the company and guided us in the most challenging moments. With this purpose, which is distilled in the new brand claim of "We care about what matters to you", we want citizens to continue to trust us because we listen to them and continue working to contribute to the development of the societies we operate in. This purpose was communicated to our different stakeholders throughout the 2022 financial year.

As a result of all the actions taken, our reputation has continued to improve, something that is critical for MAPFRE, in that we are aware that reputation is an important intangible asset in terms of the existence and development of companies - it generates value, stability and impacts greatly on conditioning behaviors that support them.

In 2022, a new measurement model was implemented, created based on the company's particular strategic objectives and taking its impact on the business into account. This applied model has facilitated the construction and underpinning of useful and appropriate metrics for reputation management.

Regarding the perception of the company among its main stakeholders, in 2022, the strategic indicator of reputational relevance, which reflects MAPFRE's reputation among its customers, employees and the general public, continues to position MAPFRE as a company with a good reputation, one that is synonymous with trust, support and respect.

The Corporate Reputation Business Monitor (MERCÓ) placed MAPFRE in Spain in fifth position in the ranking of the "100 Companies with the Best Reputation" and first in the insurance sector, achieving the best position in its more than 20-year history with MERCÓ. In Peru, MAPFRE is among the 40 most highly valued companies in this classification, while in Mexico it ranks second in the sector.

In addition, in the MERCÓ Talent indicator, MAPFRE in Spain was ranked in 11th position, once again claiming leadership for its sector, while in Peru, MAPFRE is considered one of the Top 50 companies in the country in terms of attracting and retention of personnel.

In 2022, MAPFRE was recognized as the 10th most valuable company in Spain and the 40th in the world insurance sector, according to Brand Finance.

In addition, LinkedIn placed the company in 7th position among the best companies to work for in Spain, with Forbes and Randstad also referencing the company in this respect.

In Mexico, MAPFRE was recognized for the 15th consecutive year as one of the best companies to work for by Great Place To Work, being the only multinational in the sector with more than 500 employees to have achieved this distinction.

In the field of sustainability, MAPFRE is the only Spanish insurer recognized in the Sustainability Yearbook 2022, which recognizes the companies that show the most responsibility toward society and the planet. It is also listed on the FTSE4Good index and has been recognized as the fifth most responsible company in terms of ESG (environmental, social and governance) in Spain and the first in the insurance sector, as per the MERCÓ report.

MAPFRE has been included for the second consecutive year in the Bloomberg Gender Equality Index (GEI) 2022, which measures gender equality across different criteria. It has also been recognized for its commitment to this issue and female leadership in Turkey and Ecuador.

2.2. Strategy

2.2.1. Strategic Plan

Our current strategic cycle, approved by the Executive Committee and the Board of Directors of MAPFRE S.A., covers the period 2022-2024, and contemplates a horizon of three additional years to manage and anticipate future uncertainty, through an iterative work model. The Group's strategy is based on three pillars:



The **Growth and Profitability** pillar relates to the framework established for disciplined growth, in terms of both retaining and attracting customers, and how to do so delivering adequate profitability. We will be focused on knowing the needs of customers, creating and developing products and channels that satisfy them. We will maintain a business portfolio with sufficient scale, which allows for competitive expense ratios, with an adequate technical level.

The **Efficiency and Productivity** pillar will mark our roadmap in everything we do, reflecting in our processes specific objectives to satisfy customers in terms of quality and speed and at the same time, doing so consuming the fewest possible resources, thereby improving expense ratios and being more competitive. Improving efficiency and productivity allows us to grow with greater agility and execute a more dynamic deployment of capabilities with greater impact.

The **Transformation** pillar is part of the process of continuous change in which we find ourselves immersed, and it will allow us to be an increasingly modern company, properly prepared for the future, ensuring the sustainability of our results. This transformation will allow us to continue progressing in our aspirations, as they pertain to knowledge of each market, the ability to adapt, speed of development, and geographic and product expansion.

Progress with the plan in 2022 and future outlook

Progress with the plan in 2022

We have some **aspirational objectives** in place that serve as a reference to guide our ambitions, which, at the end of 2022, were as follows:

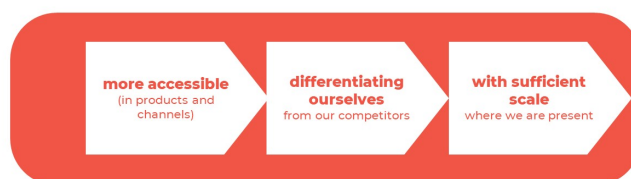
- ROE: 8.4 percent (excluding operational extraordinary items) versus a 2024 aspiration of 9-10 percent (average)
- Premium growth: 10.8 percent versus a 2024 aspiration of 5-6 percent (average growth).

- Combined Non-Life ratio: 98.02 percent versus a 2024 aspiration of 96 percent (on a composite basis).
- Gender pay gap: 1.86 percent versus a 2024 aspiration of +/-1.0 percent.
- ESG investments: 93.72 percent of the investment portfolio (managed by MAPFRE AM) qualified in line with ESG criteria, versus a 2024 aspiration of 90 percent (of the global portfolio).

We work continuously on adequately **diversifying** our portfolio, which allows for the prioritization of the business models that help us achieve our aspirational objectives and focus the activity of each company. Additionally, we are focusing our efforts on the continuous discovery of opportunities in the medium and long term, contemplating entry into new markets and preventing negative impacts, as well as achieving positive impacts on the economy, the environment and people.

Our **roadmap** for the coming years is marked by:

- Being a more **accessible** company:
 - With products that the customer needs (caring about what matters to them).
 - With channels based on ease of use, boosting agility and improving costs in order to offer better products at more competitive prices.
- Continuing to **differentiate ourselves** through a value proposition that reflects what the customer demands at all times, leveraging the capacities generated in the current technological revolution, all the while remaining committed to contributing to a sustainable future.
- Working on a sufficient **scale** that facilitates continuous improvements in efficiency and productivity.



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Digitization will go hand in hand in everything we do, imbuing our day-to-day activity and affecting all the levers we activate.

Our **talent**, the capabilities that we have and will develop, the resources, the new operating models and the structures in place will all enable us to achieve the objectives that we have set for ourselves.

2.2.2. Sustainability

We find ourselves in the decade of action of the United Nations 2030 Agenda, an urgent context in which we have the unique opportunity to contribute to addressing social and environmental challenges and maximizing compliance with the 17 related Sustainable Development Goals. At MAPFRE, we are convinced that change is possible because we have been part of this change over the years, through our intense social commitment to the communities we operate in, always setting ourselves demanding commitments in social, environmental and corporate governance through plans and products aligned to the new needs of people and society.

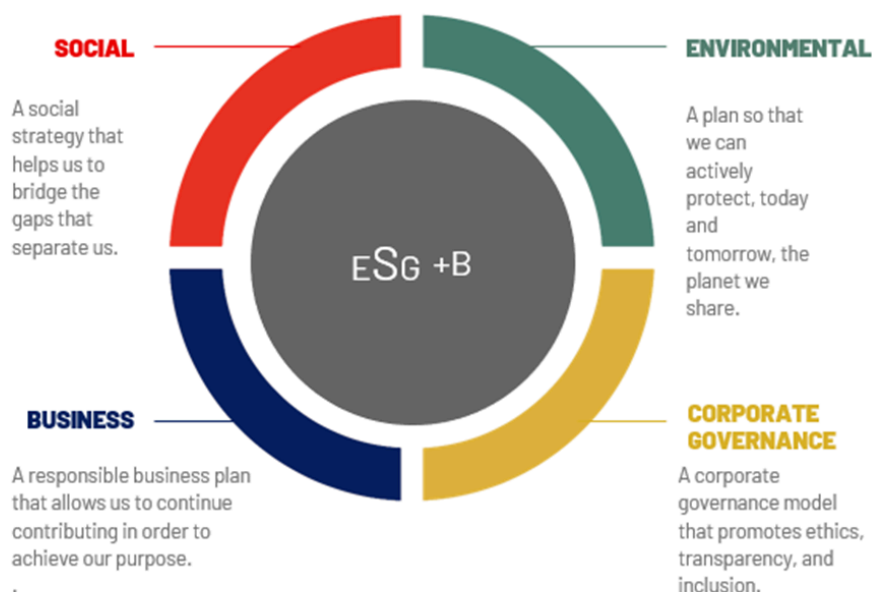
Strategic sustainability for MAPFRE

Sustainability has always been a part of MAPFRE's strategy. Since the 1960s, the company's statutes have stated that, in addition to the seeking an economic return on our activities, we also had an obligation to deliver a social benefit. Our *raison d'être*, our corporate purpose, is centered on being close to people, by their side, accompanying them to move forward with peace of mind, contributing to the development of a more sustainable and supportive society. This purpose can be distilled into simply saying "We care about what matters to you."

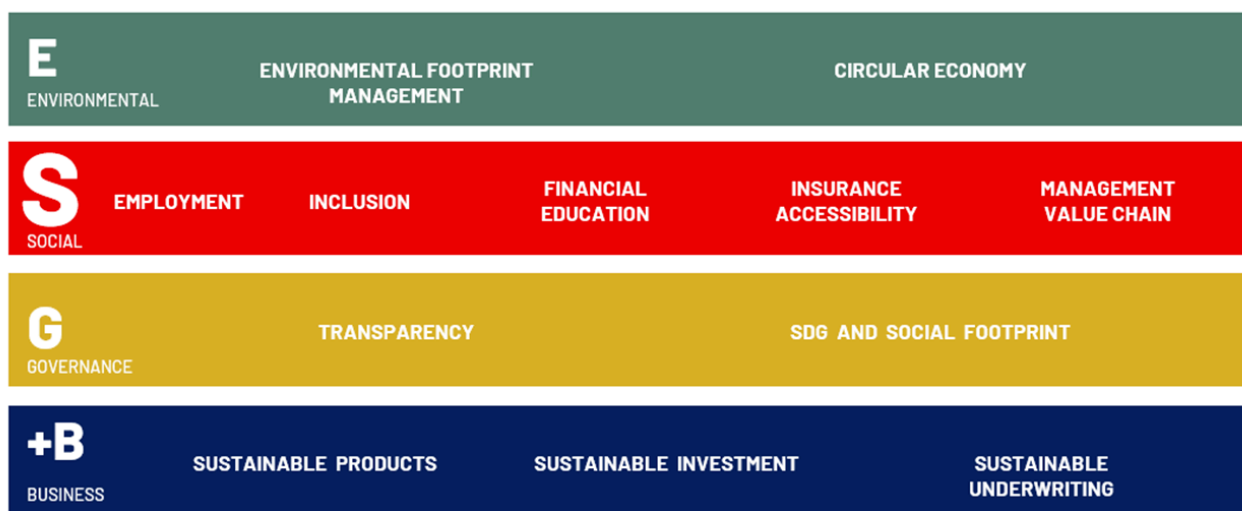
The Sustainability Plan for the years 2022-2024, duly approved by the Board of Directors, has been defined taking into account the Group's strategy, sustainability trends, the study of material aspects for MAPFRE and its stakeholders, the 2030 Agenda and new environmental, social and governance (ESG) regulations.

The Plan is made manifest through four axes and 12 lines of action, with corresponding objectives that seek to prevent negative impacts and promote positive ones on the economy, the environment and society.

Axes of the plan:



Lines of action:



Main objectives of the 2022-2024 plan:

- MAPFRE's main countries (representing more than 73 percent of total premium volume) will be carbon neutral by 2024 and the rest of the Group's countries by 2030.
- By the end of 2024, 3.5 percent of MAPFRE's workforce around the world will be made up of people with disabilities.
- The gender pay gap target will be +/-1 percent globally by the end of 2024.
- 100 percent of the providers who make up the MAPFRE Automobile, Homeowners, Health and procurement network will be approved in line with ESG criteria in MAPFRE's main countries.

- 90% of the global investment portfolio will be in line with ESG criteria in 2024.

Main achievements of the sustainability plan in 2022

Environmental Axis:

Management of environmental footprint: the Environmental Footprint Plan is being developed, focused on reducing energy consumption, purchasing renewable energy, mobile working, the use of electric or hybrid vehicles, the reduction of business trips and consumption of paper and water. (For more information, please see data in chapter 5.)

Circular Economy: Second Life Project, which aims to extend the useful life of electric vehicle batteries a second life and the Yo reparo project to train repair shops, two truck drivers and assessors in repair techniques and methods. To date, in Spain and Brazil, 305 assessors 1,406 tow truck operators and 313 repair shops have been trained in this more sustainable methodology. Additionally, in 2022, MAPFRE successfully renewed the certification of the three buildings in the Majadahonda complex as Zero Waste centers and extend the certification to the Data Center in Alcalá de Henares, in Spain.

Social Axis:

Promotion of internal and external employability. Capacity development and transformation plans, which have allowed 86.2 percent of people to be promoted in 2022 and achieve an Employee Satisfaction Index (ESI) of 70. (For more information on this subject, please see chapter 4.3. Developing people.)

Inclusion: During 2022, the employment of people with disabilities was promoted, with such people now making up 3.5% of the workforce globally. In relation to gender equality, the pay gap reduction plan was launched with the aim of achieving pay equity by reducing the gender-adjusted gap to +/-1% by 2024. Additionally, from a client perspective, progress has been made in Spain in developing products and services aimed at the senior collective to improve the quality of life of the elderly, impacting approximately 189,500 people with commercial actions and delivering growth of 258 percent in new production or related premiums.

Transparency axis:

With the aim of transposing our commitments and the actions we are developing to generate a positive impact on environmental, social and corporate governance issues to our main stakeholders, a dissemination and awareness plan was prepared in 2022 that details internal and external actions related to topics such as inclusion, sustainable mobility, the social impact of insurance, sustainable business and digitization, all of them being actions that we intend to use to drive the change toward a sustainable future.

Business axis:

Acutely aware of the role we play as investors and insurers to mobilize economic resources that promote a more equal and sustainable world, our objective in this respect is to develop insurance and financial services and products that respond to risks and opportunities in social, environmental and corporate governance matters. (Detailed information on this can be found in section 3.3 of this report.)

Sustainability governance model

MAPFRE has a Sustainability Policy in place that establishes the reference framework so that any Group company can develop and promote socially responsible and sustainable behavior that includes both the principles and commitments that MAPFRE develops in ESG issues and its action strategy related to stakeholders. The effective application of this policy and the monitoring and control of its actions are supervised by the Group's Risk and Sustainability Committee.

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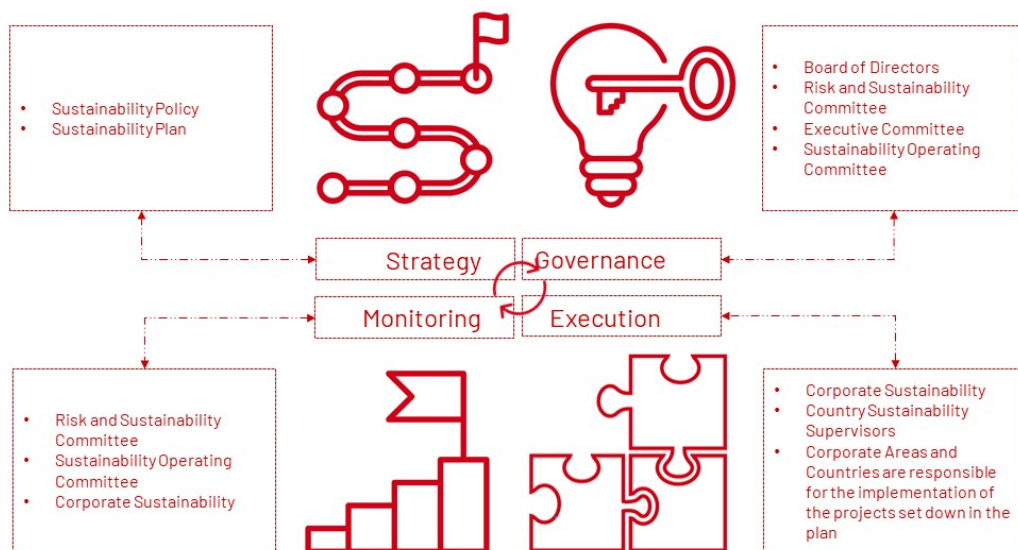
MAPFRE undertakes the approval and monitoring of the sustainability strategy at the highest governance level. In March 2022, the Board of Directors proposed to the Annual General Meeting to assign to competence in matters of sustainability to the Risk Committee, in turn revising its name to the Risk and Sustainability Committee. This committee's objective, among other things, is to supervise and control the Group's sustainability strategy and policy, as well as the risks and opportunities related to ESG aspects. This committee has met six times a year, to address issues related to sustainability. (For more information, please see section 2.4.)

The Group has an internal Sustainability Committee in place, the members of which are appointed by the Executive Committee. This highest-level executive body is in charge, among other matters, of proposing the Group's sustainability strategy to the Risk and Sustainability Committee, promoting the progress of the sustainability plan and dealing with matters that are relevant to the Group in this area.

In 2022, the Sustainability Committee met four times to, among other things, monitor each of the projects specified in the 2022-2024 Plan, establish new objectives, identify trends, opportunities and regulatory requirements related to sustainability, and draw up action plans to deal with them.

Corporate Sustainability is in charge of supervising and supporting the execution of the plan, designing the sustainability plan and monitoring new regulations and their impact on the company. This area participates in internal committees and external forums pertaining to the development of sustainability issues.

Sustainability governance model



MAPFRE S.A. 2.3. Shareholder and Functional structure

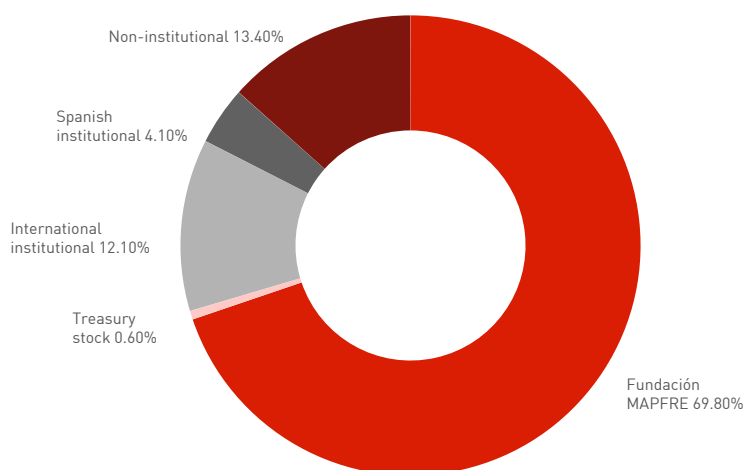
2.3.1. Shareholder structure

The Group's parent company is the holding company MAPFRE S.A., the shares of which are listed on the Madrid and Barcelona stock exchanges. As at the end of the fiscal year, MAPFRE was part of the following indices: IBEX 35, IBEX Top Dividend, FTSE All-World, FTSE Developed Europe and MSCI World Small Cap Index, as well as the sustainability indices FTSE4Good, FTSE4Good IBEX, Bloomberg Gender Equality Index, IBEX Gender Equality Index, Ethibel Excellence and ESI Europe.

The majority of the shares in MAPFRE S.A. are owned by Fundación MAPFRE, which owns 69.8 percent of the share capital, which guarantees its independence and institutional stability. Fundación MAPFRE engages in activities of general interest in the fields of Social Action, Insurance and Social Protection, Culture, Accident Prevention and Road Safety, and Health Promotion.

At fiscal year-end, MAPFRE S.A. owned 19,789,583 treasury stocks, representing 0.6426 percent of the capital.

Shareholder composition



MAPFRE S.A.

2.3.2. Functional structure

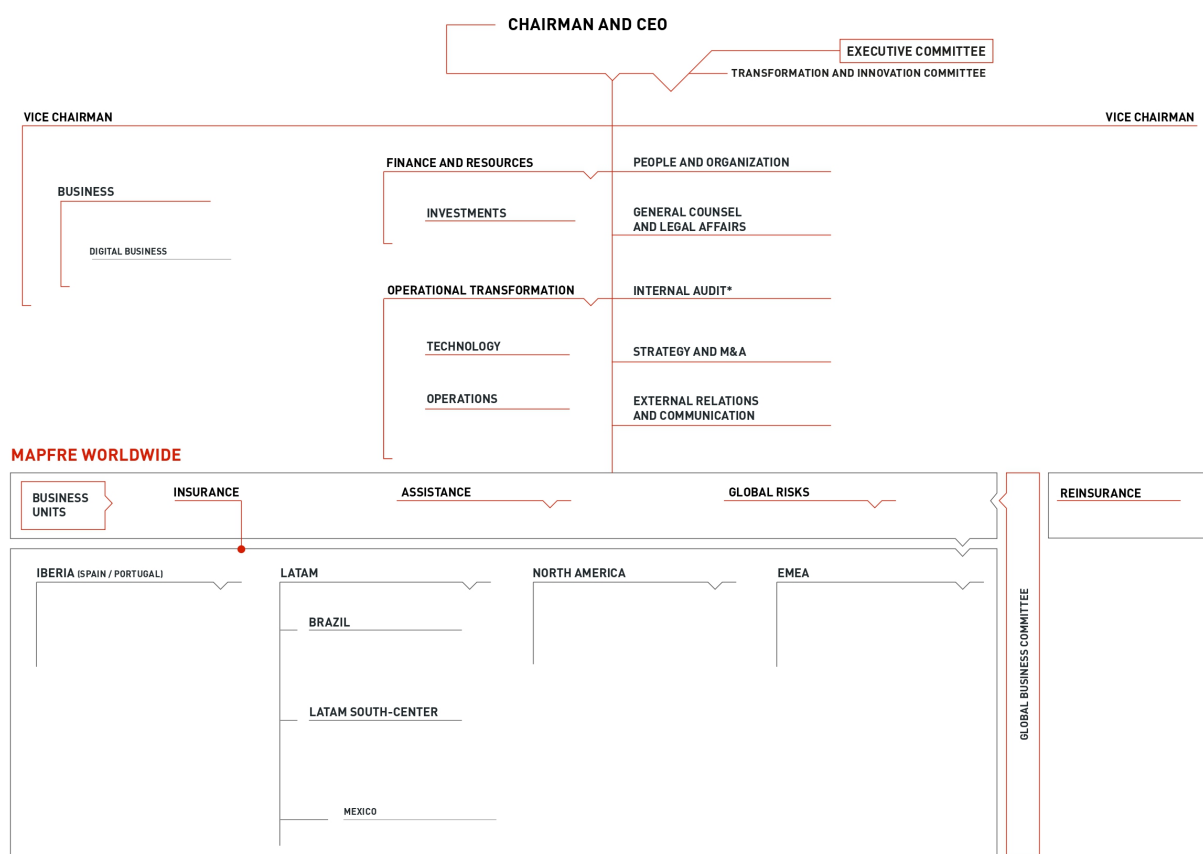
Over the course of 2022, the Group pursued its business activities through an organizational structure made up of four Business Units (Insurance, ASSISTANCE, GLOBAL RISKS and Reinsurance) and six Regional Areas¹ (Iberia — Spain and Portugal—, Brazil, LATAM North — Mexico, the subregion of Central America and the Dominican Republic—, LATAM South —Argentina, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay and Venezuela—, North America —United States and Port Rico— and EURASIA² —Italy, Germany, Turkey, Malta, Indonesia and the Philippines).

The Insurance Business Unit is organized in line with the Regional Areas, which are the geographic units that plan, support and oversee the region. The Reinsurance and GLOBAL RISKS units are integrated within MAPFRE RE.

The activities of the various Business Units are supplemented by those of the Corporate Areas (Internal Audit, Strategy and M&A, Finance and Resources, Investments, Business and Clients³, Operations, People and Organization, External Relations and Communication, General Counsel and Legal Affairs, Operational Transformation, Technology and Operations), which have global competences for all MAPFRE companies in the world in terms of the development, implementation and monitoring of global, regional and local corporate policies.

The Group has modified its structure in recent years in order to adapt to the strategic challenges facing a company of its global size and presence.

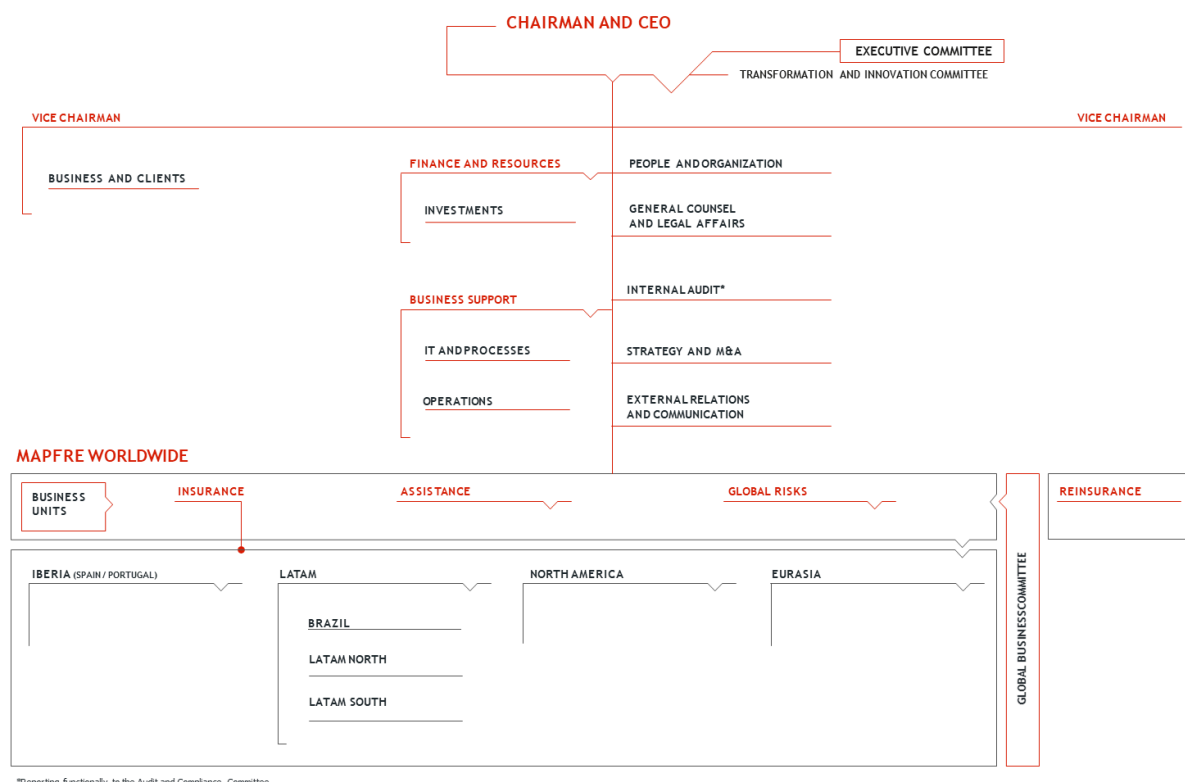
The Group's current organizational chart is shown in the accompanying diagram.



¹ As of January 2023, LATAM NORTH and LATAM SOUTH are integrated into a single area called LATAM SOUTH-CENTER, and Mexico is considered a strategic country and ceases to belong to the regional area.

² The EURASIA Regional Area has been renamed as the EMEA Regional Area, with operational effect from January 1, 2023.

³ The Corporate Business and Clients Area has been renamed as the Corporate Business Area, with operational effects from January 1, 2023.



2.4. Good Governance

2.4.1. Corporate Governance system

Corporate governance

The Annual General Meeting is the most senior governing body, while the Board of Directors is responsible for steering, administering and representing the Company, holding full powers of representation, disposition and management. Its actions are binding on the company, with no further limitation than the express powers of the Annual General Meeting in accordance with the law and the corporate bylaws.

The Board is the Company's main decision-making and supervisory body, and is also the supervisory body of all subsidiary companies, while day-to-day management is carried out by the Company's management and executive bodies and by the relevant corporate bodies of the aforementioned subsidiary companies.

The Chairman of the Board of Directors is the Company's most senior management representative, although he/she does not have permanent delegation of powers. Said delegation falls to the Steering Committee, which acts as a delegate body of the Board of Directors, with all its powers except those that cannot be delegated due to legal imperative or, where applicable, express provision in the Bylaws or the Board of Directors Regulations.

The Board of Directors also has three additional Delegate Committees:

- Audit and Compliance Committee.
- Appointments and Remuneration Committee.
- Risk and Sustainability Committee.

The functions and composition of the governing bodies are as follows:

Steering Committee

The Steering Committee's functions comprise the executive management and oversight of the day-to-day operations and strategies of the Company and its subsidiaries. It is made up of a maximum of 10 members, all of whom are also members of the Board of Directors.

The Audit Committee's functions include reporting to the Annual General Meeting on any issues that arise in relation to matters within its remit, overseeing the efficiency of internal control and the process for preparing and presenting financial and non financial information, submitting proposals to the Board of Directors for the appointment of an external auditor and building an appropriate relationship with the latter, and ensuring the independence and efficiency of the Internal Audit function. It is also the body responsible for supervising the proper application of good governance standards and external and internal regulations at the Company and the Group. It comprises a minimum of three and a maximum of five directors, all non-executive and most of them independent directors.

Appointments and Remuneration Committee

The Appointments and Remuneration Committee coordinates the implementation of the assignment and remuneration policy for board directors and senior executives of the Group. It comprises a minimum of three and a maximum of five directors, all non-executive and at least two of whom are independent directors.

Risk and Sustainability Committee

This committee supports and advises the Board of Directors 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 comprises a minimum of three and a maximum of five members of the Board of Directors, all non-executive and at least two of whom are independent directors.

For more information on the operating system of the governing bodies, please consult the MAPFRE S.A. Board of Directors Regulations, available on its website (www.mapfre.com).

The Board of Directors also features an Independent Coordinating Director who is specially empowered to convene a Board of Directors meeting or to include new points in the agenda from a Board meeting that was already convened, to coordinate and bring together the non-executive Directors and, if required, to direct the periodic evaluation of the Chairman of the Board of Directors.

This corporate governance structure ensures that there is no risk of excessive concentration of power in the CEO, in that decision-making is shared jointly, initiating as it does in the delegate bodies of the Board, the participation of the primary senior executives on the Board of Directors and the existence of an Independent Coordinating Director.

The composition of the governing bodies resulting from the agreements that are expected to be adopted on March 10, 2023 is shown in the accompanying table⁴.

⁴ Mr. Luis Hernando de Larramendi Martínez ceased to be a member of the Board of Directors on the occasion of his death on February 11, 2022 (RIP) and Mr. Alfonso Rebuelta Badías resigned as a member of the Board of Directors on January 12, 2023 due to his having reached the statutory age for retirement as a board director. The Board of Directors has proposed to the Annual General Meeting the appointment of Mrs. María Elena Sanz Isla as a new executive board director and Mr. Francesco Paolo Vanni D'Archirafi as a new independent director.

Board of Directors	Steering Committee	Appointments and Remuneration Committee	Audit and Compliance Committee	Risk and Sustainability Committee
Chairman	Chairman			
Antonio Huertas Mejías ⁽¹⁾				
First Vice Chairman	First Vice Chairman			
Ignacio Baeza Gómez ⁽¹⁾				
Second Vice Chairwoman	Second Vice Chairwoman	Chairwoman		
Catalina Miñarro Brugarolas ⁽³⁾				
Third Vice Chairman				
José Manuel Inchausti Pérez ⁽¹⁾				
Members				
Ana Isabel Fernández Álvarez ⁽³⁾	Member		Chairwoman	Member
Maria Leticia de Freitas Costa ⁽³⁾				
Rosa María García García ⁽³⁾		Member		
Antonio Gómez Ciria ⁽³⁾			Member	Chairman
María Amparo Jiménez Urgal ⁽³⁾		Member		
Francisco José Marco Orenes ⁽²⁾				Member
Fernando Mata Verdejo ⁽¹⁾				
Antonio Miguel-Romero de Olano ⁽²⁾	Member	Member	Member	Member
María del Pilar Perales Viscasillas ⁽³⁾			Member	Member
María Elena Sanz Isla ⁽¹⁾				
Francesco Paolo Vanni D'Archirafi ⁽³⁾			Member	
Secretary				
Angel L. Dávila Bermejo	Secretary	Secretary	Secretary	
Jaime Álvarez de las Asturias Bohorques Rumeu	Vice Secretary	Vice Secretary	Vice Secretary	Secretary
⁽¹⁾ Executive board directors				
⁽²⁾ Nominee external board directors				
⁽³⁾ Independent external board directors				

Honorary Chairman
José Manuel Martínez Martínez
Executive Committee
Chairman
Antonio Huertas Mejías
Vice Chairman
Ignacio Baeza Gómez
Vice Chairman
José Manuel Inchausti Pérez
Members
José Antonio Arias Bermúdez
Alfredo Castelo Marín
Jesús Martínez Castellanos
Fernando Mata Verdejo
Eduardo Pérez de Lema
Fernando Pérez-Serrabona García
María Elena Sanz Isla
Jaime Tamayo Ibáñez
Member-Secretary
Angel L. Dávila Bermejo

Diversity and experience

The Board of Directors of MAPFRE S.A. approved the Director Selection Policy on July 23, 2015, having been amended for the last time on December 21, 2020. This policy states that the selection process will promote the diversity of knowledge, experience, age and gender. The policy also states that efforts will be made to ensure that female directors shall represent at least 30% (and will be increased before the end of 2022 to at least 40%) of all members the Board of Directors.

As of the date of this Report, the number of women on the Company's Board of Directors represents 42.9% of all members. Most participate in the delegate bodies of the Board and/or have a significant role::

- Catalina Miñarro Brugarolas: Second Vice Chairwoman of the Board of Directors and of the Steering Committee, Chairwoman of the Appointments and Remuneration Committee and Independent Coordinating Director.
- Ana Isabel Fernández Álvarez: Chairwoman of the Audit and Compliance Committee and member of the Steering Committee and the Risk and Sustainability Committee.

- Rosa María García García: member of the Appointments and Remuneration Committee.
- María del Pilar Perales Viscasillas: member of the Audit and Compliance Committee and the Risk and Sustainability Committee.
- María Amparo Jiménez Urgal: member of the Appointments and Remuneration Committee.

ITEM	2022	2021	2020	2019
% of women over Board total	42.86%	33.30%	33.30%	33.30%

The composition of the Steering Committee and the various Delegate Committees of the Board of Directors by gender as on December 31, 2022 is presented in the accompanying table.

	Steering Committee		Audit and Compliance Committee		Appointments and Remuneration Committee		Risk and Sustainability Committee	
	M	W	M	W	M	W	M	W
Number of Board Directors	3	2	2	2	2	3	3	2
% of total	60.0%	40.0%	50.0%	50.0%	40.0%	60.0%	60.0%	40.0%

M: Men, W: Women

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

In accordance with the provisions of the MAPFRE S.A. Board of Directors Regulations, candidate selection will include an evaluation of the competences, knowledge and the experience necessary to hold a seat on the Board of Directors. For these purposes, the Appointments and Remuneration Committee approved in 2020 the MAPFRE S.A. Board of Directors' Competency Matrix, which defines the skills and knowledge of its members.

The Board currently consists of 14 members who, as a whole, possess knowledge, qualifications and experience relating, among others, to the following areas: insurance and financial markets, business strategy and business models, governance systems, financial and actuarial analysis and regulatory framework.

Other Corporate Governance indicators

	2022	2021	2020	2019
Quorum for Annual General Meeting	82.11%	81.58%	86.85%	82.38%
Board Directors	14	15	15	15
- Men	8	10	10	10
- Women	6	5	5	5
Executive board directors	4	5	5	5
Independent external board directors	7	7	7	7
Nominee external board directors	3	3	3	3
Board meetings	11	11	11	10
% attendance at Board meetings ⁽¹⁾	99.35%	100%	100%	100%
Steering Committee meetings	3	4	2	5
% attendance at Steering Committee meetings ⁽¹⁾	100%	100%	100%	100.00%
Audit and Compliance Committee meetings	11	11	11	10
% attendance at Audit and Compliance meetings ⁽¹⁾	100%	100%	100%	99.90%
Appointments and Remuneration Committee meetings ⁽²⁾	3	5	5	6
% attendance at Appointments and Remuneration Committee meetings ⁽¹⁾	100%	99.80%	99.80%	100%
Risk and Sustainability Committee meetings	7	7	9	6
% attendance at Risk and Sustainability Committee meetings ⁽¹⁾	100%	100%	100%	100%

Data presented in number format

⁽¹⁾ Includes in-person and online attendance

⁽²⁾ Regardless of the aforementioned meetings, the Committee adopted agreements by written procedure, without a meeting, through circulars dated February 8, March 24 and September 19, 2022

The remuneration of board directors is determined in accordance with the provisions of regulations applicable to corporations, the corporate bylaws and regulations of the company's Board of Directors, and the decisions adopted by the Annual General Meeting.

The total remuneration of the Company's Directors during fiscal year 2022 was as follows:

	2022
Number of board directors	16
Accrued remuneration in the Company	6,790
Accrued remuneration in Group companies	2,140
TOTAL	8,930
Contributions to savings systems with vested rights and as an amount of accumulated funds	1,450
Thousand euros	

In order to comply with the legal requirements for remunerating directors and to continue adhering to corporate governance best practices regarding remuneration, the Regulations of the Board of Directors govern the areas related to remuneration of the Board of Directors and the Appointments and Remuneration Committee.

The Ordinary Annual General Meeting of March 11, 2022, approved the Director Compensation Policy for the 2022-2024 period, effective as of January 1, 2022. This policy includes the various components of the directors' remuneration package, which have been established based on the following general principles and foundations:

- Prioritizing the creation of value and profitability in the medium and long term over short-term results.
- Reasonable proportion between the company's financial situation and the market standards of comparable companies.
- Alignment with the sales and risk management strategy, risk profile, objectives, and risk management practices.
- Appropriate and efficient risk management within the established risk tolerance limits.
- Attraction and retention of talent.
- Appropriate compensation for dedication, qualification and responsibility.
- Appropriate proportion of fixed and variable components, avoiding excessive reliance on variable components.

- Deferred payment of a significant portion of the variable remuneration.
- Possibility of ex post adjustments to the variable remuneration.
- Avoidance of conflicts of interest.
- Alignment of the compensation system for executive directors with that of the Company's executives as a whole.
- Non-discrimination on the basis of gender, race or ideology and equal remuneration for positions of equal value.

The remuneration system differentiates between directors in their capacity as such and executive directors.

A) Board directors

Based on the principles indicated above, the remuneration system for board directors in their capacity as such is defined by the following characteristics:

- It is transparent in terms of the board directors' remuneration information.
- It provides an incentive to reward dedication, qualifications and responsibility without constituting an obstacle to the duty of loyalty.
- It consists of a fixed amount for being a member of the Board of Directors and, where applicable, on the Steering Committee and Delegate Committees, which may be higher for people with positions on the Board or who chair the Delegate Committees. In addition, members of the Steering Committee shall receive an allowance for attending its meetings. This remuneration is supplemented with other non-monetary compensation, as established for company staff in general in the MAPFRE Insurance Group Collective Agreement.
- It does not include variable components or those indexed to share value.
- Board directors are reimbursed for travel expenses and other costs incurred to attend company meetings or carry out their functions.

B) Executive board directors

The compensation system for board directors who carry out executive functions in the company includes the following features and measures to ensure consistency with the strategy, interests and long-term sustainability of the company and the Group, and with the compensation conditions of executives and employees in general, and to reduce exposure to excessive risks:

- A balanced relationship between fixed and variable components of remuneration and long-term performance orientation.
- Variable compensation linked to economic-financial objectives, those linked to shareholder value creation, and sustainability targets, in line with MAPFRE's Strategic Plan.
- Medium and long-term variable compensation through multi-year incentive plans, based on long-term results and partially orchestrated through the delivery of MAPFRE S.A. shares subject to a retention period.
- Variable remuneration with partial deferral and possibility of reduction (malus clause) or total or partial clawback.

Executive board directors do not receive the fixed amount established for directors in their capacity as such. The remuneration of board directors for carrying out their executive functions is determined according to said functions, levels of responsibility and professional profile, in line with the criteria governing the remuneration of MAPFRE Group senior executives and according to the stipulations of their respective contracts.

Executive board directors are entitled to receive the social benefits of a general nature established for the senior management. In addition, as with the rest of the Company's employees, they are beneficiaries of the MAPFRE Employment System Pension Plan, savings insurance, mixed savings insurance, social benefits and other benefits, the main characteristics of which are set forth in the MAPFRE Insurance Group Collective Agreement.

Only executive board directors receive variable remuneration, of which there are two types:

(i) Short-term variable remuneration system based mainly on an annual component linked to the Company's consolidated net earnings and Group ROE, and in addition, another component linked to the fulfillment of specific objectives established by the Board of Directors. This remuneration is always paid in cash.

(ii) Medium- and long-term variable remuneration, which corresponds to an extraordinary Medium- and Long-Term Incentive Plan of a non-cumulative and multi-year nature, composed of three overlapping cycles with a three-year objective measurement period each (2022–2024, 2023–2025 and 2024–2026), and also subject to deferral rules, which executive board directors are included in, given their capacity as senior executives.

Payment of the Plan incentives is contingent on the fulfillment of the objectives, both financial and non-financial, established for each of the cycles into which the Plan is divided, as well as on their permanence in the Group, under the terms established in said Plan. The incentive corresponding to each cycle consists of a cash incentive and a stock incentive in MAPFRE S.A. and is subject to reduction and recovery clauses.

More information on the remuneration system for directors is included in the Directors' Remuneration Policy for the period 2022–2024 and in the Annual Report on Directors' Remuneration for the year 2022, available on the website, (www.mapfre.com).

Notwithstanding the foregoing, the Board of Directors has agreed to submit to the Annual General Meeting on March 10, 2023 a new Director Remuneration Policy for the period 2023–2025, for the purpose of (i) describing the non-monetary compensation that board directors may receive in their capacity as such, in line with the amendment to article 17 of the Bylaws proposed by the Board of Directors to the next Annual General Meeting; (ii) describing the additional component of the short-term variable remuneration for the year 2023; and (iii) describing the incentive corresponding to the second overlapping cycle (2023–2025) of the Medium and Long-Term Incentive Plan.

In relation to the establishment of an appropriate balance between fixed and variable components of remuneration, the MAPFRE compensation policy for the rest of the workforce includes a variable structure that is calculated as a percentage of total remuneration and is paid according to the degree to which employees have achieved their objectives. The weight of the variable remuneration is determined by the position held within the organization, increasing in line with the level of responsibility and the impact of employees' professional activities within the Company. Further information on the employee remuneration system is provided in chapter 4.3.

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Relevant personnel and other persons who carry out key functions or whose professional activity has a material impact on the Company's risk profile have a variable remuneration system in place that is linked to the achievement of both financial and non-financial objectives directly matched to the strategic plans, also subject to deferral rules.

For more information on the organizational structure and good governance, please consult the Consolidated Management Report.

2.4.2. Control measures: the internal control model

MAPFRE has an Internal Control Policy in place, approved by the Board of Directors. The Group's Internal Control System involves tasks and actions present in all the organization's businesses and, accordingly, they are fully integrated into its organizational structure.

Due to its very nature, MAPFRE's Internal Control involves all personnel, regardless of their role; overall, they contribute to providing a reasonable assurance that established objectives will be reached, most notably related to:

Operating objectives: Effectiveness and efficiency of operations, differentiating those which are internal from the insurance activity (mainly underwriting, claims, reinsurance, and investment) as well as supporting operations and functions (human resources, administration, finances, sales, legal, technology, etc.).

Information objectives: Reliability (financial and non-financial, internal and external) of information regarding opportunity or transparency, among others.

Compliance objectives: Compliance with applicable laws and regulations.

The MAPFRE S.A. Board of Directors is ultimately responsible for the Group's Internal Control System and defines the common framework for action in internal control.

The Internal Control System is integrated into the organizational structure under the three lines of defense model by assigning compliance responsibilities to internal control objectives in line with the model:

- 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.

The first-line areas feature benchmark models and operational management models that detail, in the internal control dimension, the responsibilities assigned to them in the various risk control procedures.

- A second line of defense is made up of the key Risk Management, Actuarial and Compliance functions, which oversee the functioning of internal control.
- A third line of defense, consisting of Internal Audit, performs independent assessments of the adequacy and effectiveness of the Internal Control System and notifies of potential shortcomings as required to the parties responsible for applying corrective measures, including directors and the governing bodies, as appropriate.

The organization of the Group has three independent functions: Risk Management, Compliance and Internal Audit. They report directly to the Board of Directors or delegate bodies, thereby ensuring the effective functioning of the internal control model.

2.4.3. Ethical behavior: main prevention and compliance measures

MAPFRE's ethical behavior pillars are the Group's Institutional, Business, and Organizational Principles. These principles are embedded in the company through its core values (solvency, integrity, service, innovation and a multi-cultural and diverse team) and implemented through adherence to its international and local commitments.

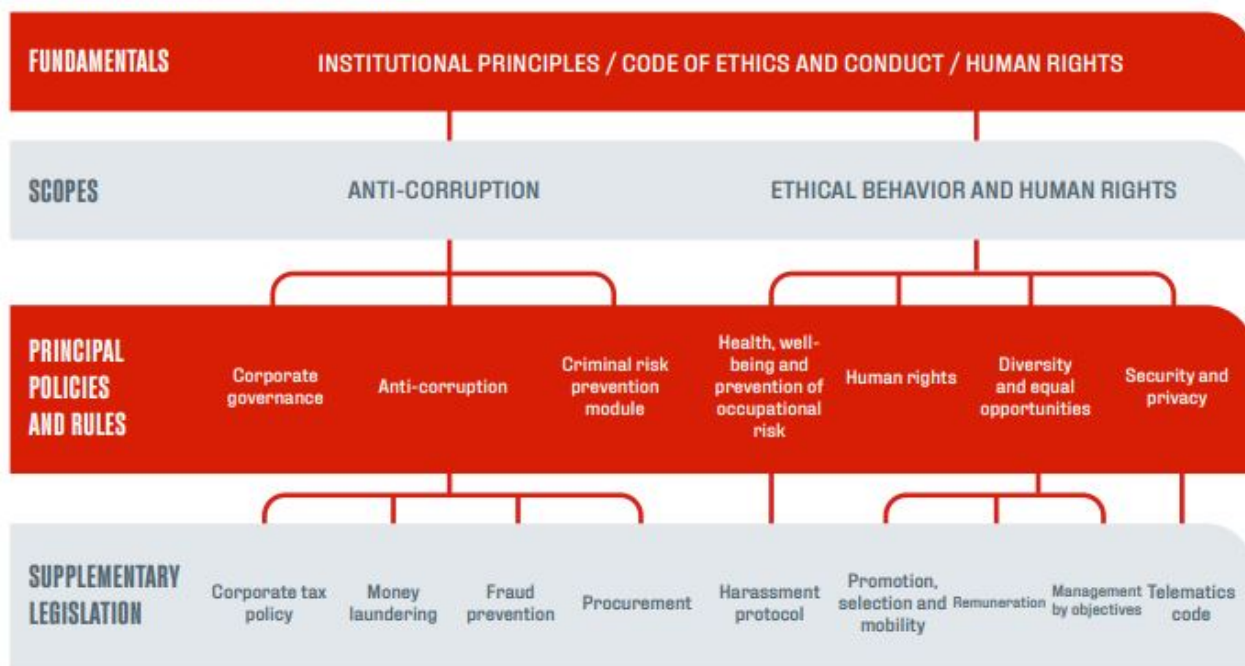
The company has a set of policies, regulations, procedures, protocols and other reference documents in place, both corporate and local in nature, which serve as a guide to determine the behavior expected of all persons who work for or collaborate with MAPFRE.

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MAPFRE also makes the policies available to all stakeholders on its website (<https://www.mapfre.com/en/sustainability/corporate-governance/>), defining, where appropriate, the intergovernmental instruments to which the commitments contained therein refer.

Graphical representation of the ethical behavior model:

GRAPHICAL STRUCTURE OF THE MODEL:



Prevention measures

The Code of Ethics and Conduct and the Human Rights Policy specify the measures for prevention and compliance with these Principles, serving as the basis for additional measures related to the anti-corruption and corporate governance framework, as well as protection against psychological and sexual harassment at work.

Code of Ethics and Conduct

Inspired by the Group's Institutional, Business and Organizational Principles, the Code of Ethics and Conduct reflects the corporate values and basic principles that should guide its people's actions, in both their everyday work and their relationships with other stakeholders. This code is public and available to all stakeholders on the MAPFRE website and to all employees on the corporate intranet.

To ensure its correct application, as well as the supervision and control of its compliance, MAPFRE has the following mechanisms:

1. An Ethics Committee, whose composition, responsibilities and operating system are included in the code itself. Every year, this committee informs the MAPFRE S.A. Audit and Compliance Committee of the activity carried out during the year, including the action taken to promote the code as well as the committee's advisory and corrective measures.
2. Consultancy services and points of contact, through specific channels to make queries about the ethical behavior model as well as complaints about possible breaches thereof.
3. Evaluation of employee performance in relation to their behaviors and skills in both the personal and professional spheres, included in the 360° evaluation aligned with MAPFRE's Code of Ethics and Conduct.
4. A disciplinary system that, in the event of noncompliance, defines the corresponding penalties, including the termination of the existing contractual relationship.

5. A monitoring system that evaluates the degree of implementation of the controls associated with a series of behavioral principles and rules included in the Code of Ethics and Conduct in terms of the fight against corruption.

A total of 2,321.25 hours of training in this area were conducted in 2022 for a total of 3905 employees. A total of 75 percent of the workforce has been trained in this area over the last three years. A series of quick learning training impacts related to said code were also published on the MAPFRE People app throughout 2022.

Human Rights

MAPFRE recognizes the importance of human rights, which is why its protection is enshrined in the Group's internal regulations, approved at the highest level of the organization. The issue of human rights is expressly reflected in MAPFRE's institutional, organizational and business principles, in the Code of Ethics and Conduct, in the Sustainability Policy and in the Human Rights Policy itself.

The Human Rights Policy establishes MAPFRE's specific commitments regarding employees, providers, business partners and clients, as well as the human rights-based principles that should guide its actions in relation to the following groups: children, women, people with disabilities, LGBTIQ+ people and migrant or third-party workers.

These commitments are reinforced by the signing of various principles and adherence to a number of United Nations-led human rights initiatives: Global Compact and the Ten Guiding Principles; Principles for Sustainable Insurance (PSI); Principles of Responsible Investment (PRI); Women's Empowerment Principles (WEPs); and the Standards of Conduct for Business in relation to LGBTI rights.

Likewise, MAPFRE's commitments expressed in the Human Rights Policy are inspired by the principles and rights established in the main conventions of the International Labor Organization and the Declaration on Fundamental Principles and Rights at Work of said organization.

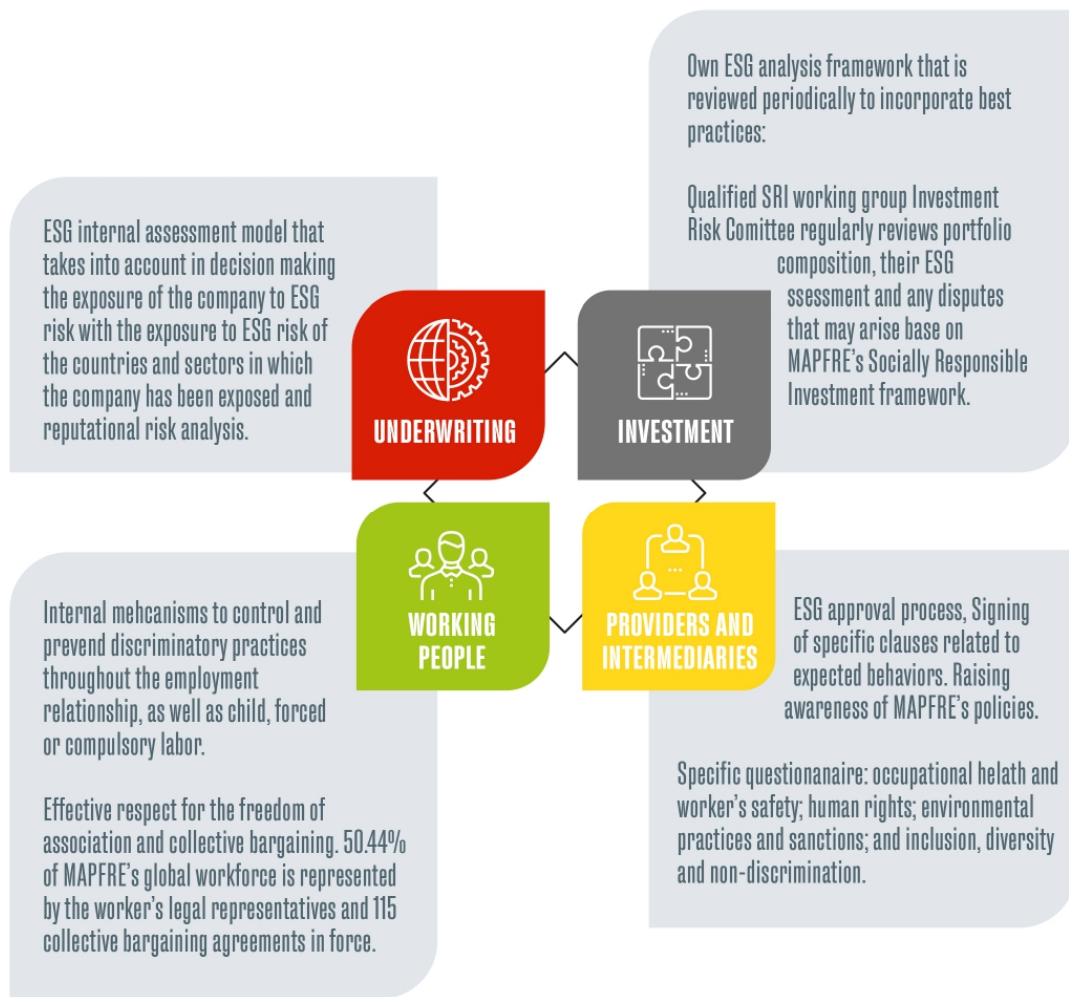
MAPFRE maintains its objective of extending its commitment to human rights throughout its value chain, including providers and intermediaries, of which approved suppliers have been made aware. In 2022, 454 security providers were trained in this area, which represents 89 percent of the total of this type of provider.

In 2022, 19,328 Group employees participated in training courses on procedures related to the MAPFRE Human Rights Policy and the ten Principles of the Global Compact. These training actions represent 76,186.13 hours. By the end of the year, 81 percent of the workforce had completed one of the training actions.

Along with training and dissemination regarding human rights for employees and providers, the Human Rights Policy provides for the implementation of due diligence processes in this area. In applying the precautionary principle, MAPFRE has different risk prevention and assessment mechanisms related to the violation of fundamental rights derived from its activity along the value chain.

To learn about other measures taken to ensure respect for human rights, please refer to 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the field of human rights.

The following chart outlines the main risk prevention and assessment mechanisms that help prevent the violation of fundamental rights in business and operations areas.



Ethical behavior and Human Rights

Among other behaviors, MAPFRE promotes at the global level a safe and healthy work environment both inside and outside the workplace, based on its Health and Well-being and Occupational Risk Prevention Policy. It also fosters respect for people's individuality, recognizing their heterogeneity and eliminating any discriminatory, exclusionary behavior through the Diversity and Equal Opportunities Policy. These policies prevent, among other behaviors, psychological and sexual harassment in the workplace.

In terms of human rights, specifically with regard to freedom of association and collective bargaining, forced or compulsory child labor, as well as in the rights of Indigenous peoples, no operations or providers have been detected that could jeopardize or violate said rights.

In this regard, MAPFRE has a provider approval process, in addition to underwriting and investment procedures that ensure compliance with corporate principles and policies in this area, when assessing and addressing all its operations. Further information on the approval process is reflected in section 4.4. and on underwriting and investment procedures in section 3.3.2.

Likewise, in line with the aforementioned approval process, no providers or operations with significant negative social impacts were identified.

Procedures initiated by MAPFRE in relation to conduct at work contrary to the Code of Ethics and Conduct

MAPFRE does not discount the possibility of initiating disciplinary procedures in the event that conduct at work contrary to current legislation is detected, which also entails a breach of the principles contained in the Code of Ethics and Conduct.

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During the year 2022, a sanctioning procedure was initiated for offenses against the Labor Regulations and the Code of Ethics and Conduct. As a consequence of the breach, the dismissal process began, during which the worker submitted their resignation.

Protection of employees from psychological and sexual harassment in the workplace

MAPFRE rejects any show of workplace harassment, and any other behavior that is violent or offensive to the rights and dignity of people, whenever these situations contaminate the workplace, have negative effects on health, well-being, confidence, dignity and the performance of those who suffer from the same.

MAPFRE has a protocol in place for the prevention of harassment, applicable throughout the Group at a global level and accessible to all employees through the corporate intranet and the MAPFRE website.

In 2022, the current protocol for the prevention and treatment of harassment at MAPFRE was revised to reinforce its content, make it more transparent and accessible and adapt it to international standards.

Based on this protocol, mechanisms are established in all the countries where MAPFRE operates that help to prevent harassment situations. When such incidents do occur, the appropriate procedures are in place to address them and rectify any possible damage caused to the person affected.

In addition to training related to ethical conduct that expressly prohibits any form of intimidation and abuse of power, carried out by 75 percent of the workforce, specifically, since 2020, 2,549 employees have participated in training actions related to harassment prevention, including 687 people in managerial positions.

MAPFRE's anti-corruption framework

MAPFRE has zero tolerance for corruption and bribery. Therefore, in addition to the provisions of the Code of Ethics and Conduct, the company has an anti-corruption framework in place that comprises, among other aspects, the following policies and regulations: Criminal Risk Prevention Model, Anti-corruption Policy, Prevention of money laundering and financing of terrorism and Prevention of fraud.

Throughout 2022, 16,335 employees underwent some training in the fight against corruption. By the end of the year, 76 percent of the active workforce had completed some training action related to this matter.

The accompanying tables detail those workers, actively employed as of December 31, trained in this matter, broken down by geographical area and by level of responsibility.

Region	No. of active people trained
IBERIA	10,267
BRAZIL	2,615
LATAM NORTH	3,030
LATAM SOUTH	3,224
NORTH AMERICA	2,253
EURASIA	1,841
Total	23,230

Level	No. of active people trained	% of total
Management	1,255	74.39%
Heads and Middle Management	4,121	86.48%
Advisors	12,354	76.90%
Associates	5,500	56.84%
Total	23,230	72.18%

Board members also receive continuous training on the matter, and in 2022, 100 percent of the external directors dedicated a total of 33 hours to training in relation to:

- Sustainability: Regulation, trends and MAPFRE plan
- Code of ethics and conduct
- Compliance
- Prevention of money laundering
- IFRS - update and impact of regulations on the accounts

Criminal Risk Prevention Model and Anti-corruption Policy

The Criminal Risk Prevention Model and the Anti-Corruption Policy specify and implement the commitment to reject corruption in all its forms, including extortion and bribery.

The Criminal Risk Prevention Model identifies and assesses the crimes included in the Criminal Code that may impact MAPFRE in terms of exposure to risk and impact (monetary and non-monetary penalties, loss of reputation and other financial losses). Likewise, the existing controls are identified and evaluated to prevent the aforementioned crimes from occurring along the value chain. The Corporate Compliance Management chairs the Criminal Risks Committee, enabling the company to react appropriately to the possible materialization of a criminal risk.

During fiscal year 2022, within the framework of the Criminal Risk Prevention Model, no significant cases of noncompliance with legislation and regulations were detected. No fines or other sanctions were received in this regard.

For its part, the Anti-Corruption Policy sets out the performance standards and framework for preventing and detecting corrupt practices in the Group's activities in any of the countries where MAPFRE is present. The policy, approved by the Board of Directors in 2020, is known to all members. This policy is public and available to all stakeholders on the MAPFRE website.

By virtue of this policy, in 2022, no direct or indirect contributions were made to political parties. Likewise, all MAPFRE Group collaborations, including contributions made for purposes of general interest, donations and/or events of exceptional public interest, were carried out in accordance with the Group's policy framework, with special attention to these standards, the Code of Ethics and Conduct as well as the Institutional, Business and Organizational Principles.

Both the Group's providers and intermediaries are familiar with the model, and all assume its principles and values, which are mandatory when they perform activity for MAPFRE.

In 2022, 9,773 hours of training were given in subjects included in the corporate online course on crime prevention and bad practices, with a total of 7,447 participants. To date, 45 percent of MAPFRE employees have been trained in this area.

In accordance with the financial services regulatory framework for customer acceptance, all MAPFRE operations are evaluated in order to prevent and deter operations related to corrupt practices. Additionally, each company has mechanisms to prevent practices such as money laundering or fraud.

Each company's compliance area regularly evaluate the validity of the existing controls for processes in which criminal risks associated with these practices have been identified.

Prevention of money laundering and financing terrorism

MAPFRE has a manual in place that is accessible to employees through the corporate intranet, which includes the internal prevention and communication policies and procedures and the control bodies established in the Group, as well as the catalogs of operations that may be related to money laundering or the financing of terrorism for companies that are liable parties in Spain.

Specifically, in 2022, 17,109 people participated in training related to the prevention of money laundering and the financing of terrorism. A total of 33,203.62 hours were dedicated to training on this matter.

Fraud prevention

Since 2016, MAPFRE has had an operational model in place to combat fraud that includes the definition of the necessary structures and optimal functions, the design of specific processes and procedures for this matter, the definition of policies and business regulations, as well as the design of the indicators map (both operational and risk).

In addition, in 2019, the company's Fight Against Fraud policy was defined and approved by the Executive Committee, which details MAPFRE's levels of protection against fraud and the areas responsible for said levels.

The Group has also developed an anti-fraud technological platform for the detection, prevention and analysis of fraud in different business and support processes.

Consultation and whistleblower channels

MAPFRE provides all its stakeholders with access to the query and whistleblower channels associated with the Group's pillars of ethical behavior.

Consultation and whistleblower channel for the Code of Ethics and Conduct

The Code of Conduct also establishes different communication channels for ethical inquiries and complaints for employees, managers and members of the Group companies' management bodies, as well as for providers, contractors and other people who have a professional relationship with MAPFRE.

To guarantee confidentiality, the secretary of the Ethics Committee receives queries and complaints directly, and it is possible to lodge complaints anonymously. The principles for processing and resolving them are included in the Code of Conduct itself, which also establishes the Committee's competence to hear them and propose the appropriate penalty for any breach of the Code. These penalties correspond to the current disciplinary system and may involve the termination of the existing contractual relationship.

During the 2022 financial year, the Ethics Committee registered, through the different complaints channels, a total of 55 reports/complaints, of which 48 were not been admitted for processing because they dealt with matters unrelated to the Code of Ethics and Conduct and seven have been processed and resolved.

Information on the complaints admitted for processing by the Ethics Committee in 2022 is detailed below:

- Three complaints from employees from Turkey, the United States and Panama in reference to alleged personal injuries by other employees contrary to the Code of Ethics and Conduct. Appropriate investigations were carried out and corrective measures were adopted.
- Complaint by an employee in Spain for alleged irregular commission charges by other employees for the sale of a mortgage and for the issuance of life insurance associated with it. The appropriate investigation was carried out, concluding that there was no infringement of the Code of Ethics and Conduct as it was proven that the persons denounced did not receive commissions for the sale of the mortgage or for the issuance of the life insurance associated with it.
- Complaint by an insured in Spain for alleged identity theft in contracting insurance. The appropriate investigation was carried out, concluding that there was no infringement of the Code of Ethics and Conduct, since the reported events occurred within an employment relationship between the complainant and the accused.

- Complaint by an employee in the United States for alleged discriminatory conduct by another employee. The appropriate investigation was carried out, concluding that there was no infringement of the Code of Ethics and Conduct, since the reported events, in the context in which they occurred, do not impair the honor of individuals.
- Complaint by an employee in Spain for alleged personal injuries by another employee. The appropriate investigation was carried out, concluding that there was no infringement of the Code of Ethics and Conduct, since no fact has been proven to support the complaint filed."

Procedure for reports, grievances or complaints related to the Human Rights Policy

If a report, grievance or complaint is lodged, the procedure established in the Code of Ethics and Conduct shall be followed, being processed by the Ethics Committee, which is made up of the individuals who constitute the General Counsel of the MAPFRE Group, the General Management of People and Organization and three other senior management or representation positions in the Group.

In 2022, no reports, grievances or complaints concerning discrimination were received.

Procedure for complaints related to psychological and sexual harassment

Violence and harassment in the workplace, including physical, psychological or sexual harm, constitute a breach or abuse of human rights. Given that special monitoring and protection is required, MAPFRE has a special procedure for complaints related to psychological and sexual harassment.

In the Harassment Prevention and Treatment Protocol, MAPFRE regulates the formal requirements that workers must follow to file complaints and the procedure for processing them by Human Resources.

This procedure contemplates the possible measures to be applied in the event that harassment is confirmed to exist and measures for repairing the damage to the victim.

During this fiscal year, 20 harassment claims were recorded in the Group and processed using the established in-house procedures. Of the total complaints, 18 related to psychological harassment and two to sexual harassment. In addition, six complaints regarding discrimination channeled through this procedure were processed.

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Sixteen of the cases related to harassment involved minor workplace conflicts in which the existence of conduct that could be classified as workplace harassment has not been proven. In the two remaining complaints, the existence of harassment was proven, resulting in disciplinary dismissal in one case and the suspension of employment and salary in another.

The content of the two complaints for sexual harassment involved inappropriate conduct by an employee toward another or other employees. The existence of sexual harassment was confirmed in one of the cases, in which the dismissal of the accused worker was adopted as a measure. In the other case, the existence of sexual harassment could not be confirmed.

In all cases of harassment, the procedures established in the protocol for the prevention of harassment were followed.

Financial and Accounting Whistleblower channel

The Financial and Accounting Whistleblower Channel allows Group employees, as well as directors, shareholders, providers, contractors and subcontractors to inform the Audit and Compliance Committee of MAPFRE S.A. of potentially significant financial and accounting irregularities that are reported within the company or its Group. This can be done confidentially, and anonymously too. The operating rules are published both on the corporate intranet and MAPFRE's website.

The Audit and Compliance Committee receives the complaints and reviews and resolves same 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.

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

During the 2022 financial year, a total of 17 grievances/complaints were received through the Financial and Accounting Whistleblower channel, which were not admitted for processing because they deal with matters outside the scope of the channel.

Grievances and complaints

MAPFRE facilitates its clients, in any country in the world where it operates in direct insurance, with an internal channel to process the extrajudicial defense of their rights deriving from the contracts they have taken out, and also promotes the internal implementation of bodies dedicated to protecting their rights. More information on this can be found in chapter 4.1. Protecting the Client.

Compliance measures

MAPFRE Corporate Compliance periodically assesses the degree of compliance with the commitments established in each of the policies in force.

In line with this measure, in 2022 the degree of compliance with the following policies was analyzed and assessed:

- a. Anti-Corruption Policy
- b. Investment Policy
- c. Regulations on the prevention of money laundering and the financing of terrorism

The assessment of the anti-corruption policy and investment policy was carried out in 35 insurance and reinsurance companies in 13 countries, while that of the regulations on the prevention of money laundering and the financing of terrorism was conducted in 46 companies domiciled in 24 countries.

MAPFRE S.A. holds AENOR Compliance System Management certification, which recognizes the effective implementation of the international reference standard in the field of regulatory compliance. After passing the audit carried out on the company's Compliance area, MAPFRE S.A. became the first company in the insurance sector to obtain this recognition in Spain.

2.4.4. Cybersecurity and data privacy

In its Corporate Security and Privacy Policy, the MAPFRE Group undertakes to adequately protect information owned by MAPFRE and that belonging to its customers, collaborators, employees and other stakeholders and to which MAPFRE has access by virtue of its relationship with them, guaranteeing its confidentiality, privacy, availability and integrity, as well as that of the systems that store, transmit or process it.

This commitment reflects the importance that cybersecurity and privacy have for MAPFRE, which considers them constituent elements of its business processes and characteristic of the transformation process in which it is immersed.

Compliance with its commitment implies dedicating relevant human and material resources in line with the threat level of the environment. This caused the MAPFRE Group to increase its specific cybersecurity, privacy and business continuity budget by more than 15 percent in 2022 compared to 2021, with an additional increase of more than 10 percent for the 2023 budget compared to 2022.

The Corporate Security and Privacy Policy is implemented through a set of rules, standards and procedures that make up the information security regulatory body, accessible to all employees through the MAPFRE global intranet. MAPFRE also has a security organization comprised of all manner of teams, means and resources intended to protect the tangible and intangible assets of the MAPFRE Group, structured into different levels of responsibility:

- **MAPFRE Executive Committee**, a body that, under mandate from the Board of Directors, directly supervises the management of the business units and corporate areas and ensures the coordinated action of these units, materializing the commitment of senior management and supporting the corporate security function.
- **Corporate Security Committee**, the most senior security-related management body of the organization, ensures that the activity of the corporate security and privacy function is governed by the business objectives and needs. Members of this Committee include the Third Vice Chairman of the MAPFRE Board of Directors, the Global CFO (member of the Board of Directors) and the General Counsel of the MAPFRE Group (Secretary to the Board of Directors), as well as the most senior executives of the insurance units (Iberia, LATAM, North America and EURASIA) and of the main corporate areas (Operational Transformation, People and Organization, and Technology). This Committee meets at least twice a year, with the Global Corporate Security Officer (Global CSO) acting as its secretary.

- **Corporate Crisis and Business Continuity Committee**, an extension of the Corporate Security Committee specifically responsible for management and control in the field of business continuity and crisis management. Chaired by the Third Vice Chairman of the MAPFRE Board of Directors, it is made up of all members of the Corporate Security Committee, including the most senior executive of the Corporate External Relations and Communication Area.

Corporate Security (DCS) is the global management, planning and execution body of MAPFRE's security and privacy function. The DCS is integrated into the Corporate Operational Transformation Area, with the Global Chief Security Officer (CSO) being responsible for same. The DCS also features supervisors (local CSOs) and structures in the different Group companies. The Global CSO in charge of the security function (including cybersecurity, privacy and operational resilience) in the MAPFRE Group.

Security risk management is also integrated into the MAPFRE Group's risk management system, forming part of the information periodically reported to the Group's Risk and Sustainability Committee.

The MAPFRE Group coordinates its cybersecurity and data privacy actions through a series of strategic lines, including the protection of information when it is collected, transmitted, stored or processed. This enables diligent action in the establishment of preventive measures and in the detection of and response to cyberattacks or business interruption events. (For more information on strategic lines and measures, please see 6.3. Notes on additional information Note 3 Cybersecurity and business continuity.)

The adequate awareness and training of Group employees is an essential element in protecting the information handled and stored by MAPFRE. In this regard, in the last three years, a total of 50,911.79 hours have been allocated to training in cybersecurity and data privacy. The number of employees at MAPFRE trained between 2020 and 2022 was 21,590. By the end of the year, 70% of the workforce had been trained in this area.

It is also worth mentioning that, during 2022 and under the Training Plan for this area, the "MAPFRE Firewall Mindset, #CybersecureCulture" campaign was developed in Spain and expanded to the companies in the LATAM regional area as well as Puerto Rico and Portugal. Through this initiative, which aims to improve cybersecurity awareness through interactive and dynamic training, employees completed a practical exercise that involved identifying targeted phishing attacks. So far, 14,417 cyber agents (employees) have completed the module.

In order to verify the effectiveness of the training and awareness actions carried out, cyber-exercises are completed on a regular and systematic basis to assess the behavior of employees in the face of the most common cyberattacks. In 2022, the percentage of employees who performed adequately in the exercises conducted was 83 percent.

Cybersecurity

To meet the established objectives, MAPFRE's Corporate Security has advanced capabilities when it comes to increasing the resilience of the company's digital operations. These capabilities include:

- a. Highly specialized and accredited personnel (MAPFRE holds a total of 326 personal certifications in cybersecurity and privacy, with a total of 134 certified employees).
- b. Specific monitoring, detection, and protection technologies covering security incidents that have been integrated into the corporate technology platform.
- c. Tools, methodologies and specialists dedicated to continuously reviewing and assessing the company's level of cybersecurity, covering all assets and actors involved (information systems, people, etc.) and identifying deficiencies and lack of control early.
- d. A General Control Center (CGC-CERT), integrated into the FIRST network and the CSIRT.es group, that receives alerts of threats from different organizations, similar centers and specialized providers and carries out monitoring, detection and response activities against cyberattacks under a 24/7 operation model. It also holds ISO 27001, 9001 and 22301 certification.

- e. Systematically updated and trained crisis management and business continuity plans. Additionally, MAPFRE is in the process of certifying its most relevant business continuity plans under the ISO 22301 standard, with 63 percent of premiums under certified business continuity plans.
- f. Obtaining added value in business terms through actions such as process digitalization using electronic signature capabilities or the fight against fraud.

During 2022, the Group's Cyber Resilience Plan (CRP) continued to be implemented. This plan coordinates MAPFRE's progress in cybersecurity, privacy, data protection and digital operational resilience. As of the close of 2022, the CRP has been 55 percent deployed, in line with the level planned for the period. Worthy of note in this fiscal year were the actions related to improving the protection of the critical elements of our technological platform, deployment of updates for technological information security solutions for the protection of workstations and email, including access to cloud environments, definition of the architecture evolution for the protection of remote access to the MAPFRE network, or the new security support model for projects that use agile methodologies and platforms (DevSecOps).

The actions carried out have boosted the MAPFRE Group's cyber resilience capabilities, and it obtained a score of 4.6 out of 5 according to the CRII (Cyber Resilience Improvement Indicator) in a study by the Spanish National Center for the Protection of Critical Infrastructures (Centro Nacional de Protección de Infraestructuras Críticas, CNPIC), 0.4 points above the financial sector average.

The capabilities deployed through the plan will be integrated into the corporate security model, based on risk management and the comprehensive protection of tangible and intangible assets, establishing protection measures for all elements that interact with them (people, information systems, facilities and processes).

(For more information on cybersecurity strategy and management, please see 6.3. Notes on additional information Note 3 Cybersecurity and business continuity and consult the detailed document MAPFRE Security, published at <https://www.mapfre.com/media/seguridad-mapfre/security-mapfre.pdf>).

Data privacy

Guaranteeing the privacy and protection of the personal data we have access to when conducting our operations is an absolute priority for MAPFRE. This must be done proactively, not only to comply with applicable regulations, but also in return for the trust that clients, providers, collaborators, employees, and other stakeholders place in MAPFRE.

To this end, the Group has the following prevention and compliance measures in place. (For more information, please see 6.3. Notes on additional information Note 4 Prevention and compliance measures in Data privacy.)

- a. Corporate privacy and data protection reference model aimed at guaranteeing the highest standards of compliance with obligations and regulations in this area.
- b. Corporate Data Protection Officer (DPO) and an area specifically focused on ensuring personal data privacy and protection.
- c. Corporate Privacy and Data Protection Committee, which acts as an advisory and support body for the DPO in the performance of their functions.
- d. Corporate Office for Data Protection and Privacy (OCPPD), a body that centralizes the response to the exercise of EU citizens' rights in the countries in which MAPFRE has operations, in order to guarantee their appropriate and timely satisfaction. It is the point of reference for activities related to this scope, providing a single and global vision, making it possible to standardize processes and criteria related to this area.
- e. Data Protection Delegates Network. Local Data Protection Officers and Privacy and Personal Data Protection Committees are in place in different countries where the Group's insurance companies are located or where local legislation requires such figures, reporting functionally to corporate.

In 2022, work was done to automate and optimize the processes associated with compliance with the different legislation in force in this area, to enable a better response to requirements and to minimize human errors.

In addition, in order to strengthen data processing transparency and improve accessibility to MAPFRE's protection measures, the privacy documents on our websites have been updated to include more details. A specific section on data protection has also been developed on the corporate website, which includes the document "MAPFRE Security," with more information on privacy and data protection.

Another line of work undertaken during 2022 was the development of binding corporate rules (BCR), with work having commenced with the Spanish Data Protection Agency to ensure that these BCRs are approved following a favorable opinion from the European Data Protection Board. This will guarantee that MAPFRE's level of protection is essentially equivalent to that of the EU in all Group companies, regardless of their location.

MAPFRE privacy experts continue to form part of specific multinational work groups, such as the Digital Transformation Working Group - GDPR of the Pan-European Insurance Forum (PEIF) and the Working Group - Data Breach of the Data Privacy Institute (DPI). Also, they have continued to collaborate in the Data Protection and Digitization and Innovation work groups of UNESPA, the Spanish association of insurance companies, addressing not only specific aspects of privacy but also the ethical use of data.

In relation to this last aspect, it should be noted that MAPFRE adheres to Fundación COTEC's "Commitments to Privacy and Digital Ethics," a code of good practices that serves as a basis for designing policies and processes that guarantee privacy and the ethical use of customer and user data.

Adherence to these 10 principles is "a demonstration of commitment and concern for privacy management from the perspective of ethical data management, which also fosters society's trust in data processing and the promotion of responsible use."

Likewise, and with regard to data processing, this year saw the ratification of the adherence of MAPFRE España, Verti and Santander MAPFRE Seguros to the "Code of Conduct regulating the processing of personal data in the common insurance industry systems" promoted by UNESPA, which demonstrates MAPFRE's commitment to adopt self-regulation capabilities in data protection.

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In compliance with the provisions of the European Data Protection Regulation (GDPR), 2 potential incidents have been reported throughout 2022 to the supervisory authorities of the countries in which it operates, affecting a very small number of people (two people).

It should also be noted that in 2022, as in previous years, MAPFRE did not receive sanctions for non-compliance with the GDPR from any of the supervisory authorities in the different countries where it operates.

2.4.5. Fiscal transparency

Regarding the payment of taxes in the countries in which the Group does business, MAPFRE is fully aware of the importance of taxes, necessary to support public spending and social development in the countries in which it operates, and this has been the case since its inception.

In 2022, net payment of corporate income tax was 376.2 million euros. For information on data by country, please see 6.3. Notes on additional information Note 5 Main tax information by country.

The effective tax rate for each region and the reinsurance business is shown in the accompanying table.

Accrued corporate taxes

(Effective tax rate)

Geographic area	2022
Iberia	19.8%
Brazil	26.4%
LATAM North	24.0%
LATAM South	(2.7)%
North America	9.2%
EURASIA	0.6%
Reinsurance	25.7%
Total MAPFRE GROUP	22.5%

Fiscal approach

MAPFRE's commitments and responsibilities pertaining to tax matters are specified in the Group's Tax Policy, approved by the Board of Directors and available for consultation at www.mapfre.com.

Ethical action on tax matters involves compliance with current tax regulations in all territories in which MAPFRE conducts business, filing and paying the taxes due in each jurisdiction for the transactions conducted, and collaborating with the tax authorities under the terms established in the applicable regulations.

Fiscal control and risk management

MAPFRE Group Tax Advisory designs and implements the internal procedures and control mechanisms necessary to ensure compliance with the principles of the corporate tax policy. It reports to the Board of Directors, through the General Counsel, on the tax implications of the issues submitted for its approval when they are relevant for decision-making purposes.

Among the non-delegable powers of the Board of Directors is the determination of the Company's general policies and strategies, and in particular: the risk identification, management and control policy, including tax risks, the supervision of internal information and control systems, and the determination of MAPFRE's tax strategy.

The different operations proposed by business are analyzed from a fiscal perspective, choosing the alternative that best suits the Group's needs with full respect for the local tax regulations of the jurisdiction in which the operation is intended to be executed.

All operations related to restructuring processes, alliances, mergers, acquisitions, and disposals of companies are reported on by MAPFRE Group Tax Advisory, and the results of the reports are shared with the Executive Committee or the Board of Directors, as appropriate.

Furthermore, transactions between affiliated companies are duly documented in accordance with the requirements of the country in question.

As far as operational risks are concerned, there is a reporting system in place that allows subsidiaries to report any tax incident in the country, as well as the progress of appeal procedures against tax assessments.

The events associated with these risks are registered and monitored continuously, and they are reported once a year to the Audit and Compliance Committee, as the delegate body of the Board for these purposes.

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Once a year, the head of Tax Affairs informs the Audit Committee (comprising several independent directors, among others) of the application of the Group's tax policy during the fiscal year. They provide details on the results of the tax inspections that have been completed over the course of the fiscal year in the different jurisdictions, as well as the status of the tax disputes underway in each one.

Participation of stakeholders

MAPFRE has participated in the Large Companies Forum since its creation in 2009. The Forum was established at the initiative of the Spanish State Tax Administration Agency with the aim of strengthening collaboration between companies and the state tax administration, based on the principles of transparency and mutual trust, through knowledge and the sharing of general problems that may arise in the application of the tax system.

In July 2010, the Plenary Session of the Large Companies Forum approved the Code of Best Tax Practices, to which MAPFRE adhered by agreement of its Board of Directors that same year. On an annual basis, the Audit and Compliance Committee reviews the fiscal policies followed during the year in compliance with the recommendations of this code. Reinforcing the best practices for business tax transparency contained in the Code, the Company presented its Fiscal Transparency Report corresponding to fiscal year 2020.

Likewise, stakeholders can notify MAPFRE of their concerns regarding unethical or illegal conduct and the organization's integrity in relation to taxation through the Financial and Accounting Whistleblower Channel. (For more information, please see section 2.4.3 Ethical behavior: main compliance and prevention measures.)

3. Milestones and key data

3.1. Regulatory framework and global context

3.1.1. Regulatory framework

The insurance and reinsurance business is a regulated activity in the European Union and other countries in which MAPFRE operates. The regulatory framework is reasonably homogeneous in various countries, with some convergence in the capital and risk-based management aspects occurring in recent years, especially following the introduction of Solvency II legislation in the EU.

Similarly, although to a lesser extent due to its lesser relevance to the Group, the regulation on the distribution of financial products has undergone significant regulatory development in recent years in the European framework, the most significant market for MAPFRE in these products.

The Group is also subject to regulations on capital markets, both within the European framework and in other countries, as both the shares of MAPFRE S.A. and certain debt issuances by this entity are subject to negotiation in official markets. Furthermore, the shares of the subsidiary in Malta is also subject to the laws of this country. This situation requires the Group to prepare and publish financial information under the International Financial Reporting Standards (IFRS), regardless of the commercial and insurance regulations in force in each country and binds each subsidiary within its jurisdiction.

Among the new legislation applicable from the year 2023, it is worth highlighting the entry into force of IFRS-EU 17 "Insurance Contracts" and IFRS-EU 9 "Financial Instruments", which introduce significant changes in the valuation and presentation of the financial statements. (For more information, please see section 3.3.1 Risk management. Regulatory changes.)

Furthermore, the Group's own activity determines that other regulatory requirements are relevant, highlighting, among others, labor regulations, data protection regulations, and the defense of consumer rights.

3.1.2. Insurance and economic environment

Global economic activity growth finds itself in a phase of exhaustion, accompanied by tighter financial conditions, as well as more entrenched and persistent inflation.

In this context can be found some supply chains that, although considerably improved, are weighed down by the wear and tear accumulated in certain links during the bottlenecks; a geopolitical reorganization with restructuring processes underway that could be prolonged, due to the conflict between Russia and Ukraine, and due to the political pressure around Taiwan, with China strengthening its reunification claims, and opposing the new chip export controls established by the United States; a monetary policy from whose implementation the first consequences arise in the markets (volatility, lack of liquidity and correction of valuations); a fiscal policy with the need for a new approach, since the ability to access financing is faced without the umbrella of central banks and where fiscal space is running out.

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For all these reasons, possible changes are revealed at the global level where the trend toward a multipolar world could accelerate, underpinning the dynamics of globalization decline.

As such, it is expected that, although at a slower rate, the world economy will continue to grow throughout 2023. In terms of prices, the record of high inflation rates is expected to persist, finally reaching a certain symmetry in its reversion toward average levels of 5.6% in 2023, compared to the 8.2% estimated for 2022.

In general, industry in the Eurozone will continue to be weighed down by the energy situation, and the danger of a disorganized and asymmetric fiscal policy presents as a risk that needs to be taken into account.

In the United States, a positive annual closing is expected, despite some quarters with negative records. In China, the expected economic performance will be reduced, while Asia (excluding Japan) will maintain positive expectations, and the countries of Latin America and other emerging countries will show weak but positive growth, with increasingly wide asymmetries depending on of the vulnerabilities that persist or deepen in each case.

In this context, the global GDP growth forecast for 2022 and 2023 will be 2.0% and 2.7%, respectively, with a short- and medium-term scenario of global stagflation and with limited incursions by some countries into the economy. recession, but without reaching a global worsening.

The forecasts on the evolution of macroeconomic data for the main markets where MAPFRE operates are shown in the accompanying table.

ITEM	BRAZIL		SPAIN		UNITED STATES		MEXICO	
	2022 (E)	2023 (F)	2022 (E)	2023 (F)	2022 (E)	2023 (F)	2022 (E)	2023 (F)
GDP (% YoY, average)	3.0%	0.9%	5.3%	1.0%	2.0%	0.1%	2.7%	1.0%
CPI (% YoY, average)	9.3%	5.0%	8.4%	4.3%	8.0%	3.9%	8.0%	5.2%
Official interest rate	13.8%	12.5%	2.5%	2.5%	4.5%	5.0%	10.5%	9.0%
Population (Million people)	216.2	217.2	47.6	47.8	333	334.6	128.2	129

Source: MAPFRE Economic Research. Data 2022 estimated (E) and 2023 forecasted (F)

Insurance markets

The tightening of monetary policy in the main developed economies and in a large number of the emerging ones is causing strong adjustments in the financial markets, and its effects are beginning to be transferred more strongly to the real economy in the form of lower growth, although labor markets remain strong.

Current restrictive monetary policies are not succeeding in reversing the process of loss of purchasing power and inflation remains high, so the scenario of an aggressive monetary policy in the coming months and entry into recession in the main world economies is increasingly more likely, which will have a negative impact on insurance markets, which are facing a complex scenario.

The uncertainty generated by the war in Ukraine and the tension in energy prices continue to affect Europe sharply, with inflation reaching all-time highs across the Eurozone, affecting the development of the insurance sector business, where premium growth has been unable to keep up with high inflation, putting pressure on insurance prices and eroding profitability.

The automobile sector is beginning to overcome the problems of semiconductor and supply shortages that were weighing down new registrations, but it is now facing tougher conditions for financing the acquisition of new vehicles, a situation that may continue to slow down the automobile insurance business, which had shown clear signs of recovery.

On the positive side, the environment for Life savings insurance and traditional annuity products with interest rate guarantees is improved, as is that of health insurance, with greater awareness on the part of households and companies of the need to complement the coverage offered by public health systems.

The main stock markets around the world suffered a sharp contraction during 2022, with volatility rebounding. This situation, together with a possible entry into recession in an environment of tightening monetary policy, complicates the outlook for the development of Life insurance in which the policyholder assumes the investment risk. These products will have to adapt to a new environment of reduced liquidity, volatility in equity markets, and a fixed income segment that offers higher interest rates and risk premiums more aligned with issuance credit risk which is rising).

In emerging markets, particularly in Latin America, growth estimates for some of the main economies have been revised upward for 2022 and downward for 2023. These forecasts continue to point to a significant slowdown, driven by tougher financing conditions and the loss of purchasing power of households as a result of high inflation. Such is the case in Brazil and Mexico, where the best economic performance of 2022 is being reflected in their respective insurance markets, especially in the Non-Life business, with a notable recovery in all business lines, some of which managed to beat high inflation.

However, the outlook for the insurance sector for 2023 is complicated, as a result of the economic slowdown and the high levels of interest rates, which could hinder growth, particularly in the Non-Life insurance market.

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3.2. MAPFRE key figures
3.2.1. Key figures

ITEM	DECEMBER 2022	DECEMBER 2021	Var.% 22/21
RESULTS			
Revenues	29,509.7	27,257.2	8.3%
Written and accepted premiums	24,540.3	22,154.6	10.8%
- Non-Life	19,341.8	17,267.1	12.0%
- Life	5,198.5	4,887.5	6.4%
Attributable net result	642.1	765.2	-16.1%
Non-Life Loss Ratio	70.6%	68.2%	2.4 p.p.
Non-Life Expense Ratio	27.4%	29.3%	-1.9 p.p.
Non-Life Combined Ratio	98.0%	97.5%	0.6 p.p.
Earnings per share (euros)	0.21	0.25	-16.1%
BALANCE SHEET			
Total assets	59,626.1	63,854.2	-6.6%
Assets under management	52,614.5	57,994.3	-9.3%
Shareholders' equity	7,289.3	8,463.6	-13.9%
Debt	2,934.7	3,091.5	-5.1%
ROE	8.2%	9.0%	-0.8 p.p.
EMPLOYEES AT THE CLOSE OF THE PERIOD			
Total	31,293	32,341	-3.2%
- Spain	11,716	11,138	5.2%
- Other countries	19,577	21,203	-7.7%
THE MAPFRE SHARE			
Market capitalization	5,574.0	5,560.1	0.2%
Share price (euros)	1.810	1.806	0.2%

ITEM	SEPTEMBER 2022	DECEMBER 2021	Var.% 22/21
SOLVENCY			
Solvency ratio	216.8%	206.3%	10,5 p.p.

Figures in million euros

Group consolidated revenues reached 29.6 billion euros, up by 8.3 percent.

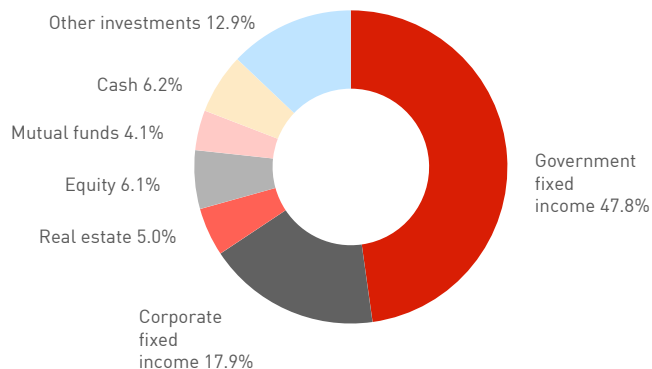
Direct insurance and accepted reinsurance premiums amounted to 24.5 billion euros, with an increase of 10.8 percent. This growth is affected by the issuing of an extraordinary, two-year policy in Mexico in June 2021 (in the amount of 563 million dollars), the sale of BANKIA VIDA in the same year (which contributed premiums amounting to 159.3 million euros in 2021), and the favorable behavior of almost all currencies against the euro in the year 2022.

Eliminating the effects of the two-year policy in Mexico and BANKIA VIDA in 2021, and holding exchange rates constant in 2022, recurring growth would be 8.7 percent (10.8 percent in Non-Life and 2.1 percent in Life).

Accumulated attributable earnings as of December 2022 amounted to 642.1 million euros, a decrease of 16.1 percent.

Investment portfolio

Details of the investment portfolio by asset type is shown in the accompanying graphic.



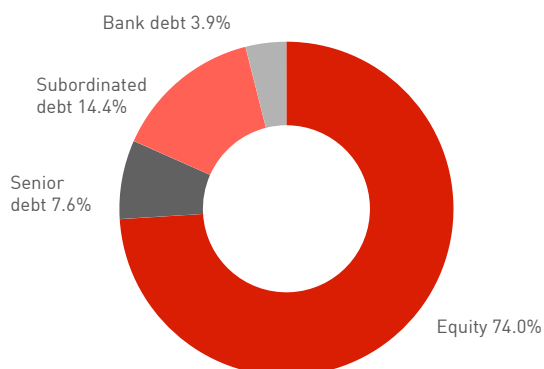
*Real Estate includes both investment property and real estate for own use

The breakdown of the fixed income portfolio by geographic area and by asset type is detailed in the accompanying table.

ITEM	Government	Corporate Debt	Total
Spain	8,902.9	1,569.4	10,472.3
Rest of Europe	4,229.9	2,647.6	6,877.5
United States	1,008.6	2,098.5	3,107.2
Brazil	2,733.6	1.4	2,735.1
Latin America - Other	2,005.2	750.9	2,756.1
Other countries	898.7	338.0	1,236.7
TOTAL	19,778.9	7,405.9	27,184.8

Figures in million euros

Capital structure



The capital structure amounts to 11.3 billion euros, of which 74.0 percent corresponds to equity.

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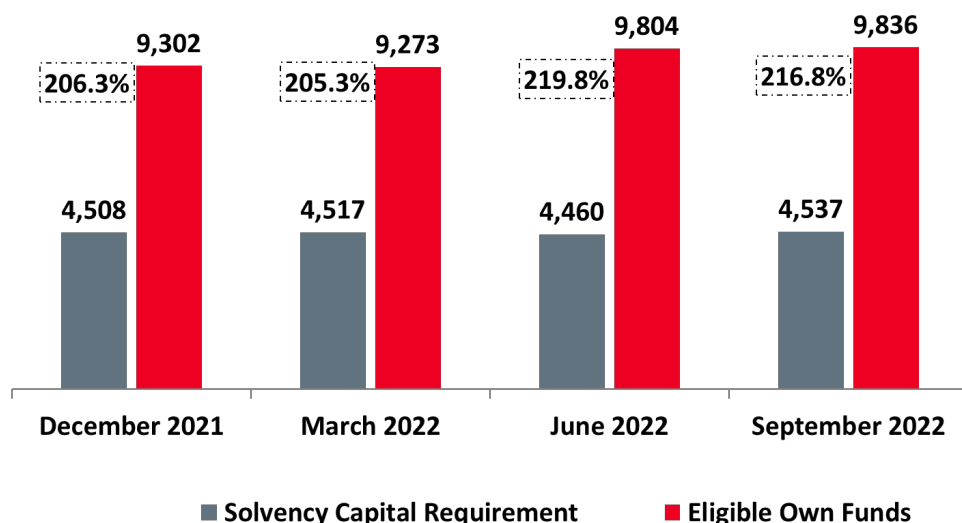
Equity stood at 8.4 billion euros as of December 31, 2022, compared to 9.7 billion euros as of December 31, 2021. As of December 31, 2022, the participation of non-controlling interests in subsidiaries amounted to just under 1.1 billion euros, and corresponds mainly to financial companies in Spain and Brazil that MAPFRE has bancassurance agreements with. The consolidated equity per share attributable to the parent company amounted to 2.36 euros as at December 31, 2022 (2.75 euros at December 31, 2021).

The Group has a leverage ratio of 26.0 percent, which represents an increase of 1.8 percentage points compared to the end of the 2021 financial year.

Solvency and capitalization levels

The Solvency II ratio of the MAPFRE Group stood at 216.8 percent as of September 2022, compared to 206.3 percent at the end of December 2021, including temporary measures. This ratio would be 206.9 percent excluding the effects of said measures. Eligible own funds reached 9.8 billion euros during the same period, of which 84.0 percent are high-quality funds (Level 1).

The ratio maintains great strength and stability, supported by high diversification and strict investment and asset and liability management policies.



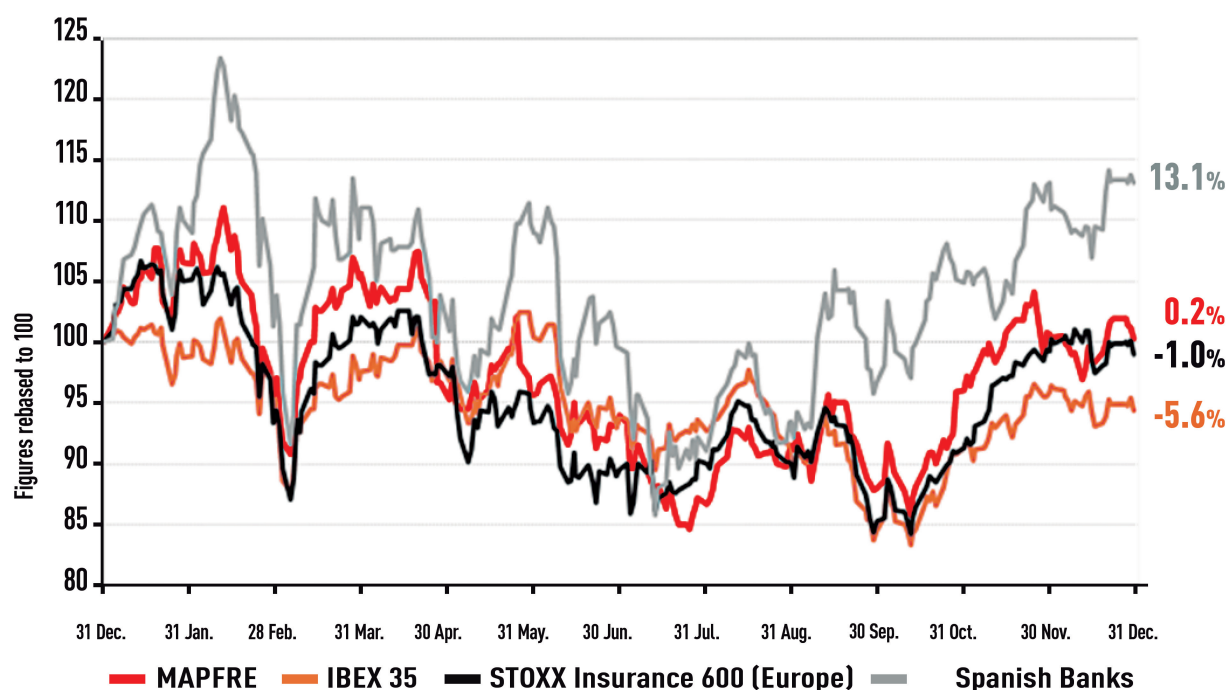
THE MAPFRE SHARE

PERFORMANCE / MAPFRE SHARE	
RESULT FOR THE PERIOD ATTRIBUTABLE TO THE CONTROLLING COMPANY	642.1
Earnings per share (euros)	0.21

Figures in million euros except for Earnings per share

ITEM	12/31/2022
Total outstanding shares	3,079,553,273.0
Market capitalization (million euros)	5,574.0
Share price (euros)	1.810
Book value per share (euros)	2.367
Price / Book value	76.5%
Dividend per share (last 12 months - euros)	0.145
Nominal share price (euros)	0.10

The accompanying chart shows information regarding the MAPFRE share and its performance in 2022.



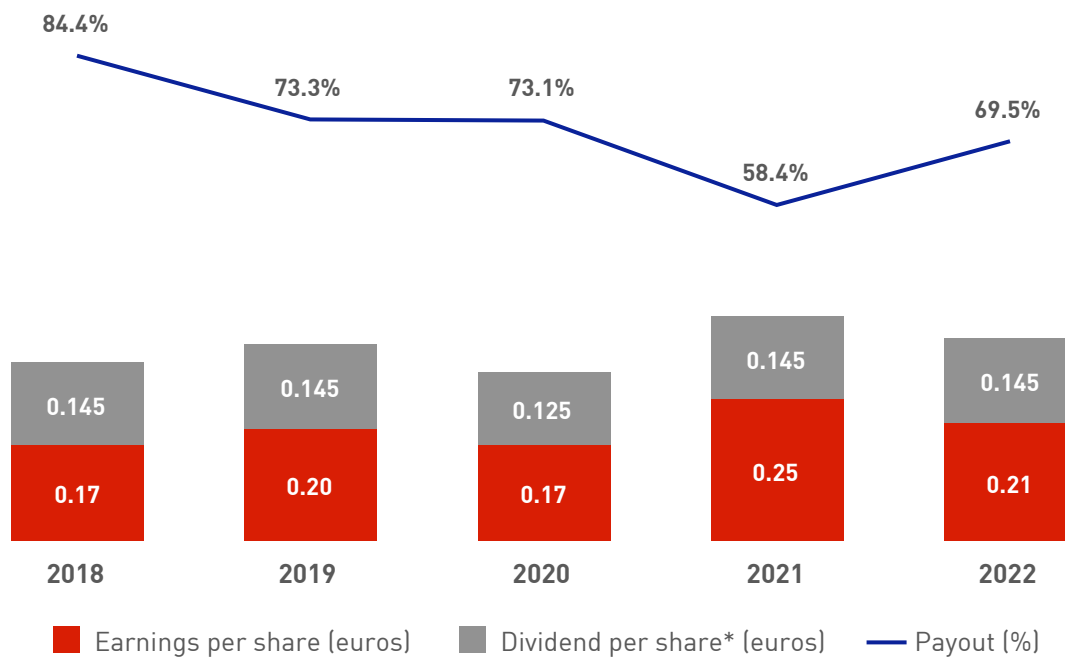
Source: Bloomberg and own calculations

Spanish banks: those publicly listed banks that form part of the Ibex35

Dividend and payout

On November 30, the interim dividend of 0.0604 euros gross per share was paid against the results of the 2022 fiscal year, after having proportionally applied the amount corresponding to the treasury shares to the remaining shares.

The dividend proposed to the Annual General Meeting as a final dividend for the 2022 fiscal year is 0.085 euros gross per share. As such, the total dividend charged to the results of the fiscal year 2022 amounts to 0.145 euros gross per share, which implies a payout ratio of 69.5 percent.



*Dividends paid against earnings

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Analyst coverage: summary of recommendations

Based on the analysts' reports that cover MAPFRE's stock, the average target price of the MAPFRE share stood at 2.07 euros as per the closing of this report. As of December 31, 2021, the average target price stood at 2.11 euros.

Most analysts have given the MAPFRE stock a buy (47 percent) or hold (33 percent) rating, while 20 percent of them have issued sell ratings.

The most significant credit ratings currently granted by the main ratings agencies are listed in the accompanying table.

Companies resident in Spain	S&P	Fitch	A.M. Best
MAPFRE S.A. - Issuer	A- (Stable)	A- (Stable)	-
MAPFRE S.A. - Senior debt	A-	BBB+	-
MAPFRE S.A. - Subordinated debt	BBB	BBB-	-
<i>Financial Strength</i>			
MAPFRE RE	A+ (Stable)	-	A (Stable)
MAPFRE ESPAÑA	-	-	A (Stable)
MAPFRE ASISTENCIA	-	A+ (Estable)	-
Companies not resident in Spain	S&P	Fitch	A.M. Best
<i>Financial Strength</i>			
MAPFRE SIGORTA A.S. (Turkey)	-	AA+ tur (Stable)	-
MAPFRE SEGUROS GENERALES DE COLOMBIA	-	AA col (Stable)	-
MAPFRE BHD COMPAÑÍA DE SEGUROS (Dominican Republic)	-	AAA dom (Stable)	-
MAPFRE U.S.A. Group	-	-	A (Stable)
MAPFRE PRAICO (Puerto Rico)	-	-	A (Stable)
MAPFRE MÉXICO	-	-	A (Stable)
MAPFRE PANAMÁ	-	-	A (Stable)

3.2.2. Business Units information

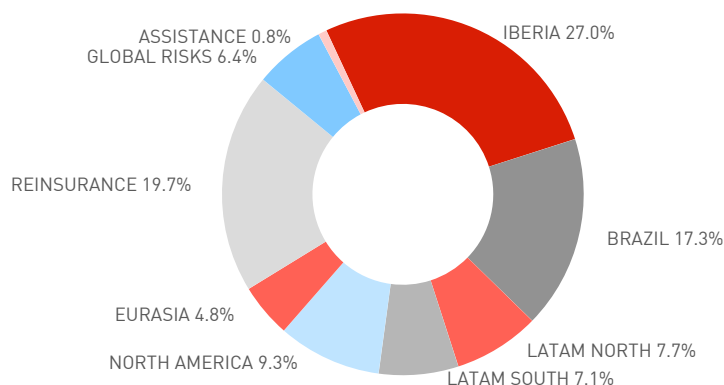
The Non-Life combined ratios, premiums and attributable results by business unit are detailed in the accompanying table.

Key figures

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	DECEMBER 2022	Var.% 22/21	DECEMBER 2022	Var.% 22/21	DECEMBER 2022	DECEMBER 2021
IBERIA	7,625.6	0.4%	375.5	-30.6%	96.8%	98.1%
BRAZIL	4,851.5	45.3%	143.7	93.5%	86.9%	87.7%
LATAM NORTH	2,117.1	-3.2%	45.9	71.4%	98.3%	95.9%
LATAM SOUTH	2,006.8	23.0%	111.3	103.2%	104.4%	96.6%
NORTH AMERICA	2,589.5	24.9%	(16.8)	-119.0%	108.2%	98.9%
EURASIA	1,317.2	-3.2%	(29.6)	--	112.2%	109.5%
TOTAL INSURANCE	20,507.8	12.7%	630.0	-19.9%	98.5%	97.4%
REINSURANCE	5,670.7	13.6%	122.6	4.1%	97.4%	98.2%
GLOBAL RISKS	1,550.6	20.9%	20.8	-38.5%	90.0%	83.1%
ASSISTANCE	213.7	-56.1%	6.9	--	97.1%	102.0%
Holding, adjustments and others	(3,402.5)	-21.7%	(138.1)	20.3%	---	---
MAPFRE S.A.	24,540.3	10.8%	642.1	-16.1%	98.0%	97.5%

Figures in million euros

Premiums by business unit



IBERIA

IBERIA encompasses the business activities of MAPFRE ESPAÑA and its subsidiary in Portugal, as well as the Life business managed by MAPFRE VIDA and its bancassurance subsidiaries. It represents 27 percent of the total premiums of the Group.

Information by country

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	DECEMBER 2022	Var. % 22/21	DECEMBER 2022	Var. % 22/21	DECEMBER 2022	DECEMBER 2021
IBERIA	7,625.6	0.4%	375.5	-30.6%	96.8%	98.1%
SPAIN	7,366.9	-1.3%	363.2	-32.0%	96.8%	98.1%
PORTUGAL	258.7	98.4%	12.3	85.2%	98.9%	98.0%

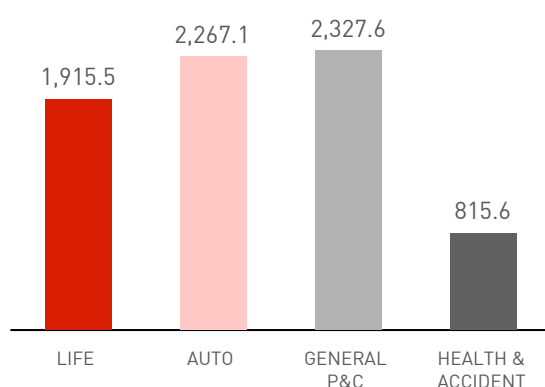
Figures in million euros

Spain is MAPFRE's main market in terms of contribution to the business.

In 2022, MAPFRE ESPAÑA continued to lead the Non-Life insurance rankings, maintaining its position as a benchmark insurance company in Spain.

Iberia leverages the support and strength of its integrated sales network made up of 3,176 direct and delegate offices and 17,101 intermediaries.

Premiums by main lines of business



This regional area encompasses insurance activity in Brazil.

Brazil represents 17.3 percent of the total premiums of the Group, and is the second largest market for MAPFRE based on contribution to business.

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	DECEMBER 2022	Var.% 22/21	DECEMBER 2022	Var.% 22/21	DECEMBER 2022	DECEMBER 2021
BRAZIL	4,851.5	45.3%	143.7	93.5%	86.9%	87.7%

Figures in million euros

Performance for main lines of business

	PREMIUMS		ATTRIBUTABLE RESULT	
	DECEMBER 2022	Var.% 22/21	DECEMBER 2022	Var.% 22/21
LIFE	1,505.0	30.3%	60.3	--
AUTOMOBILE	623.2	35.1%	[34.1]	--
GENERAL P&C	2,722.4	58.0%	106.8	90.6%

Figures in million euros

This includes operations in Mexico and the sub-region of Central America and the Dominican Republic. LATAM North represents 7.7 percent of the Group's total premium volume.

Performance of key countries

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	DECEMBER 2022	Var. % 22/21	DECEMBER 2022	Var. % 22/21	DECEMBER 2022	DECEMBER 2021
LATAM NORTH	2,117.1	-3.2%	45.9	71.4%	98.3%	95.9%
MEXICO	1,022.4	-22.4%	31.0	79.4%	96.7%	93.4%
PANAMA	646.7	22.9%	9.6	--	99.6%	96.9%
DOMINICAN REPUBLIC	448.0	30.5%	5.3	-44.6%	99.2%	98.5%

Figures in million euros

LATAM SOUTH

This regional area encompasses business activities in Peru, Colombia, Argentina, Chile, Uruguay, Paraguay and Ecuador, and contributes 7.1 percent of total premium volume.

Performance of key countries

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	DECEMBER 2022	Var. % 22/21	DECEMBER 2022	Var. % 22/21	DECEMBER 2022	DECEMBER 2021
LATAM SOUTH	2,006.8	23.0%	111.3	103.2%	104.4%	98.0%
COLOMBIA	407.0	11.6%	46.8	--	103.8%	96.5%
PERU	707.0	36.7%	51.1	144.9%	95.1%	90.8%
ARGENTINA	212.0	15.4%	2.0	-78.2%	117.4%	109.0%
CHILE	398.0	17.4%	7.1	1.2%	110.3%	98.5%
URUGUAY	125.0	32.7%	8.3	76.3%	92.9%	95.1%
PARAGUAY	70.7	12.7%	(5.6)	--	124.8%	97.8%

Figures in million euros

NORTH AMERICA

This regional area has its headquarters in Webster, MA (USA) and encompasses operations in the United States and Puerto Rico, which represent 9.3 percent of the Group's total premiums.

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	DECEMBER 2022	Var. % 22/21	DECEMBER 2022	Var. % 22/21	DECEMBER 2022	DECEMBER 2021
NORTH AMERICA	2,589.5	24.9%	(16.8)	-119.0%	108.2 %	98.9%
UNITED STATES	2,225.5	28.0%	(31.3)	-143.0%	109.3 %	100.4%
PUERTO RICO	364.1	8.6%	14.4	-10.6%	100.5 %	88.1%

Figures in million euros

The main regional market is the United States. MAPFRE holds a strong position on the Northeast coast, especially in Massachusetts, where it is the leading provider of Automobile, Homeowners and Commercial lines insurance.

EURASIA

This regional area includes Italy, Germany, Turkey, Malta, Indonesia and the Philippines, and it contributes 4.8 percent of total Group premium volume. (The last two companies indicated were sold in 2022).

Performance of key countries

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	DECEMBER 2022	Var. % 22/21	DECEMBER 2022	Var. % 22/21	DECEMBER 2022	DECEMBER 2021
EURASIA	1,317.2	-3.2%	(29.6)	--	112.2%	109.5%
TURKEY	368.5	21.2%	(40.3)	--	145.1%	123.9%
ITALY	197.8	-9.2%	(2.4)	91.1%	106.7%	121.2%
GERMANY	375.0	0.6%	7.9	-7.9%	99.5%	97.2%
MALTA	335.9	-17.1%	5.2	12.2%	92.6%	91.8%
PHILIPPINES	15.4	-37.9%	0.0	-100.1%	132.1%	103.1%
INDONESIA	24.6	-31.7%	0.0	-100.0%	94.0%	99.7%

Figures in million euros

ASSISTANCE UNIT

This unit specializes in travel assistance and other Group specialty risks. MAPFRE ASISTENCIA contributes 0.8 percent of total Group premiums.

MAPFRE ASISTENCIA covers all assistance needs of travelers, their companions and their luggage, before, during and after each trip, anywhere in the world.

Key figures

	DECEMBER 2022	Var.% 22/21'
Operational revenues	432.0	-22.8%
- Written and accepted premiums	213.7	-56.1%
- Other income	218.3	198.5%
Attributable net result	6.9	--

Figures in million euros

MAPFRE S.A. REINSURANCE AND GLOBAL RISKS UNIT

MAPFRE RE is a global reinsurer and is the professional reinsurer of the MAPFRE Group. It offers reinsurance services and capacities, providing all kinds of solutions for reinsurance agreements and facultative reinsurance, in all Life and Non-Life lines. It operates worldwide.

MAPFRE RE also includes the GLOBAL RISKS Unit, which is the specialist unit within the MAPFRE Group for managing global insurance programs for large multinationals (for example, policies that cover aviation, nuclear, energy, civil liability, fire, engineering and transportation).

Premiums from this business unit represented 26.1 percent of the Group's total in the past financial year.

Key figures

	DECEMBER 2022	Var.% 22/21
Written and accepted premiums	7,221.3	15.1%
- Non-Life	6,528.8	15.7%
- Life	692.5	9.9%
Attributable net result	143.4	(5.4)%

Figures in million euros

ITEM	DECEMBER 2022	Δ %
Gross written and accepted premiums	7,221.3	15.1%
Reinsurance Business	5,670.7	13.6%
Global Risks Business	1,550.6	20.9%
Attributable net result	143.4	-5.4%
Reinsurance Business	122.6	4.1%
Global Risks Business	20.8	-38.5%
Combined ratio	96.8%	-0.3p.p.
Reinsurance Business	97.4%	-0.8p.p.
Global Risks Business	90.0%	6.9p.p.
Expense ratio	26.5%	-2.5p.p.
Reinsurance Business	27.3%	-2.6p.p.
Global Risks Business	16.5%	-0.8p.p.
Loss ratio	70.3%	2.2p.p.
Reinsurance Business	70.1%	1.8p.p.
Global Risks Business	73.5%	7.7p.p.

Figures in million euros

3.2.3. Relevant facts occurring in the period and impacting key figures

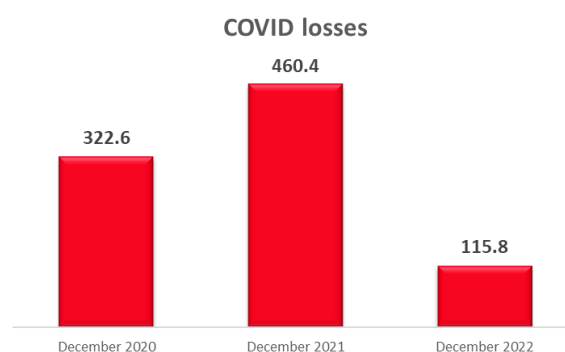
There follows a summary of the most salient relevant facts from fiscal 2022.

Relevant economic facts

The changing impact of the COVID-19 loss ratio

In 2022, losses were down thanks to the positive advances in vaccination, despite the arrival of new variants of COVID-19, as well as the return to normality after the elimination of health and mobility restrictions.

The accompanying chart shows accumulated losses to December each year.



The breakdown of COVID losses by region and business unit and line is shown in the accompanying table.

Regions and Units	December 2022	December 2021
IBERIA	14.3	32.7
LATAM NORTH	36.2	130.1
LATAM SOUTH	3.0	42.7
BRAZIL	27.1	188.7
NORTH AMERICA	2.3	2.7
EURASIA	0.5	3.3
TOTAL INSURANCE	83.3	400.2
MAPFRE RE	27.8	52.1
MAPFRE ASISTENCIA	4.6	8.0
TOTAL ACCUMULATED	115.8	460.4

Figures in million euros

Invasion of Ukraine

On February 24, Russia began its invasion of Ukraine territory, initiating a war that continues today.

The direct impacts on both insurance and reinsurance activity as well as on investments held in Russia and Belarus have been immaterial.

In order to comply with the international sanctions against Russia for the Ukraine conflict, MAPFRE Group has issued global directives restricting direct insurance and reinsurance operations for Russian or Belarusian citizens with interests located in or destined for Russia or Belarus.

Impact of inflation on insurance and reinsurance operations

Persistent inflation has led to an increase in claims costs, especially in those Non-Life lines where the obligation to the client materializes through service provision. MAPFRE has chosen to implement efficiencies in its processes and reduce costs as a means of mitigating inflationary effects, as well as transfer to prices the minimum amount necessary to ensure sufficient tariffs to cover expected costs during the policy period.

This updating of tariffs, along with the insignificant amount of products with covers longer than one year, or where the payment of claims can be delayed for a period time (the so-called long-tail lines), leads to MAPFRE having very limited exposure to inflationary impacts in its insurance liabilities.

Regarding investments related to insurance operations and inflationary impacts, MAPFRE opted in previous years to focus on diversification in alternative investments, primarily real estate and infrastructures, which offer additional protection against persistent inflation.

Therefore, MAPFRE chose in previous years to substitute part of its fixed income debt and bonds for securities with interest linked to inflation or to central bank interest rates, which provides protection against the current inflationary environment.

Interest rates and currency volatility

The rise in interest rates, the fall in equity markets, and the widening of credit spreads is negatively affecting shareholders' equity as a result of market price valuations. Interest rates have caused losses in valuation that do not constitute a risk to underlying earnings, however they reduce the value of assets and therefore of the net equity.

In the medium term, the financial result should improve as reinvestments are made at higher interest rates.

The US dollar and the majority of Latin American currencies have appreciated.

Hyperinflationary economies

Economic indicators for Turkey continue to show adverse development, which has been reflected in a continuous depreciation of the currency against the euro. This fact has implied an accumulated negative impact in recent years in MAPFRE's consolidated shareholders' equity for the amount of 359.7 million euros, due to the loss of value of the subsidiary in this country from currency effects, as shown in section 5.2 of this report.

As established in EU-IAS 29 "Financial Reporting in Hyperinflationary Economies," the financial statements of companies registered in countries with high rates of inflation or hyperinflationary economies must be restated before being converted to euros.

As a result of the development of inflation in Turkey, MAPFRE has applied EU-IAS 29 to its subsidiary in this country.

Catastrophic events

Drought in Brazil and Paraguay

Since the end of December 2021 a catastrophic loss took place in the Agro line in Brazil and Paraguay, as a result of one of the greatest droughts in the last century in the Paraná river valley, with relevant impacts in the year.

At December 31, 2022, the attributable impact of this loss reached 112.9 million euros.

Hurricane Fiona

As at December 31, 2022, as a result of Hurricane Fiona hitting Puerto Rico, MAPFRE Group had registered a negative attributable impact totaling 31.0 million euros.

Debt issuances

On April 6, MAPFRE established the terms of an issue of subordinated notes for a nominal amount of 500,000,000 euros. The notes accrue a fixed annual coupon of 2.875 percent, whose payment may be deferred in certain circumstances. The maturity date of the notes is April 13, 2030.

Significant Corporate Events

Restructuring of MAPFRE ASISTENCIA

In 2022, MAPFRE ASISTENCIA carried out a large part of its restructuring plan with the aim of continuing to adapt to the business' needs, and centering its operations in LATAM and Europe.

Sale of ABDA

MAPFRE S.A.

On March 7, 2022, MAPFRE reached an agreement for the sale of the entirety of its holdings in the company PT ASURANSI BINA DANA ARTA TBK (ABDA), registered in Indonesia, which reached 62.3 percent.

This transaction took place in August 2022 and has implied an attributable result of 5.9 million euros for the Group.

Sale of MAPFRE Insular

In May 2022, MAPFRE reached an agreement for the sale of MAPFRE Insular Insurance Corporation, registered in the Philippines in which MAPFRE holds 74.9 percent of the share capital.

In October 2022, the sale was closed, which implied an attributable result of 3.4 million euros.

Merger of MAPFRE Peru Life and MAPFRE Peru

On June 1, 2022, the merger by absorption of MAPFRE PERÚ, CIA DE SEGUROS Y REASEGUROS, S.A. by MAPFRE PERÚ VIDA, CIA DE SEGUROS Y REASEGUROS, S.A., the latter now called MAPFRE PERU COMPAÑÍA DE SEGUROS Y REASEGUROS, took place.

This transaction generated a fiscal result that reached 13 million euros.

Ending of alliance with Caja Castilla la Mancha

On May 24, UNICAJA announced its decision to finalize the alliance for producing and distributing Life and Pension insurance through the UNICAJA network coming from Caja Castilla la Mancha.

On October 10, the transaction was formalized, with UNICAJA acquiring 50 percent, owned by MAPFRE, of CCM Vida y Pensiones, the company through which said alliance was carried out, via a consideration of 131.4 million euros, generating a net gain of 1.7 million euros.

Co-investment with Munich RE

In the third quarter of the year, MAPFRE Group, through MAPFRE INMUEBLES, formalized with MEAG (Munich RE's asset manager) a joint investment in a fund focused on real estate investment, with 50 percent participation from each party. MAPFRE contributed a singular property located in Madrid to the fund, resulting in a net gain of 28.5 million euros for the Group from this transaction.

Termination of Bancassurance alliance with BANKIA

MAPFRE has initiated legal proceedings in the courts of Madrid against the company that performed the valuation, Oliver Wyman, and against CAIXABANK, based on the incorrectness of the life insurance business valuation carried out by the company that performed the valuation in relation to establishing the price of the BANKIA VIDA shares that CAIXABANK had to pay for the termination of the bancassurance alliance between BANKIA and MAPFRE. These proceedings are currently underway, without anything worthy of mention having come to light so far.

Additionally, MAPFRE and CAIXA decided to submit to arbitration the discrepancy regarding whether MAPFRE should receive, as established in the contract, an additional 10 percent of the total Life and Non-Life business value in the alliance. In accordance with the valuation established by Oliver Wyman, this additional 10 percent would reach 52 million euros, though the amount could be modified in line with the result of the valuation proceedings. The arbitration began at the end of 2021 and it is hoped it is concluded in 2023.

New EU-IFRS 17 and EU-IFRS 9 standards

Starting January 1, 2023, EU-IFRS 17 "Insurance Contracts", which will substitute EU-IFRS 4", and EU-IFRS 9 "Financial Instruments", which will substitute EU-IAS 39, will enter into force.

Both standards are applicable for 2023 MAPFRE Group consolidated accounts, with a retrospective approach, providing a comparison with the 2022 figures.

Within MAPFRE Group, for 2023, only the companies in Malta and Portugal have to adapt to this standard due to local requirements from their respective insurance supervisors.

More detail on the impacts and implications of these new regulations is included in the consolidated annual accounts of the MAPFRE Group, within note 2 of the report, "Bases of presentation of the consolidated annual accounts".

3.3. Risk management and sustainability in the business

3.3.1. Risk management

Sustainability in the insurance sector is based on adequate management of the risks faced by the organization, which is put into practice at MAPFRE with responsible risk assumption and management, considering emerging and sustainability risks.

Given MAPFRE's global nature, the coordinated integration of the Internal Control and Risk Management Systems is necessary to guarantee the proper administration of risks in the Group. To this end:

- The Internal Control System implements the set of processes necessary to achieve the objectives of efficient and effective operations, reliable information and strict compliance with the applicable laws and regulations.
- The Risk Management System promotes actions for the proper governance of the risks faced by Group companies, considering, in turn, potential or emerging risks and sustainability risks. This system is based on the constant and integrated management of every business process, ensuring that the level of risk assumed is aligned with the strategic objectives. It establishes the processes and procedures to identify, measure, monitor, manage and notify risks as well as the training and dissemination of risk culture in the organization.

To ensure effective risk management, a set of management policies has been developed to assign responsibilities and establish general guidelines, basic principles and the action framework for each type of risk, ensuring coherent application in Group companies.

The responsibilities of the MAPFRE Risk Management System are integrated into the organizational structure in accordance with the three lines of defense model, which establishes:

- a. A first line of defense: made up of employees, management and the operational, business and support areas that assume the risks; they are responsible for designing and applying the necessary control mechanisms to mitigate the risks associated with the processes they carry out while ensuring that the risks do not exceed the established limits.
- b. A second line of defense: comprising the key risk management, actuarial and compliance functions and other insurance functions, which, in their respective areas of responsibility, ensure the functioning of the Risk Management System; they prepare and send periodic risk monitoring reports to the governing bodies at least on a quarterly basis, unless the annual submission of information is sufficient due to the nature of the risks in question. In any case, the corresponding governing bodies must be informed immediately of any risk that:
 - depending on how it evolves, may exceed the established limits;

- may lead to losses equal to or in excess of the established risk limits; or
- may put at risk compliance with the Company's solvency requirements or continuity of operation.

- c. A third line of defense, consisting of Internal Audit, which carries out independent assessments of the adequacy and effectiveness of the Internal Control and Risk Management Systems and notifies of potential shortcomings as required to the parties responsible for applying corrective measures, including directors and the governing bodies, as appropriate.

The Board of Directors of MAPFRE S.A. is ultimately responsible for guaranteeing the effectiveness of the Internal Control and Risk Management Systems, establishing the risk profile and tolerance limits, as well as approving the main risk management strategies and policies. It determines the general policies and strategies, and in particular, the policy for identifying, managing, and controlling risks, including tax risks, and supervising internal information and control systems.

The Board of Directors has delegate committees that form part of the Group's governing bodies. These committees have the following functions in relation to the Risk Management System:

- Risk and Sustainability Committee: delegate body that supports and advises the MAPFRE S.A. Board of Directors by performing the following functions:
 - Providing support and advising on the definition and evaluation of the Group's risk management policies and when determining susceptibility to risk and the risk strategy.
 - Providing assistance in overseeing the implementation of the risk strategy.
 - Being familiar with and assessing the appropriate risk management methods and tools, as well as monitoring the models applied regarding results and validation.
 - Providing support and advising on the definition and evaluation of the Group's sustainability strategy and policy.
 - Assisting with the monitoring the Company's performance in terms of sustainability.

- Promoting, guiding, and supervising the Group's principles, commitments, objectives and strategy in terms of sustainability.
- Audit and Compliance Committee: oversees the effectiveness of the Group's internal control, internal audit and risk management systems.

There are also other committees with the following responsibilities in relation to the Risk Management System:

- Security and Environment Committee: ensures that the Group's objectives and business needs are achieved by correctly managing security and environmental risks.
- Security Committee: reviews the main exposures to insurance and reinsurance counterparties.
- Investment Risk Committee: monitors and controls the main exposures in assets and investment instruments, ensuring compliance with the principles established in the Investment Policy.

The Risk and Sustainability Committee receives a quarterly quantification of the main risks faced by the Group and the adaptation of the established tolerance limits.

The Group promotes the development of procedures to encourage employees to participate proactively in the identification, control and reporting of risks, as well as to share their opinion on the internal control and risk management systems, including:

- i. The control environment survey, which is conducted at least biannually and aims to obtain the opinion of all employees of the organization regarding the existing control environment. This makes it possible to raise awareness of the risk culture in the organization while identifying weaknesses and opportunities for improvement in the Internal Control and Risk Management Systems.
- ii. The procedure for reporting and recording operational risk events, where employees in the first line of defense inform the Risk Office when operational risk events or incidents occur in the company. The Risk Offices in the companies maintain a record of the events that have occurred, coordinate the action plans necessary for their management with the responsible areas, and inform the Group Risk Office quarterly of events with an economic impact exceeding 100,000 euros. The Group Risk Office reports quarterly to the Risk and Sustainability Committee, ensuring that the relevant information regarding operational risks is reported to the Group's Governing Bodies.
- iii. Risk control procedures, which promote dynamic qualitative analysis by processes, so that the managers of each area or department identify the potential risks affecting both business and support processes. Supervisors of areas and departments prepare internal control manuals and other descriptive documents that detail the procedures, activities and parties involved in same, identifying the associated risks and controls to mitigate them. 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 ascertain whether the relevant risks that have been identified are sufficiently controlled and to take the necessary corrective measures.

Operational incidents or events are classified in line with international event recording standards into the following categories: Internal fraud (including acts of corruption or violations of the Code of Ethics and Conduct); External fraud (including system security and cyberattacks); Employment and occupational safety practices; Clients, products and market practices; Damage to property assets; Failures in ICT systems; Execution, delivery and process management.

Risk identification

At the beginning of each year, the Group Risk Office promotes the identification of material risks that may affect the Group's performance as the business plan is implemented, as well as other longer-term emerging risks (5-10 years). More than 300 key employees from companies in 25 countries in which the Group operates participated in the identification of material risks in January 2022.

Regarding the main risks identified for the Group during the period contemplated in the business plan, the following stand out:

Cybersecurity risk and ICT system failures

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. Cloud computing poses elevated risks due to an increased concentration and accumulation of data. From an operational point of view, certain cyberattack risks may result in prolonged downtime of services provided to third parties, as well as massive customer fraud achieved through compromised sensitive customer information.

In addition, changing customer habits, digitalization, and self-service models have increased the demand for identification and authentication systems, the use of biometric identifiers, and the multiple uses of identifiers. These factors increase the risk of identity theft fraud or even data theft. At the same time, there is a growing threat of organized cyberattacks from countries or nations, especially in the current turbulent geopolitical environment, where organized hacker groups attack critical infrastructures and steal valuable data or confidential company information.

To respond to cybersecurity needs, MAPFRE has advanced capabilities aimed at increasing operational resilience. MAPFRE's Cyber Resilience Plan coordinates the evolution and improvement of the Group's position in terms of Cybersecurity, Privacy, Data Protection and Digital Operational Resilience, underpinning the company's measures to mitigate cyber risks.

Inflation

High inflation, which has a direct impact on the energy component and the price of all inputs and products, affects all companies and customers across the board. Persistent inflation represents a loss of household purchasing capacity, with an impact on the underwriting of new products, both life and non-life.

From the perspective of the (re)insurance industry, inflation risk materializes in higher claims expenses and lower demand for new insurance policies.

To counteract this situation, MAPFRE carries out the selection and pricing of risks prudently and applies an investment policy characterized by a proportion of fixed income with returns linked to local inflation or the profitability of central banks. This ensures that sufficient resources are available to accommodate the insured parties even in situations of unforeseen inflation. A decrease in investment returns negatively affects the Group's technical result and may reduce the appetite for life insurance products.

Regulatory changes

Insurance and reinsurance are heavily regulated activities, the primary purpose of which is to protect insured parties. Legislative changes can i) involve a risk if the Group is unable to adapt to them; or ii) affect the operations of the Group to the extent that the supervisory authorities have broad administrative control over various aspects of the insurance business.

Legislative changes include the entry into force, in 2023, of the new criteria set out in the International Financial Reporting Standards adopted by the EU, namely IFRS 17 "Insurance Contracts" and 9 "Financial Instruments," which entail a significant change in the valuation and presentation of financial statements. These standards require insurance companies to apply changes to the recognition of insurance and reinsurance operations, affecting the valuation and presentation of revenue, expenses, assets and liabilities derived from the insurance business and the classification and valuation of financial assets.

For the application of both standards, the Group has developed a new technological architecture, implementing new processes and guidelines to address all aspects of the standard and designing new data models and new corporate systems. In 2022, the new operating systems were launched and business models defined for the documentation to be completed by the companies in each financial asset purchase operation for the classification of investments.

Personnel management and planning

Personnel risk considers possible losses due to unsuitability or failures arising from i) the lack of training and experience of the company's employees; ii) the personnel's incompatibility with the company's vision, mission and values; iii) aspects related to the sizing of the departments or structure; or iv) those affecting employee health and safety.

Talent management is always a concern for MAPFRE. In environments like the current ones, marked by continuous transformation, the organization requires greater flexibility and technical knowledge to navigate a changing world.

MAPFRE S.A.

The Group continues to implement its voluntary redundancy plan, aimed at employees of its insurance operations in Spain, and its restructuring plan at Verti in Italy, which represents a broad organizational change. This plan entails the significant downsizing of the personnel structure across the different areas of the company by placing employees in service providers and using voluntary redundancy and other measures to terminate the employment relationship. The net cost of this plan amounts to 19.9 million euros.

People management at MAPFRE is based on three pillars: talent development, the organization's transformation, and promotion of the employee experience and employee-oriented communication and transparency channels.

Risk of new competitors

The risk of new competitors includes the risks arising from the loss of positioning, inability to react to market changes and emergence of new players.

The Group competes in local and global markets with insurance companies, banks, brokers, asset managers and financial services firms. In addition, new competitors with more advanced technological profiles encompassing new disruptive technologies could enter the market.

The MAPFRE Group's strategic initiatives, which have been implemented in relation to digital transformation, client orientation and excellence in technical and operational management, have made it possible to face this risk. From an operational and technological point of view, the Group has developed a culture of continuous transformation that allows it to adapt to a changing and uncertain reality. This entails new organizational and operational models, strategic and disruptive lines of innovation, open innovation processes and the digital challenge in the field of culture, talent and work environments.

This is supported by the establishment and use of advanced data analytics to determine clients' needs, optimize its client retention arguments and monitor the behavior of consumers and its main competitors in the market.

b. Emerging risks

The emerging risks with a potentially significant impact that could affect the Group in the longer term (five years) include:

- Climate change
- Products and services
- Financial instability and crises due to conflicts and scarcity of resources

For more information on emerging risks, please see 6.3. Notes on additional information Note 6 Emerging risks.

For more information on the company's risk types, exposure and mitigation techniques, please see the Solvency and Financial Condition Report (SFCR) of MAPFRE S.A. and its subsidiaries, which is available on the corporate website, Note 7 Risk Management, and the Main Risks and Uncertainties chapter of the MAPFRE Consolidated Annual Accounts and Consolidated Management Report 2022.

Risk training

Throughout 2022, 11,805 people received 23,922.76 hours of risk management training. By the end of the year, 38 percent of the workforce had completed some form of training related to this area in the past year.

The breakdown by level of responsibility is detailed in the accompanying table.

Level	No. of active people trained
Management	552
Heads and Middle Management	2,066
Advisors	6,306
Associates	2,881
Total	11,805

Similarly, the members of the Board receive continuous training in risk management. In 2022, 100 percent of the external directors allocated, as a whole, a total of 100 hours to training in regulatory risks (criminal risks, money laundering and financial), technological and operational and reputational.

Analysis of environmental, social and governance (ESG) aspects as risks and opportunities.

MAPFRE constantly analyzes factors that, should they arise, can or could impact business (referring to investment and underwriting). This analysis considers environmental, social and governance (ESG) factors, given that these elements allow for additional information to be gathered pertaining to social movements and transformations, and the expectations of stakeholders and the market that affect the organization.

MAPFRE S.A.

As a global insurance company, MAPFRE plays an important role in helping society by identifying sustainable development opportunities for the insurance business and offering its customers products and services that further the transition to a low-carbon economy. For more information on sustainable products and services, please see 6.3. Notes on additional information Note 8 Sustainable products.

A proper analysis of ESG factors, and how they might affect the business in the short, medium and long term, will determine their relationship to the company and possible inclusion in the list of risks drawn up by the company and in the adoption of prevention and mitigation measures.

For more information on how the analyzed ESG factors may affect the business and how the Group is addressing these topics, please see 6.3. Notes on additional information Note 7 Integration of ESG aspects in the business.

3.3.2. Sustainability in the business

In order for the world to achieve the goals related to the 2030 Agenda, each company must address common challenges and make them their own, integrating them into their businesses.

MAPFRE's business model and strategy are an example of how the company addresses global sustainability challenges, manages ESG risks and opportunities, and innovates in the development of insurance products and solutions that benefit customers and the society in which they operate.

ESG risks are naturally integrated into our business processes, providing long-term solutions. ESG risk and opportunity management helps with decision-making in areas such as underwriting, investment, innovation in products and services and the provision of services, all key elements in generating trust among stakeholders.

3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes

GOVERNANCE AND STRATEGY

In relation to investment processes, since 2017 MAPFRE has adhered to the UN Principles for Responsible Investment (PRI) and has a framework for action in responsible investment in place, last updated in 2022, which is structured around the PRI. Link to Responsible Investment Framework. <https://www.mapfre.com/media/MARCO-DE-Inversi%C3%B3n-Responsable-de-MAPFRE-24-02-2020.pdf>

The United Nations PRI, which aim to reflect the growing relevance of environmental, social and corporate governance (ESG) issues in investment processes, coexist with the obligation assumed by the company as a custodian of client savings and investments and for the strength of its own balance sheet. Prudent investment criteria are therefore applied, seeking long-term value creation and incorporating ESG factors alongside traditional information.

MAPFRE has an Investment Policy in place, approved by the MAPFRE S.A. Board of Directors, which is applicable to all insurance and reinsurance companies and with a series of policies that complement this commitment to sustainable investment:

- a. Policy on the Exercise of Voting Rights
- b. Policy on the Integration of Sustainability Risks
- c. Engagement Policy
- d. PIAS due diligence (Statement on Due Diligence policies in relation to Main Adverse Incidents)

The Corporate Investment Area is the guarantor of compliance with the established responsible investment principles at the organization and must report annually on their fulfillment to the Sustainability Committee. MAPFRE ASSET MANAGEMENT (hereinafter MAPFRE AM) also has a Risk Committee that regularly analyzes the composition of portfolios managed by MAPFRE AM their ESG evaluations and any disputes that may arise from the application of the causes of exclusion approved by MAPFRE, as well as the carbon footprint of the investment portfolio.

Commitments on environmental matters in investment

In 2022, the Company reinforced and modified its environmental commitments in the investment business, playing our part to further the transition to a low-carbon economy and reinforcing our commitment to be a zero-emission company by 2050. These commitments have been approved by the Board of Directors.

During the year 2022, the company complied with the previously established environmental commitments.

For more details on the MAPFRE Group's environmental commitments in investment: <https://www.mapfre.com/media/ENVIRONMENTAL-COMMITMENTS-IN-INVESTMENT-AND-UNDERWRITING.pdf>

ESG RISK AND OPPORTUNITY MANAGEMENT

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To monitor and manage ESG risks in investments, MAPFRE has its own analysis framework that is reviewed periodically to incorporate best practices in this area. The investment team is responsible for implementing the methodologies included in the above framework, looking for opportunities and minimizing risks.

With regard to sustainability strategies, MAPFRE is in favor of transversally applying an approach of integration and a policy of long-term shareholder involvement through the exercise of voting rights, which applies to all the assets it manages.

As defined in the Responsible Investment Framework and in the MAPFRE AM Integration Policy, environmental, social and good governance criteria are integrated into all investment processes, in both own and third-party portfolios, based on the criteria defined by the applicable regulations and market trends, among others.

Exclusion criteria focused mainly on environmental issues, which promote the achievement of the aforementioned objectives, are also incorporated into investment decision-making and sustainability risk management.

Furthermore, progress is being made in establishing dialog processes with companies as a mechanism to influence their performance in terms of sustainability.

Therefore, MAPFRE has fiduciary responsibility for the investments made through voting and dialog.

With regard to voting, it aims to influence the company's governance and help to promote greater transparency and better performance in terms of sustainability. With regard to dialog, the objective is to access companies directly or collectively, also seeking to contribute to better sustainability performance.

Likewise, it extends the philosophy of socially responsible investment to the Group's entire balance sheet.

Real estate investment is fully aligned with these principles and the governance system described above. Additionally, specific strategies have been defined to ensure compliance with the objectives set, within the framework of the Sustainability Plan and the Environmental Footprint Plan (the latter develops specific aspects of the former). For more information, see Chapter 5 - Committed to the Environment.

METRICS AND OBJECTIVES

Applying the commitments of the Sustainability Risk Integration Policy, at fiscal year-end, 100 percent of the investment portfolio managed by MAPFRE AM is analyzed with ESG parameters, corresponding to an investment of more than 30.7 billion euros. Of the total portfolio, more than 93 percent of the assets are rated using ESG criteria, of which 95 percent have a high rating, above the minimum required threshold established by the company.

In terms of action related to MAPFRE's real estate investment, it is worth noting the sustainable building certification initiative. During 2022, work continued to be done to obtain new LEED certifications in 2023. This initiative aims to certify at least 50 percent of the total area of the unique buildings owned by MAPFRE by 2030.

Another important initiative is the launch of a five-year plan to install photovoltaic solar panels in a series of key buildings to achieve high levels of energy autonomy, highlighting the value of real estate investments.

= Measuring the carbon footprint of the investment portfolio

MAPFRE supports the transition toward a low-carbon and climate-friendly economy, in line with the Paris climate objectives. The company therefore wants to ensure that its activities and associated emissions help to reduce global warming.

Considering the environmental impact of its investments is part of MAPFRE's strategy to decrease its carbon footprint in all of its activities and areas of influence, including those related to its portfolio of assets.

As a sign of this commitment, we have carried out our first climate impact measurement in the investment portfolio in order to establish decarbonization objectives and guide our decision-making. To calculate the carbon footprint of its investment portfolio, MAPFRE uses its own methodology based on the Partnership for Carbon Accounting Financials (PCAF) methodology, measuring the emissions of the portfolio of equities, corporate debt and government fixed income. In this way, the company identifies the risks and opportunities that its investments may entail in relation to the sustainable development of the business. For more information on the methodology for calculating the carbon footprint of the investment portfolio, see <https://www.mapfre.am.com/en/>.

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	2022	2021	2020
Total carbon footprint (Ton CO ₂ eq)	3,354,390.96	4,266,833.45	5,112,513.24
Carbon footprint per €M invested (Ton CO ₂ e/€ million)	138.71	153.47	196.61

In line with its commitment to the United Nations 2030 Agenda, in 2022, MAPFRE once again measured the impact of the balance sheet portfolios on the Sustainable Development Goals, using the methodology developed in 2019 with the University of Siena. Work continues to expand the methodology and integrate it with the other tools used in investing with ESG criteria.

The Sustainability Plan 2022–2024 established the following objectives:

- 90 percent of the investment portfolio to be rated in line with ESG criteria globally by 2024.
- A reduction in investment portfolio emissions by 10 percent by the end of 2024 (2019 baseline over the relative indicator: TonCO₂e/€ million)

SUSTAINABLE INVESTMENT PRODUCTS

MAPFRE is committed to developing a range of sustainable products that complement existing products.

MAPFRE AM, MAPFRE's asset manager, has two sustainable funds, which are classified under the SRI Label promoted by the French Ministry of Finance and as Article 8 funds under the new European Sustainable Finance Disclosure Regulation (SFDR). They also take into account Main Adverse Incidents. For more information, please see 6.3. Notes on additional information Note 8 Sustainable products.

Pertaining to balance sheet assets:

Specifically, the MAPFRE AM Inclusión Responsable fund seeks to make a social impact on disability without losing sight of the criterion of financial profitability. And the MAPFRE AM Capital Responsable fund seeks to preserve capital while investing in companies that integrate their sustainability strategies the most consistently.

A further indication of the company's commitment in this regard can be seen in the other sustainable investment products made available to customers, such as the infrastructure fund launched with Abante or investments in renewable energy with Iberdrola. For more information on MAPFRE's investment products, please see and the MAPFRE Group TCFD Report.

MAPFRE has placed special emphasis on providing communication and information on sustainable funds to (current and potential) specialist clients and society in a different way, in accordance with the values that these funds, responsible investment and its contribution to sustainable development represent to the company. To do so, it generates specific informational content through interviews, participation in conferences and events, reference articles in specialized media and value-added videos on the MAPFRE corporate website.

In addition, since 2019 MAPFRE has been part of Spainsif (a benchmark meeting point for sustainable and responsible investment in Spain) and is also a member of its board of directors.

In order to comply with the regulation related to the European Taxonomy, Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 regarding the establishment of a framework to facilitate sustainable investments and by which the Regulation is modified (EU) 2019/2088, the activities that contribute to the fulfillment of the environmental objectives of the European Union are reported below.

	2022			2021		
	Eligible	Ineligible	Exposure as a % of total assets	Eligible	Ineligible	Exposure as a % of total assets
Total assets	3.72 %	18.43 %	66.83 %	2.78 %	23.07 %	64.17 %
Exposure to derivatives		0.23 %	0.56 %		1.03 %	0.52 %
Exposure to companies not subject to NFRD*		— %	— %		0 %	0 %
Exposure to issuers of central governments, central banks and supranationals		49.64 %	33.17 %		55.84 %	35.83 %
2021 and 2022: The calculation has been made based on the portfolio managed by the European competence center, which represents a figure greater than 80% of the total investment portfolio. * The exposure ratio over total assets to companies that are not required to publish non-financial information in accordance with articles 19 bis or 29 bis of Directive 2013/34/EU is less than 0.001%, which is why it is considered insignificant and 0% exposure is reported.						

The information includes investments in the legal field of the MAPFRE Group that correspond to MAPFRE S.A., as well as all investment and pension funds and third-party portfolios managed by MAPFRE AM, and the investment portfolio of the fund manager's own resources, located in the European Union and which are managed by the EU Competence Center (MAPFRE AM, located at the Company's headquarters in Majadahonda, Madrid, which are the responsibility of the MAPFRE Group Corporate Investment Area).

For investments via vehicles, transparency is respected and information on the underlying assets or investments is given.

To obtain the data, the internal reporting system for portfolio data and the information available in the EU Taxonomy Compass (https://ec.europa.eu/sustainable-finance-taxonomy/tool/index_en.htm) have been used.

In order to determine which part of the investments analyzed correspond to eligible or non-eligible activities, the information on the investments in the MAPFRE portfolio and its NACE codes have been crossed with the NACE economic activity codes (in the maximum granularity possible). classified for the two environmental objectives required by the regulations as of January 1, 2022 ("Climate Change Mitigation" and "Climate Change Adaptation"). By crossing both lists, a classification of eligible and non-eligible activities within the MAPFRE portfolio has been obtained.

Changes made compared to the previous year (2021):

In order to adapt the information that is going to be reported in relation to the alignment of the MAPFRE Group's investments with the Taxonomy, based on the previously defined scope, changes have been implemented with respect to the total investments contemplated in the previous year. For this reason, the Unit Linked portfolios included in the Balance Sheet heading "D. INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK" have been incorporated into the analysis and an exhaustive review of the database has been carried out to verify the proper assignment of parameters to the different investments. In addition, current accounts of investment funds have been excluded which, when treated as transparent, appeared but are not included in the Balance Sheet heading "C. INVESTMENTS".

The consolidation scope has been adjusted to the legal scope of the MAPFRE Group, which corresponds to MAPFRE S.A. and its subsidiaries, always within the scope defined above, excluding any other possible investment considered in the previous year.

Strategy and commitment to clients:

In relation to the design of investment products, the commercial strategy of the group has two approaches, on the one hand, the creation of an exclusive range of sustainable products (called "Responsible"), where more specific issues such as thematic investment, the environmental social impact or the specific combination of capital preservation and sustainability.

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In this case, the aim is to create a product that combines a market need with a social or environmental need. Both a methodology and proprietary data are available, which makes it possible to search for that combination. Thus, for example, the Inclusión Responsable Fund seeks the social impact in the world of disability together with the excess profitability provided by companies that show a commitment to it. The Capital Responsable Fund seeks capital preservation through limited volatility along with investing in those companies that most consistently integrate their sustainability strategy with their overall strategy.

As defined in the Responsible Investment Framework and in MAPFRE AM's Integration Policy, the integration of ESG criteria is carried out in all investment processes, both in proprietary and third-party portfolios, taking into account the criteria defined by the applicable regulations and market trends.

The social factors that are integrated into the investment process and, in particular, in products for third parties (which are always commercialized on a co-investment basis) are aligned with the Group's social activity: the workforce integration of people with disabilities, foundational activities, volunteering, etc.

3.3.2.2. Integration of ESG aspects into MAPFRE's underwriting processes

GOVERNANCE AND STRATEGY

In 2012, MAPFRE officially adopted the Principles for Sustainable Insurance (PSI) (<https://www.unepfi.org/psi/signatory-companies/>) promoted by the United Nations Environment Programme Finance Initiative (UNEPFI), committing to integrate environmental, social and governance (ESG) issues into its decision-making for the underwriting processes of the Group's insurance operations.

This commitment is defined in the Underwriting Policy, approved by the Board of Directors of MAPFRE S.A., applicable to all insurance and reinsurance entities and aligned with the corporate business strategy. In addition to a Global Business Committee that meets monthly, MAPFRE has an Underwriting Policy Committee that meets weekly and that, among other functions, is responsible for the correct application of this policy and analyzes and proposes operational exclusion rules on ESG matters.

Environmental commitments in underwriting:

The MAPFRE Group is accelerating the deployment of its climate strategy, so in 2022 we reinforced and modified our environmental commitments in the underwriting business, playing our part to contribute to the transition to a low-carbon economy and reinforcing our commitment to be a zero-emissions company by 2050. These commitments have been approved by the Board of Directors.

During the year 2022, the company complied with the previously established commitments regarding coal, oil and gas and has not approved any exception in this matter.

For more details on the MAPFRE Group's environmental commitments in underwriting: <https://www.mapfre.com/media/COMPROMISOS-AMBIENTALES-INVERSION-Y-SUSCRIPCION.pdf>

ESG RISK AND OPPORTUNITY MANAGEMENT

MAPFRE constantly analyzes factors that, should they arise, can or could impact business. This analysis considers ESG factors, as these enable additional information to be gathered on social movements and transformations, and the expectations of stakeholders and the market that affect the organization.

A proper analysis of ESG factors, and how they might affect the business in the short, medium and long term, will show their relationship to the company and possible inclusion in the list of risks drawn up by the company and in the adoption of prevention and mitigation measures.

Underwriting major risks

As far as underwriting global risks is concerned, MAPFRE has developed an internal ESG evaluation model based on specialized tools that evaluate and quantify the environmental, social and governance impact of the activity carried out by a business group, which takes the sector and the countries it operates in into account.

The model assigns a reputational risk level to the business group, which is linked to the level of authorization required to underwrite the operation. The approval of the Management Committee of the GLOBAL RISKS Unit may be required and, where appropriate, the additional authorization of the CEO. In this case, if the transaction is authorized, with the corresponding mitigation measures, the Group Sustainability Office is informed and a plan of mitigation measures for said risk may be required.

Taking action during natural disasters requires an appropriate forecast of these events and a correct assessment of the losses they can cause, both of which are essential to manage an insurance company. The economic impact that the company will have to absorb as well as the response that it will be able to give its clients depend on this, and management of this action is inherent in its operations.

The Reinsurance Unit is entrusted with various tasks related to exposure control and catastrophic risk management of the Group, as well as providing adequate reinsurance coverage to each of the companies individually and the Group as a whole.

MAPFRE's framework of catastrophic risk management includes several functions:

- Accumulation control: addressing all catastrophic exposures that the companies face and that may be affected by a natural disaster. In this chapter, the ExpoCat tool was implemented at the corporate level in 2021 for the reporting and geo-referencing of MAPFRE companies' catastrophic exposures, also including their map display with different dashboards to improve control and streamline management of this information. The coded data includes characteristics of the exposures that can make them more resilient to the impact of catastrophic risks, such as the year and type of construction or its height, among others.
- Catastrophic risk modeling: knowing all the information about exposures, estimating probabilistic loss scenarios to calculate the possible financial impact of natural disasters. Climate change can be an incremental factor of catastrophic risk depending on the type of scenario and the time horizon. An attempt will be made to incorporate it into these estimates to the extent that the predictive models used allow such variable to be included. Likewise, the ExpoCat tool will allow companies to formulate deterministic loss scenarios with precise maps in the event of a catastrophic event, identifying potentially affected exposures and allowing more agile decision-making.
- Design of the appropriate reinsurance protections to cover the risks that MAPFRE does not wish to retain and to ensure that catastrophic events do not compromise the Group's solvency or liquidity.

- Supervise and manage the credit risk that the Group is exposed to through reinsurance placements, as well as the liquidity risk that it could be exposed to.
- Continuity plans: in the event of a catastrophic event, MAPFRE's ability to continue serving its clients becomes critical. For this reason, business continuity plans are developed, implemented, tested, updated and certified, aimed at guaranteeing, in addition to the personal safety of employees and collaborators, the operational resilience of the companies; thus fulfilling its obligations to clients and other stakeholders.

To carry out these actions, MAPFRE has specific capabilities that allow a consistent and adequate response to requirements at any time and anywhere. The activation of the plans makes it possible for each company to resume its operations in a period of time that does not compromise its continuity and that allows the services required by its clients to be provided, making these operations resilient.

To learn about the economic impact caused by natural disasters, please see the Consolidated Management Report 2022.

METRICS AND OBJECTIVES

MAPFRE has developed an internal ESG evaluation process that is based on specialized tools, evaluating and quantifying the environmental, social, and governance impact of the activity carried out by a business group, considering the sector and the countries where it operates. This tool was used until 2022 to offer scores to global risk clients. Among its objectives, the Sustainability Plan 2022–2024 provides for the expansion of the ESG analysis model to the underwriting portfolios of Spain, Brazil, and facultative reinsurance.

In accordance with the ESG risk analysis model, at the close of 2022, 77 percent of the previously mentioned underwriting portfolio has been analyzed with environmental, social and good governance (ESG) criteria.

In April 2022, MAPFRE joined the Net-Zero Insurance Alliance (NZIA) with the aim of being a net-zero company in its insurance and reinsurance underwriting portfolios by 2050.

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This commitment has made MAPFRE even more demanding when it comes to sustainability, as the company must establish underwriting criteria to make a significant impact in terms of emissions while defining decarbonization commitments with its most important clients. It must pursue agreements and develop products and services that promote the reduction of greenhouse gas emissions in its portfolio.

SUSTAINABLE UNDERWRITING PRODUCTS AND SERVICES

Sustainable innovation is an important business opportunity. For this reason, MAPFRE continues working to design sustainable solutions, analyzing market options and moving towards new business models and solutions that arise from digital and technological changes. It does so with the ultimate aim of offering the best solutions and services to current and future customers while contributing to the just transition to a low-carbon economy and a more inclusive and equal society.

MAPFRE's experience as an insurance company enables it to manage risks and develop solutions for a sustainable future, adding value through dialog with stakeholders and sharing its experience to improve general awareness of risk and mitigation in the sector.

- a. Environmental products and services: insurance products or services aimed at specifically adapting and/or mitigating an environmental risk or opportunity and/or related to climate change.
- b. Social products and services: insurance products or services aimed at specifically covering the basic needs of the population, products or services related to the protection of life, health and education in disadvantaged communities and/or low-income groups (minimum wages or less), as well as aspects related to the protection of human rights, non-discrimination, inclusion and diversity.
- c. Good governance products and services: products that aim to protect businesses from one of the biggest vulnerabilities of today: cyber attacks.

For more information about MAPFRE's underwriting products, please see 6.3. Notes on additional information Note 8 Sustainable products.

In order to comply with the regulation related to the European Taxonomy, Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 regarding the establishment of a framework to facilitate sustainable investments and by which the Regulation is modified (EU) 2019/2088, the activities that contribute to the fulfillment of the environmental objectives of the European Union are reported below.

Pertaining to Non-Life insurance and reinsurance premiums:

	2022	2021
Exposure of Non-Life insurance premiums to economic activities eligible by the Taxonomy	46.19 %	43.51 %
Exposure of Non-Life insurance premiums to economic activities not eligible by the Taxonomy	53.81 %	56.49 %

The data used corresponds to the Consolidated Income Statement under IFRS of MAPFRE S.A. as of December 31, 2022.

The business lines considered according to Delegated Regulation 2021/2139 which completes Regulation (EU) 2020/852 of June 18, 2020 (Taxonomy Regulation) on the technical selection criteria to identify which activities are adapted to the climate objectives according to the taxonomy are the following:

- Non-life insurance:
 - a. Medical expenses insurance;
 - b. Income protection insurance;
 - c. Work-related accident insurance;
 - d. Automobile civil liability insurance;
 - e. Other automobile insurance;
 - f. Marine, aviation and transportation insurance;
 - g. Fire and other property damage insurance;
 - h. Assistance insurance.
- Reinsurance

The volume of these lines (defined by the taxonomy as eligible) accounts for 94 percent of the volume of MAPFRE's global Non-Life premiums.

The MAPFRE Group has committed to report, as it is considered material in this area, the data corresponding to those companies that represent 95 percent of earnings and more than 85 percent of premiums, as per the estimate made with data as of June 30, 2022.

To calculate the percentage exposure of Non-Life insurance premiums to eligible and non-eligible economic activities by the Taxonomy, the volume of Non-Life insurance premiums issued and the gross Non-Life accepted reinsurance premiums from the MAPFRE RE's non-Group business (originating from cedants outside the MAPFRE Group) have been used, over the total volume of Non-Life insurance and reinsurance premiums for the scope defined as material for the year 2022.

To this end, the coverage contract has identified the consideration of climate change risks as detailed in Annex I of the Regulations, considering the explicit inclusion in the coverage of at least one of the identified climate change risks considered chronic or acute related to temperature, wind, water or solid mass.

To calculate of the reported information, the information obtained from the different accounting information management systems of the Group such as BI, COGNOS, SAP and HFM has been used.

When obtaining the data, certain limitations have been found. By aligning the information with the accounting data, the data could not be limited to the individual coverage level, being limited to the business line level. For example, in the Business lines, there is no isolated information on the specific coverage that comes to mitigate the consequences of weather events. In many cases, the definition of the coverage is based on All Accidental Risk, in which case the estimated value of the accrued loss rate has been inferred to determine the communicated premiums. In the case of reinsurance premiums, the premiums from reinsurance treaties are figures that come from the policies originally issued by the insurers, but which are ceded to reinsurance in an aggregate manner, without detailing the policy or individual activity/coverage. Those from facultative reinsurance were processed in a little more detail as the risk class of each reinsured policy is known.

In addition, certain hypotheses or estimates have been carried out because, today, information systems are not as granular as the requirements of the regulations.

In the case of reinsurance, depending on the business line, the coverage or not of the indicated climatic risks has been assumed. Standard insurance practice enables assuming with a high degree of certainty whether or not the climatic risks described are subject to coverage by each of the Non-Life lines.

Strategy and commitment to clients:

As a global insurance and reinsurance company, MAPFRE plays an important role in helping society in the process of climate change adaptation and mitigation, identifying risks and opportunities for developing sustainable products and services. The Group's strategy and underwriting processes are defined according to the criteria established in applicable regulations, market trends and critical aspects for the different stakeholders, focusing on constant innovation in product design and services and incorporating environmental, social, and good governance criteria.

As a reinsurer, the company does not have access to the end client to decide to market insurance products, but de facto reinsurance coverage supports insurance companies so that they have sufficient financial support (if required) and can market sustainable products. Reinsurance assumes a high climate risk due to the accumulation of cessions in all reinsured portfolios and is an essential component in mitigating this risk globally.

3.3.2.3 Risks and opportunities arising from climate change in the business

Adapting the business to climate change

The concept of climate resilience implies that organizations develop the adaptive capacity to respond to the challenge of climate change, better managing transition risks and associated physical risks and taking advantage of associated opportunities.

The insurance sector plays an important role in adapting to climate change as a climate risk management tool, which enables society to mitigate the losses caused by the occurrence of extreme weather events.

For this reason, MAPFRE is working on adapting its business to climate change in order to improve climate resilience through a sustainable business model, excluding certain risks in its investment and underwriting portfolio, promoting sustainable finance, creating environmental products and services, boosting the premiums generated in certain business lines or promoting adaptation measures against the impacts of climate change. In addition, work is being done on measuring the impact of the different climate scenarios on our strategy and business.

Insurance coverage is a crucial aspect, offering our clients financial protection against the risks of natural catastrophes. Furthermore, as institutional investors, insurers play a key role in helping finance the transition to a low carbon economy. For more information, please see sections 3.3.2.1. and 3.3.2.2.

In addition, due to the nature of MAPFRE's business, it is essential for the company to have solutions and procedures in place to safeguard the health and welfare of people, but also to renew our processes and services in order to reduce the impact on our clients and our business in the event of a natural disaster.

For this reason, MAPFRE develops, implements, tests, updates and certifies Business Continuity Plans, aimed at ensuring, in addition to the personal safety of employees and collaborators, the operational resilience of companies, thus fulfilling their obligations to customers and other stakeholders.

MAPFRE has continuity plans in place in 100 percent of the countries it operates in, which serve to anticipate the adverse effects of climate change (risks assessed in the Continuity Plan) and thus take the appropriate measures to prevent or minimize the damage that they may cause, thereby guaranteeing the maintenance of the services provided to customers.

For more information, please see 6.3. Notes on additional information Note 3 Cybersecurity and business continuity.

Task Force on Climate-Related Financial Disclosures (TCFD) report

The Group has designed its roadmap for climate change by adopting in 2021 the guidelines of the Report of the Task Force on Climate-related Financial Disclosures, (TCFD), created by the Financial Stability Board, and thus contribute to generating truthful and objective information on the risks of climate change.

For this reason, a report on the company's management in relation to climate change has been prepared for a second consecutive year. Through the structure proposed by the TCFD, MAPFRE reports on the risks and opportunities of climate change and their integration into the company's business and activities:

Governance

The Board of Directors of MAPFRE S.A. is the body in charge of decision-making and supervision of the MAPFRE Group and is responsible for overseeing all of its affiliated entities, being the body responsible for establishing and supervising the Group's sustainability policy and strategy.

The responsibilities of the MAPFRE Board of Directors related to sustainability and, specifically, regarding climate change can be classified into strategic and monitoring functions:

- Strategic functions: approval of the Corporate Sustainability Policy and the Group's sustainability strategy, ensure the effectiveness of the Company's Risk Management system, establishment of the risk profile and tolerance limits, as well as approval of the main risk management strategies and policies, including sustainability and climate change risks.
- Monitoring of objectives: monitoring the development of and compliance with the Group's Sustainability Plan, for which purpose it is regularly informed of the progress and the level of achievement of the Group's commitments included in said Plan; compliance with the limits established in the Risk Appetite Policy, approved by the Board itself, which establishes the level of risk that the Group is willing to assume. Those risks include catastrophic risks, which could be affected by climate change.

MAPFRE's Board of Directors has a Steering Committee and three delegate committees (Audit and Compliance Committee, Appointments and Remuneration Committee, and Risk and Sustainability Committee) in place and issues the rules of conduct for all of them and for the Executive Committee. The Risk and Sustainability Committee is the body in charge of supporting and advising the Board of Directors in defining and evaluating risk management policies, determining risk appetite and risk strategy, as well as defining and supervising the corporate sustainability policy and sustainability strategy.

Executive responsibilities in terms of sustainability and climate change are distributed among the Executive Committee, the different management committees of the company, the work groups and the areas and departments that assume the different functions to be executed and that enable MAPFRE's objectives in this respect to be met.

Strategy

MAPFRE integrates all considerations on climate change risks within the company's strategy and the development of the Sustainability Plan 2022-2024. Work is being done to adapt financial planning to climate change, both from a risk and an opportunity approach, executing the necessary actions to transform the company into a low-carbon company, as well positioning it to contribute to and strengthen resilience and the Company's ability to adapt to the risks of climate change and climate-related natural disasters.

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The company addresses and manages the main climate change risks it faces to give continuity to the business plan, through mitigation actions such as:

- Adequate modeling, due to the effect on the setting of premiums and rates of insurance and reinsurance companies, with the aim of dealing with the increase in natural catastrophes as a consequence of climate change.
- The compilation of internal information related to claims that have been caused by natural risks and market information necessary for the modeling of catastrophe risks, with the aim of carrying out an adequate assessment of climate-related risk.

The Group identifies risks (physical risks and transition risks) and opportunities deriving from climate change that may have an impact on the company. To analyze and evaluate the impact generated by these risks and opportunities, the company makes use of the time horizons defined by the EIOPA⁵. These horizons will be adapted in line with the requirements and recommendations that the supervisors can make.

MAPFRE is currently in the process of developing and analyzing different climate change scenarios that enable it to assess possible losses from risks arising from climate change. The objective is to prepare for the consequences of climate change by identifying the associated risks and taking measures to mitigate the resulting impacts.

The management of these risks helps in making decisions on underwriting, acquisition, investment or innovation in products and services is an essential part of adapting MAPFRE's financial planning process to climate change.

In underwriting, MAPFRE identifies the increase in catastrophic claims or extreme weather events as a consequence of climate change as one of the risks carrying a significant impact, which leads to an increase in claims, as well as the resources and capacities necessary for management of same. This identification makes it possible to define underwriting strategies, using methods based on technical rigor, emphasizing the risk selection and the control of accumulations and the adequacy of rates.

The company implements its Sustainable Investment Policy from twofold perspective: an *a posteriori* approach (whereby the ESG score of all portfolios is examined and reviewed by the Risk Committee) and an *a priori* approach (whereby ESG criteria are integrated into the investigation of possible investments).

MAPFRE offers its clients a wide range of investment products and sustainable insurance products in the different regions in which it operates. In addition, the company markets other alternative and sustainable investment products, such as the infrastructure fund launched with Abante or investments in renewable energy undertaken jointly with Iberdrola.

Business alignment with the 1.5°C scenario

- a. Underwriting: MAPFRE incorporates a series of environmental commitments into its underwriting policy so as to align underwriting activities with the Paris Agreement scenario, thereby reinforcing the commitment assumed to be a zero-emissions company by 2050.
- b. Investment: As defined in the Responsible Investment Framework and in the MAPFRE AM Integration Policy, ESG criteria are integrated into all investment processes, taking into account the criteria defined by the applicable regulations, market trends and applying prudent investment criteria, seeking to create long-term value and incorporating ESG factors in addition to traditional information, reinforcing the commitment made to be a zero-emissions company by 2050. The company reinforced the environmental exclusion commitments over the course of 2022.

Risk management

MAPFRE has implemented internal control processes and an effective risk management system that complies with local regulations and promotes action on risk governance, the identification of emerging risks, along with training and dissemination of a risk culture throughout the organization. The company has a procedure in place designed to mitigate and adapt to the risks deriving from climate change. This procedure is composed of:

⁵ Methodological principles of insurance stress testing - climate change component

- Climate change risk identification process: The Group permanently analyzes those factors, including ESG aspects, which, if they materialize, may have an impact on the business or could have in the short, medium and long term. Based on this analysis, their relationship and inclusion in the risk typology established by the company is determined, and the adoption of prevention and mitigation measures is considered.

Every year, the Corporate Risk area promotes an exercise to identify material risks, making it possible to identify perceived risks, including sustainability and climate change risks that may affect the Group's performance, either throughout the business plan or materialize beyond the same.

MAPFRE has internal control processes and an effective risk management system in place that comply with local regulations and promote action on risk governance, risk identification and assessment, including emerging and sustainability risks. Training and dissemination of the risk culture within the organization is also provided.

Subsequently, materiality analyzes are carried out, which assess the risks, including those deriving from climate change, based on their relevance for participating stakeholders (employees, providers, customers and experts) and in line with the impact that these issues have on MAPFRE. This analysis makes it possible to identify potential risks for the company and establish the appropriate prevention and mitigation measures.

- Risk assessment process related to climate change: The Own Risk Solvency Assessment (ORSA) report, integrated into the risk management system, features mechanisms to identify, measure, monitor, manage and report risks in the short, medium and long term that have been identified by the Group. This process also measures the adequacy of capital resources based on the knowledge of its real solvency needs. Every year, the Corporate Risk area coordinates the preparation of the ORSA report, which is submitted for approval by the Board of Directors.

Currently, a working group has been set up with the objective of implementing a procedure for the identification and prioritization of risks linked to climate change. This process will make it possible to identify the most material combinations of country/exposure/industry/hazard across the Group. In a later phase, different methodologies will be analyzed to calculate the impact of climate change risk scenarios for physical and transition risks for the most relevant combinations. These scenarios and their impact will be considered in the ORSA report.

- Integration of climate change risk into the rest of the general risk categories: The integration of ESG risks into traditional risks is carried out naturally as part of the management and control processes, using the Risk Management System and a taxonomy that incorporates climate change risks. Every year, MAPFRE's Corporate Risk area draws up a risk map for the Group, based on the responses to evaluation questionnaires, with the aim of identifying the material risks that may impact the different companies. These questionnaires collate a perspective on the probability of occurrence and the impact of risks in accordance with the classification of general risk categories, among which risks is climate change.
- Aggregate exposure and losses attributable to catastrophic risk: The Group has available to it specialized analyzes of catastrophic exposure that estimate the scope of losses in the event of a catastrophic event. Stress tests and scenario analyses are conducted periodically so as to show the impact this risk could have for the Group.

Action in the face of natural catastrophes requires adequate forecasting of these events and the correct assessment of the losses they may cause, since they are an integral part of managing an insurance company. The economic impact that the company will have to be able to provision is dependent on this exercise, as is determining the response the company is in a position to give to its customers.

- Managing climate change risks and opportunities: Managing climate change risks is primarily focused on increasing understanding of increased catastrophic hazard from climate change and improving exposure management through:

1. Incorporation of climate change in the decision-making of the business strategy.
2. A detailed knowledge of insureds' risks (such as their geolocation and the characteristics of their assets), in order to ensure the correct coverage is in place and that catastrophic protection is properly selected.
3. Proper management and control of accumulations to optimize the use of capital.
4. Maximum collaboration and transparency between the insured and the insurer to facilitate the best evaluation and pricing.

5. Taking out reinsurance coverage.
6. Application of scenarios for material country/exposure/industry/hazard combinations.

Metrics and goals

- Objectives

MAPFRE is aware of the role of the financial sector in contributing to the mitigation and adaptation to climate change. For this reason, the company develops actions in the different businesses of the Group to contribute to the transition to a low carbon economy, as explained in the accompanying table.

UNDERWRITING	INVESTMENT	OPERATIONAL ASPECT
Net Zero in 2050 Net-Zero Insurance Alliance (NZIA) Expansion of the ESG analysis model to the underwriting portfolios in Spain, Brazil and facultative reinsurance	Net Zero in 2050 Net Zero Asset Owner Alliance (NZAOA) Qualification of 90% of the investment portfolio in line with ESG criteria globally by 2024 Reduction of investment portfolio emissions by 10%*	Corporate Environmental Footprint Plan: Neutrality in 2030 50% reduction in carbon footprint by 2030* 100% renewable energy by 2030 Reduction of total energy consumption by 40% by 2030*

*With respect to the baseline year of 2019

- Metrics

MAPFRE uses various indicators in its business lines to supervise, evaluate and direct aspects related to the climate. A detailed list of climate-related indicators can be found in the previous sections (sections 3.3.2.1 and 3.3.2.2) and in Chapter 5 Committed to the environment.

For more information on MAPFRE's activity in relation to the risks and opportunities associated with climate change, please see the MAPFRE TCFD 2022 Report, (published on the corporate website at <https://www.mapfre.com/en/sustainability/business/>).

4. COMMITTED TO STAKEHOLDERS

Profitable growth cannot be understood from a financial point of view alone. MAPFRE is a committed company that also aspires to create value for all stakeholders with whom it maintains a relationship.

4.1. PROTECTING THE CLIENT

The customer is the focus of all MAPFRE interventions, and the customer experience is the basic pillar that has marked the transformation of all business processes.

Main data on customers and intermediaries

Quantitative information available on private customers and companies

CLIENTS	2022
PRIVATE	29,801,209
CORPORATE	1,340,882
Total	31,142,091

Quantitative information on offices and intermediaries

OFFICES	Number
DIRECT	575
DELEGATE	4,239
BANCASSURANCE ⁽¹⁾	7,573
Total	12,387

⁽¹⁾ Figure refers to exclusive agreements

INTERMEDIARIES	Number
IBERIA	17,101
BRAZIL	19,536
LATAM NORTH	20,075
LATAM SOUTH	16,782
NORTH AMERICA	7,017
EURASIA	2,821
Total	83,332

In 2022, MAPFRE continued to work toward becoming a customer-focused company. The world is changing, and customers are changing with it; digitalization and new business models place the customer at the center. MAPFRE attends to customers' latest demands with greater immediacy, better experiences and active listening.

Foundations of the Customer Experience



Faced with this new situation, being able to foster loyalty among MAPFRE customers is a near necessity and the Group has therefore focused on deploying retention plans in most countries. These actions are also the basis for offering a value proposition adapted and personalized to each customer profile. MAPFRE segments its customers to adapt the offering to their needs while remaining transparent throughout the whole process. The objective is to have customers feel that MAPFRE is their trusted insurance company.

In addition, special attention has been given to preserving the privacy and security of our customers' data via correct management of consent. This generates trust, ensures protection and facilitates data mining.

Action plans are maintained to improve the quality of customer information in all Group countries, with a special focus placed on having contact data. The plan consolidates more than 150 of the most effective actions from the previous year.

Customer experience has become the center of attention for all organizations in recent years, due to its importance in keeping customers satisfied and building brand loyalty. In this regard, measuring the NPS® remains essential for the Group and is the basis on which to design and implement improvements that impact the experience of our customers.

Our products

At MAPFRE we have a wide portfolio of products and services covering every need that private customers or companies have in the countries where we operate. Each of our products is adapted to the market and legislation where it is distributed, so the same insurance product or service may vary depending on the market characteristics.

In all products, underwriting and pricing criteria are contingent solely on aspects related to risk profiles, which in no case take into account elements that may be subject to discriminatory treatment toward people.

- **Insurance for private customers**
 - Automobile insurance

These insurance plans offer different coverage modalities for all types of vehicles, third-party liability coverage, damage to the vehicle itself, mobility guarantees and personal assistance. To achieve the best customer service, MAPFRE has a wide network of providers and collaborating companies, such as repair shops, assessors, tow trucks, attorneys, etc., in all the countries where it operates.

MAPFRE monitors and implements the main trends in auto insurance worldwide into practice, such as a premium payment based on driving style, distance traveled or driver assistance systems; insurance for electric vehicles and insurance for personal and shared mobility vehicles, policies for rental and vehicle underwriting platforms.

- Homeowner's insurance

There are several types of homeowner's policies, from the basic policy covering essential housing risks to a comprehensive policy in which the insured risks are much broader. Among the new developments we have been working on regarding homeowner's insurance are coverages for the repair of appliances, a DIY service, computer assistance and devices that detect water leaks.

- Health insurance

With this type of policy, the insured person can access private medical services acquired in the event of an illness or accident. The health insurance category includes reimbursement of medical expenses insurance, health care assistance, compensation insurance, dental insurance and critical illness insurance, with MAPFRE having an extensive network of health care providers.

The new trend in health insurance is preventive care, which includes medical check-ups to detect risk factors, video consultations, digitalized care services and chronic disease management. This trend, together with the aging population, are aspects where MAPFRE has been building capacities to meet new customer needs, as well as a hub in the health ecosystem, where SAVIA stands out.

- Life insurance

Life insurance keeps families secure in the face of unexpected events in its risk modality, and they are an important financial planning tool in the savings modality.

MAPFRE complements the offer of differentiated life insurance solutions in the 22 countries in which it operates directly in this business, with specific pension plan solutions.

- Mutual funds

In some countries, the MAPFRE Group manages and markets mutual funds as a financial instrument that is complementary to the management of its customers' savings and investments.

- Other insurance for individuals

MAPFRE also offers a portfolio of products that adapts to the different life circumstances of individuals, completing its offer with condominium insurance, travel insurance, burial insurance, pet insurance, personal accident insurance and recreational boat insurance, among others.

- **Insurance for enterprises**

- Business insurance

Product designed for businesses and microenterprises, aimed at protecting economic activity against property damage or third-party liability.

- Business multirisk insurance:

This product range provides protection for the various assets that belong to companies as well as their income statement and third party liability. They are designed especially for small and medium-sized companies and in industries ranging from manufacturing to public and private services.

In addition, MAPFRE has other products for companies, such as transport and aviation (both for goods and ship hulls), construction and assembly, business interruption, machine breakdown, credit and surety, agricultural operations, automobile fleets and cyber-risks, among others.

Moreover, companies also have protection needs for their employees and collaborators, and MAPFRE offers a range of products and services for these groups, such as life and disability products, health, accidents, burial, company pension commitments, international employee benefit programs, as well as other group life savings insurance.

In conclusion, it is important to highlight the insurance and services of the Assistance Unit, related to areas such as roadside assistance, travel, health, homeowners, vehicles and the protection of purchases and goods.

Innovation in products and services

Innovation is an integral part of MAPFRE's strategy, business model and culture and is reflected in our philosophical framework. Innovation is what makes it possible to develop new products and solutions that are aligned with customer needs and respond to new market trends and environmental and social aspects.

MAPFRE Open Innovation (MOi) is MAPFRE's strategic commitment to boost customer-centered transformation. With it, the company aims to foster innovation carried out by and for people.

Created as an open innovation platform, MOi uses partnerships with other stakeholders and emerging technologies to make a positive impact on our business and on society. In order for MOi to accelerate the creation of value for MAPFRE, it is as important as contributing to the progress toward a more prosperous, just and egalitarian society. Since 2019, more than two million customers have benefited from solutions originating from this model, both in terms of insurance operations (contracting or benefits) and relational and aspirational aspects, addressing major social issues such as the democratization of medical care, support for the independence of our elderly and services designed with a gender perspective.

In addition, we have analyzed proposals from more than 2,500 startups, of which over 40 have gone through *insur_space*, MAPFRE's fast-track-to-market program for startups, which has consolidated our relationship with entrepreneurs in the insurance industry and our role as a benchmark for the insurtech environment. We have managed to attract the best projects in their class, signing agreements with some of the most valued startups and the top insurtech solutions in the market. As part of our commitment to venture capital investment associated with the insurance industry, MAPFRE participates as the main investor in the Alma Mundi Insurtech Fund venture capital funds managed by Mundi Ventures. Fund I, with 100 million euros, has already entered the divestment phase. Fund II, with an initial close of 120 million euros and a projected size of 250 million euros, was launched in early 2022 and has already executed six investments.

In 2022, initiatives were launched that respond to the areas identified as priorities at the beginning of the year: cyber protection, climate risk, emerging risks, new mobility, health and well-being. We have also made progress in the deployment, scaling and export of critical solutions for the transformation of the operation: image evaluation, claims automation and voice automation. The year 2022 also saw the consolidation of the MAPFRE Open Innovation communication plan, thus strengthening the positioning of the MAPFRE brand in the area of innovation and its specific audiences.

With regard to cyber protection, MAPFRE has been working to develop new products and solutions for companies, especially SMEs (small and medium enterprises). The outlook faced by these companies, which are key to the economic and social structure of countries, is critical: 60 percent of companies of this size that suffer a severe cyber-attack do not recover and cease trading activity in the six months following the cyber incident; 70 percent of cyber-attacks in Spain are directed against SMEs, and the average cost of the economic impact exceeds 35,000 euros.

The concept tests and pilot programs developed with innovative startups have helped MAPFRE to offer an insurance solution that provides coverage to more than 14,000 companies in Spain. Nevertheless, our approach goes beyond financial and compensation coverage and consists of proactive (pre-incident) prevention services, affording SMEs an active defense system to detect and neutralize attacks before they cause any damage. The work currently underway aims to identify the vulnerable cyber-security areas of these companies to offer a service that allows insured companies to advise on aspects of improvement, mitigation actions and priority protection needs to improve their technological security levels.

The activity of MAPFRE Open Innovation is perfectly aligned with the Group's purpose and the United Nations Sustainable Development Goals. A few examples of this can be seen in:

- Through *insur_space*, we launched digital solutions such as Koa Health (mental health, piloted in Costa Rica) and Woom Health (women's sexual and reproductive health, piloted in the Dominican Republic). Both solutions have a dual purpose: to reduce the gap in accessing specialized health services while also fighting against the social stigma surrounding some health issues.
- *insur_space* also served as the framework for our collaboration with Aerial, a Canadian startup that allows for non-invasive monitoring of the habits of elderly people living alone, analyzing only the Wi-Fi signal of their homes and how it changes as people develop their routines and occupy different spaces.
- CESVIMAP and *insur_space* have collaborated in the development of Rhyde, a startup dedicated to the repair and commissioning of electric scooters removed from use. This not only gives these vehicles a second life, but also mitigates the environmental impact of their improper treatment as waste.
- CESVIMAP, in collaboration with the Institute of Technological Research (linked to the ICAI Higher School of Engineering), carried out a series of cyber attacks against vehicles to demonstrate the vulnerability of certain locking and infotainment elements to cyber-risks. This work will continue in the coming years, accompanied by the regulatory modifications introduced to guarantee the cyber-protection of vehicles.

- CESVIMAP brought its Second Life initiative, dedicated to reusing batteries from damaged electric vehicles, to the second level. In 2022, a mobile charging point, taking the form of a three-wheeled electric motorcycle, equipped with an energy accumulator based completely on reused batteries was created, and it is now ready to be deployed for emergency charging of electric vehicles in urban environments. The Second Life model has now been brought to fixed infrastructure, creating a local storage system for photovoltaic energy, also from reused batteries, which makes its Out-of-Use Vehicle Treatment Center in Ávila (Spain) partially energy self-sufficient.
- Finally, CESVIMAP's line of research and development on minimizing the consequences of Personal Mobility Devices claims significantly contributes to the promotion of electric micro-mobility in large cities, making it more sustainable and safer.

In short, with the consolidation of MOi, MAPFRE aims to accelerate transformation from within and reinforce our leadership position. By adapting faster to the changing circumstances and moving toward the new business models and innovative solutions that arise from the digital and technological changes underway, the ultimate goal is to offer the best solutions and services to our customers.

Accumulated data for fiscal years 2022, 2021 and 2020:

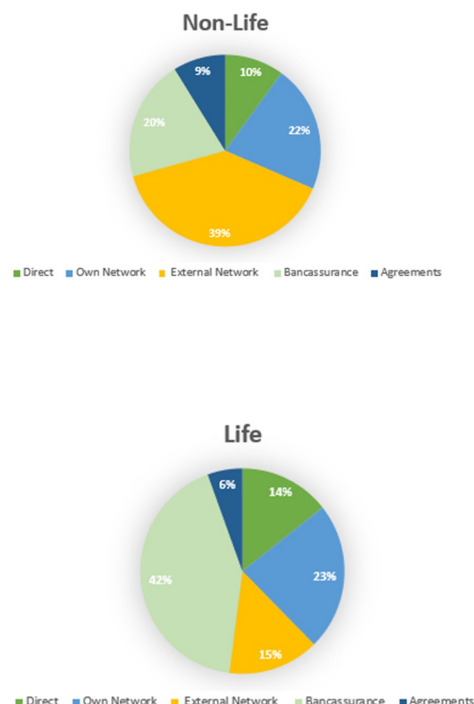
- Customers who have benefited from products and services from MAPFRE OPEN INNOVATION: 2,340,508
- Initiatives developed in 15 countries.

Distribution channels

MAPFRE opts for multichannel distribution: direct channel, exclusive agency networks, non-exclusive agency networks, bancassurance and distribution agreements.

Continuous actions are implemented across all channels to ensure maximum transparency in the sale of products, including training actions, detailed information on products on the companies' websites and exhaustive information on products in brochures, terms and conditions and welcome packs.

Distribution agreements mix



• Exclusive networks

These networks are the benchmark distributor in Spain and are also very important in other countries such as Paraguay, Portugal, Uruguay, Malta, Turkey and Argentina.

In 2022, the development of specialized networks in the Life business has begun in five countries, with plans to expand to another two in the coming year.

• Non-exclusive agency network

Without counting global brokers, the non-exclusive agency network is our benchmark distributor in six countries, contributing more than 50 percent of the business, and is a highly important source of business in 14 more (contributing more than 20 percent).

Given the importance of understanding their needs and the capabilities demanded by these intermediaries, we have developed an NPS® survey for our three main operations (Spain, Brazil and the US), implemented in 2022 in Brazil.

In addition, during 2022, work was carried out on tools for segmentation, multi-pricing strategies and commercial efficiency in certain countries, notably Mexico and Brazil and the USA. This makes it possible to:

- Be more agile and efficient in the use of our sales resources.
- Give greater visibility to the quality of production.
- Have a homogeneous vision of the delivered business.
- All while adapting to the circumstances of each country.

- **Exclusive bancassurance**

The most notable existing agreements are with Banco Santander and Bankinter in Spain, Banco do Brasil in Brazil, Bank of Valletta in Malta and BHD in the Dominican Republic.

- **Distribution agreements**

MAPFRE manages numerous agreements, offering differentiated and high-quality value propositions to its distributor customers.

Omnichannel capacity in the relationship with customers

With its 43 contact centers, MAPFRE continues to offer its customers, providers and other users in its value chain the technical and human capabilities to receive or initiate communications that cover all stages of the relationship with insured parties.

More and more business units in MAPFRE Group countries are implementing promotion and transformation actions that translate into significant growth in digital instant messaging channels and social networks such as WhatsApp, Telegram and Facebook Messenger. The total number of instant messaging conversations exceeded one million in 2022.

These are the keys that have made it possible to offer, through contact centers, greater accessibility and speed in customer service when needed most. In 2022, contacts via non-telephone channels represented 15.76 percent of the total interactions with customers and providers.

However, the telephone channel continues to be customers' preference when contacting the company; for this reason, the implementation of programs that seek to reinforce the criteria of dispatched quality and speed of service continues in an effort to meet customers' expectations. The soundness of the global contact center model, as well as its constant evolution with the creation of other specific models, make it possible to include the best management practices, adapting to new customer contact methods and better response levels.

From another perspective, the implementation of new technological tools for contact management enabled the company to strengthen its relationship with customers in 2022, with more information on its needs at the time of service and in any of the channels in which it interacts. This omnichannel approach has allowed us to better analyze customer preferences and thus dynamically adapt service models.

2022 data by regional area:

REGION	% COMPLIANCE WITH SERVICE LEVEL KPIS		
	2020	2021	2022
BRAZIL	95%	94%	95%
EURASIA	86%	90%	92%
IBERIA	92%	94%	91%
LATAM NORTH	84%	92%	93%
LATAM SOUTH	82%	86%	87%
NORTH AMERICA	94%	98%	97%
TOTAL	89%	92%	92%

With regard to the customer self-service model, in 2022, MAPFRE continued to commit to expanding its model to more and more countries, as well as continuing to evolve its base model with the inclusion of new functionalities and generating more parts to complement existing ones. In addition, the implementation of the other models that make up the MAPFRE Self-service Ecosystem (distributor and provider) have provided MAPFRE systems with greater and better information than what would be available through proactive communication with the customer.

In addition to self-service platforms, the MAPFRE Group continues to increase its presence on digital channels and media highly demanded by customers, such as WhatsApp, adding more types of interactions and promoting their use among customers. By the end of the year, the self-service platform had been accessed more than 27 million times.

To measure the evolution of customer contacts in companies, MAPFRE continues to measure the level of digitalization of its contacts, with this indicator increasing by almost 7 percentage points in 2022, closing at 61percent compared to the 2021 result of 54 percent.

MAPFRE S.A.

MAPFRE seeks to drive process transformation by implementing technological solutions that generate competitive advantages to obtain efficiency and quality benefits. These solutions include technologies based on machine learning, e.g., through cognitive image processing we have implemented vehicle self-inspection and claims assessment. The main advantages of these types of solutions are reduced operating times, reduced operational load, increased capacity and enhanced customer experience.

Service centers (global information)

Service center	No.	Countries
Claims handling and rapid payment centers*	40	8
Automobile service centers*	39	2
Automobile diagnostic units*	4	2
Number of repair shops*	8	3
Number of repair shops with agreements for the repair of vehicles	9650	24
Healthcare polyclinics*	20	2
Dental clinics*	4	1
Clinics with signed agreements	9,707	15
No. of healthcare professionals with whom agreements are in place	22,214	13
Research and development centers	5	5

*Owned and operated by MAPFRE

Digital business

MAPFRE continues growing its digital business, operating through three brands: MAPFRE, Verti, and Savia. At the close of 2022, growth was 8.2 percent. During this period, progress was made in extracting more value from existing digital capabilities, gaining maturity in the processes and operations of digital attraction, online pricing, digital customer management and advanced fraud detection, among others. New scalable digital capabilities have also been provided for the Group, mainly focused on improving digital acquisition and sales, developing new digital distribution channels with a focus on digital partners and improving profitability. Much attention has been paid to the use and activation of digital data and customer knowledge as transversal axes.

Provision of services and volume of managed case files

At MAPFRE, through our service providers, we give our best every day to offer the best service by innovating, adapting to the needs of our customers and being there when they need us.

With this goal in mind, the Group works with almost 145,000 service providers or specific providers (those who perform benefits derived from insurance contracts or services offered by MAPFRE's insurance companies or their subsidiaries to their customers).

With these providers, MAPFRE guarantees service provision where our policyholders demand it, complying with high levels of service (execution time, arrival time, repair quality, information during the execution of the services, guarantee for the work performed, etc.) that are required of all providers that make up the MAPFRE network.

Taking into account these service benefits, and in cases where it is necessary to financially compensate the customers for the occurrence of the covered events, MAPFRE disbursed a total of 16.36 billion euros in 2022.

Given the importance of service providers to MAPFRE's relationship with its customers, we use a specific management model based on service quality, breadth of services and a value proposition, which, from the combination of the different levels of commitment to the provider, results in the following categorization of providers: Known, Recommended, Recommended+, and Brand Ambassador. (For more information, please see section 4.4.1 Service Providers Operating Management Model / Infographic on provider category defined by MAPFRE and mutual commitments.)

Customer satisfaction is very important to us, which is why we analyze their satisfaction with providers, as shown in the accompanying table.

	2020	2021	2022
% of countries where MAPFRE customer satisfaction in repairing the vehicle in the repair shop is better vs. competitors' clients	50%	56%	63%

Taking these services into account and the cases in which it is necessary to financially compensate clients for the occurrence of covered events, MAPFRE disbursed a total of 16.36 billion euros in 2022.

MAPFRE S.A.

The accompanying table details the total benefits paid by regional area of the insurance unit (excluding MAPFRE RE and MAPFRE ASISTENCIA).

BENEFITS PAID - INSURANCE UNIT (thousand euros)			
	2020	2021	2022
Iberia	5,981,085	6,460,807	5,822,244
Brazil	1,323,696	1,767,496	2,195,211
LATAM North	898,466	1,275,854	1,300,987
LATAM South	761,346	653,914	1,497,775
North America	1,340,785	1,235,469	1,672,942
EURASIA	1,029,805	1,037,348	1,098,772
Total	11,335,183	12,430,889	13,587,931

(1) This report includes benefits paid in Venezuela.

Customer satisfaction

In order to evaluate the quality perceived by customers, the MAPFRE Quality Observatory applies a global model for measuring the customer experience, which helps us with the following aspects:

- To establish a homogeneous framework for all countries and businesses that allows us to determine, in a consistent and equivalent way, the customer experience level at MAPFRE and its competitors.
- To identify the pain points that, according to customers, negatively impact their experience with MAPFRE and their probability of recommending it. This allows the implementation of actions that improve the level of perceived quality based on active listening to the customer.
- To determine the levers for promotion and recommendation that represent the company's strengths, according to customers. By boosting these strengths, we can strengthen customers' economic behavior and attract a new portfolio of customers through the power of recommendation by MAPFRE promoters.
- To provide countries with a tool that facilitates decision-making through first-hand knowledge of customers' priorities.

At MAPFRE, the area responsible for defining the models and conducting all comprehensive customer experience measurements is the MAPFRE Quality Observatory. These measurements are taken through surveys of internal and external customers in all the countries and businesses in which MAPFRE operates, covering the insurance, reinsurance, global risks and assistance services lines. This is performed by analyzing the Net Promoter Score (NPS®) to evaluate how the customer perceives the company and critical touchpoints. Recommendations are then drawn up regarding the main areas that could be improved.

The Quality Observatory carries out diagnostics of the customer experience, preparing reports on the results of the measurements that support the decision-making process in the different business areas.

In 2022, two waves of relational NPS® assessments were conducted on a representative sample of MAPFRE's portfolios. These two waves, with more than 100,000 respondents, covered 20 countries and lines of business. As part of this study, the observatory measures the customer experience level at MAPFRE's major competitors in each country and line of business. A total of 84 companies around the world were analyzed. The accompanying table shows the results of comparing the results of MAPFRE companies in recent years shows that the percentage of businesses whose NPS® exceeds the market average.

2020	2021	2022	OBL.2023
82.3%	88.74%	87.42%	>= 70%

To complement these measurements of relationship NPS®, the Quality Observatory defined a Global Model for transactional NPS®, which allows MAPFRE to find out a customer's perception in real time after interacting with us. This model is already implemented in Brazil, Spain, the United States, Puerto Rico, Mexico, Peru, Chile, Panama, Costa Rica, Nicaragua, Honduras, Salvador, Guatemala, Dominican Republic, Germany and at MAPFRE Asistencia in Italy.

MAPFRE S.A.

When analyzing the results of the measurements in the different relationship and transactional NPS® programs, we have noted the distributor customer's important role in the end customer experience. Therefore, it is essential to know this group's perception of MAPFRE. In order to meet this objective, in 2022 the Global Distributor Client Relationship NPS® model was defined and has begun to measure brokers' experience with MAPFRE in Brazil. Specifically, it assesses the perception of the brokers who collaborate with MAPFRE in aspects such as their relationship with the company, the levers of success, the support and advice of the company for the sale of policies and the management of the use of the policy by the end customer.

Additionally, in 2022 the Quality Observatory conducted the fifth measurement of internal customer experience (iNPS®) and of the experience of cedants and brokers of the reinsurance services provided by MAPFRE RE. For the second time, it also carried out a survey on the perception of MAPFRE GLOBAL RISKS' service to the Group companies with which it interacts.

Based on the results obtained in the surveys, the Corporate Business and Clients Area coordinates all transformation actions and plans whose main objective is to improve perceived quality (relationship and/or transactional). Through these plans and thanks to the information collected in the surveys, MAPFRE is able to better understand its customers and adapt processes to their needs, focusing on pain points. All of this work will enable us not only to improve the NPS®, but also to reduce social, economic and personal risks derived from a poor perception of MAPFRE's service. In addition, continuous improvement will allow us to provide our customers with an offer of products and services adapted to their needs.

MAPFRE has 262 people, a significant number of employees, assigned to quality control and monitoring throughout the world, and several companies are in possession of quality certifications. To renew these certifications, these companies must maintain high customer service standards.

MAPFRE holds ISO 9001 certification in Colombia, Ecuador, Italy and Turkey. MAPFRE Asistencia is certified in this quality standard in Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Italy, Mexico, the Dominican Republic and Tunisia.

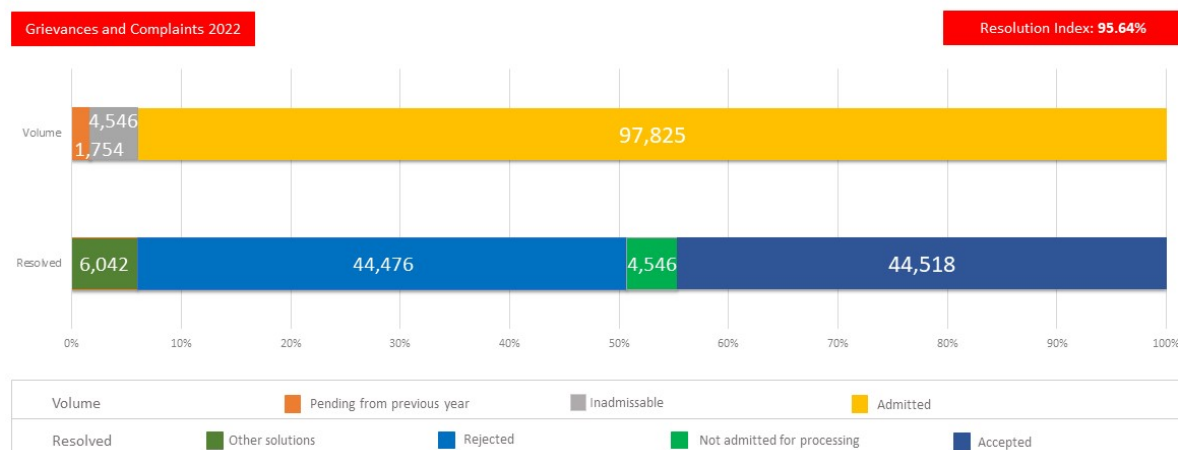
4.1.1. Grievances and complaints

Information related to grievances and complaints has been incorporated into the 360 customer data internal reporting and operational model. There is a specific repository that stores all details relating to grievances and complaints along with all other customers interactions. The most relevant data includes details of the request opened by the customer, the contact method, the primary reason, the policy to which it refers (if applicable), the status of the grievance or complaint and the date it was raised.

In Spain, MAPFRE has an Insured Party Defense Counsel, a pioneering institution created in 1984, and has had a Complaints Division in operation since 2003. The latter body is in charge of processing and resolving grievances and complaints made by users against those Group companies that adhere to the Customer Defense Regulations.

MAPFRE S.A.

The main figures regarding grievances and complaints processed in the Group in 2022 are shown in the accompanying table.



4.2. CREATING VALUE FOR THE SHAREHOLDER

In the current environment and within the strategic framework of digital transformation, MAPFRE continues to commit to multichannel communication, leveraging the combination of virtual media and in-person contact to ensure fluid communication with its shareholders, analysts and investors. In this context, the senior management has remained actively involved in the conferences, meetings and presentations of results that have taken place throughout the year. Initiatives carried out over the course of 2022 include:

- In-person presentation of the company's annual results, followed by a cocktail reception with analysts, attended by MAPFRE's CEO. Additionally, virtual group meetings were held both before and after the results release, led by Management.
- As part of the "MAPFRE SHAREHOLDERS - A Unique Value" program, two hybrid (in-person/online) meetings were held, plus one exclusively in-person meeting in Barcelona, with non-institutional shareholders, led by the company's CFO and the Director of Capital Markets & Investor Relations. In addition to commenting on the company's results, the November hybrid meeting offered financial planning training provided by BME.

- Numerous virtual and in-person meetings with investors and analysts were held throughout the year, and the company participated in 22 conferences organized by financial institutions, almost half of them in person and the rest online. Many of these events were also attended by other MAPFRE Group senior management figures.
- In line with the company's strategic focus on sustainability and the growing importance of sustainable issues in society, specific requests for ESG information on investors were addressed with the collaboration of the CIO and the Group Head of Sustainability at MAPFRE S.A.

A summary of the communication activity with shareholders, investors and analysts in 2022 is presented in the accompanying table.

Relationship channel	No. of actions	No. of participants
Conferences, meetings and interaction with investors	224	481
Meetings with shareholders	3	224
TOTAL CONTACTS WITH ANALYSTS AND INVESTORS	227	705

With the clear objective of continuing to improve communication with our stakeholders and continuing to increase the quality and clarity of the information reported, the following actions have been implemented:

- Continuous improvement in the accessibility of the information offered in the "Shareholders and investors" section of the corporate website, with the incorporation of information on analysts' consensus.
- Sending alerts to shareholders belonging to the "MAPFRE SHAREHOLDERS. A Unique Value" on relevant information communicated to the market and specific events for this group, as well as the weekly Financial Newsletter in collaboration with Corporate Communication.
- Alerts sent to analysts and investors to keep them promptly informed of any relevant information that may be of interest to them.
- Completion of two perception surveys to better understand the needs of our analysts and institutional investors.

Quarterly publication of the infographic and interactive newsletter on the website with up-to-date information on MAPFRE, earnings results and main corporate news events continued throughout the year.

MAPFRE's shareholders and investors have various communication channels available to them that facilitate fluid contact with the company, both through the corporate website and specific phone lines and email addresses.

Relationship channel	No. of interactions
Shareholder telephone number (toll-free in Spain)	1,022 queries
Mailbox set up on corporate website and email addresses (IR@mapfre.com and oficinadelaccionista@mapfre.com)	777 communications
Electronic shareholder forum	100 unique visits

Loyalty program

As part of the "MAPFRE SHAREHOLDERS - A Unique Value" program, we are committed to strengthening our relationship with these stakeholders. For this reason, in addition to the dividend and permanent communication with our shareholders, we have the loyalty program in place, which in collaboration with Club MAPFRE, allows shareholders with at least 1,000 shares to benefit from the advantages of this program, which include a wide variety of offers and services related to:

- Simple ways to save money every day.
- Tax, health, automobile and home services.
- Entertainment offers and a calendar of MAPFRE social and cultural activities.
- Up-to-date and direct information about MAPFRE.
- Access to news about MAPFRE and promotions for the shareholder.

Creation of sustainable value

The dividend policy establishes that shareholder remuneration must be linked to the company's earnings, solvency, liquidity and investment plans, and also aligned with the interests of all its shareholders. The creation of sustainable value and adequately remunerating shareholders are among the objectives set for the 2022-2024 period.

In September, MAPFRE was recognized as the second best IBEX-35 company in terms of dividend yield for the year, as per the ranking prepared by *El Economista*.

Sustainable finance: thinking about the shareholder, the company and society

This type of finance is becoming more important to achieve a more sustainable economy, aspiring to have a positive impact on the environment and society without losing profitability, and creating medium and long-term value for shareholders.

This implies establishing sustainability factors for investment decisions as well as the company's loans. Consequently:

- MAPFRE has two sustainable loans for which, in addition to the company's credit rating, sustainability parameters accredited by an independent third party specializing in environmental, social and governance (ESG) analysis were considered when setting the interest rate.
- Since MAPFRE's adherence to the United Nations Principles for Responsible Investment, the company, in addition to investing in a sustainable way by applying criteria pertaining to sustainability (see sections 3.3 and 3.5 of this report) and profitability, launched a range of sustainable products, mainly investment funds.

For more information on sustainable finance, please see section 3.3.2 Sustainability in the Business.

MAPFRE S.A.

4.3. DEVELOPING PEOPLE

MAPFRE is a global company that is built and sustained by 31,293 people, day after day. All of them are at the heart of our people management strategy, whose pillars are development, promotion and well-being.

To make good on their development, promotion and well-being, we do what we do in line with:

- The strategic needs of the business.
- Active listening to our employees.
- An inclusive and diverse workplace that allows people to express themselves freely.
- Developing capabilities through continuous learning, self-development and mobility
- Providing training in digital capabilities and new work methodologies.
- Promoting social sustainability through constant improvement in the quality of employment and employability.

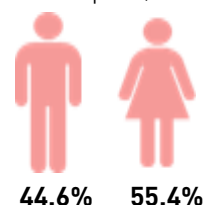
With MAPFRE's commitment to people, our company is a place where the time each person invests has greater meaning. Working in this way helps us to drive progress toward a more open, digital and transformative company.

This dimension is complemented by the People and Organization 2022 report, verified and published on the corporate website.

MAPFRE *Where your time is meaningful*

Total workforce	2022	2021
Workforce at December	31,293	32,341
Average workforce	32,187	32,998

(Including employees of Funespaña.)



Total number of employees, as per employment contract/work schedule/gender (in line with the MAPFRE Group structure: Regional Areas, Business Units and Central Services)

ORGANIZATIONAL DISTRIBUTION	PERMANENT				TEMPORARY				TOTAL	
	FULL-TIME		PART-TIME		FULL-TIME		PART-TIME			
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
CORPORATE AREAS / CENTRAL SERVICES (MAPFRE GLOBAL RISKS and MAPFRE ASISTENCIA)	761	615	0	3	5	5	0	0	766	623
IBERIA	4,720	4,953	92	394	115	154	19	42	4,946	5,543
LATAM SOUTH	1,995	2,178	60	118	73	75	68	106	2,196	2,477
LATAM NORTH	1,787	2,263	5	7	42	73	0	0	1,834	2,343
BRAZIL	1,637	2,291	233	808	4	7	5	1	1,879	3,107
NORTH AMERICA	982	1,636	2	37	1	2	0	0	985	1,675
EMEA	1,007	965	44	281	70	75	5	15	1,126	1,336
REINSURANCE	219	228	0	6	0	4	0	0	219	238
TOTAL	13,108	15,129	436	1,654	310	395	97	164	13,951	17,342

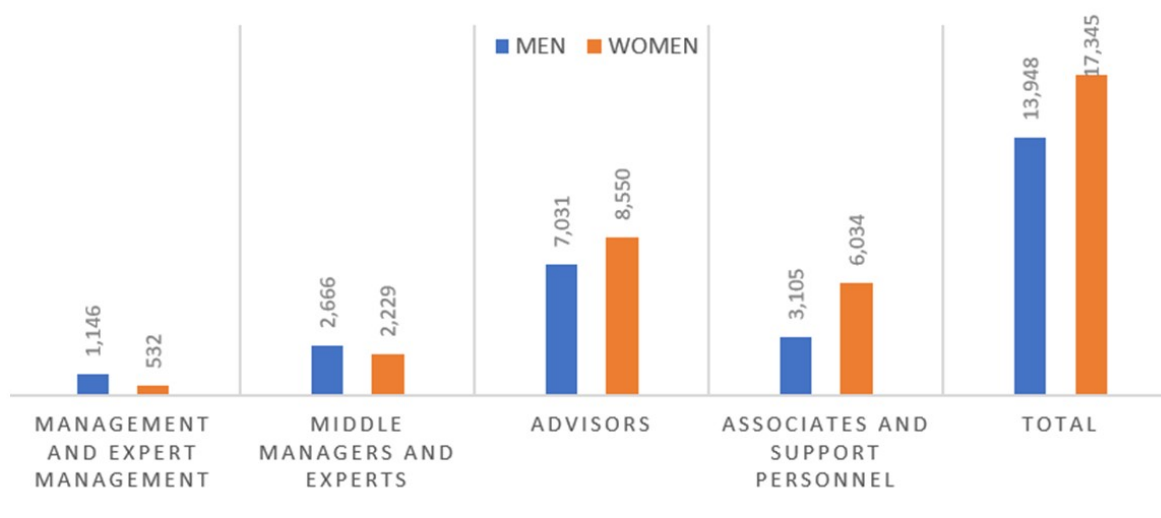
(Including employees of Funespaña.)

MAPFRE S.A.

Average number of employees, as per employment contract/work schedule/gender (according to MAPFRE Group structure: Regional Areas, Business Units and Central Services)

ORGANIZATIONAL DISTRIBUTION	PERMANENT				TEMPORARY				TOTAL	
	FULL-TIME		PART-TIME		FULL-TIME		PART-TIME			
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
CORPORATE AREAS / CENTRAL SERVICES (MAPFRE GLOBAL RISKS and MAPFRE ASSISTENCIA)	753	613	0	3	3	5	0	0	756	621
IBERIA	4,694	4,936	112	387	107	165	29	46	4,942	5,534
LATAM SOUTH	2,030	2,177	66	138	53	63	46	83	2,195	2,461
LATAM NORTH	1,832	2,253	4	9	38	58	0	0	1,874	2,320
BRAZIL	1,630	2,232	233	893	3	6	5	1	1,871	3,132
NORTH AMERICA	997	1,654	3	34	1	1	0	1	1,001	1,690
EMEA	1,366	1,326	67	398	78	88	3	14	1,514	1,826
REINSURANCE	216	223	0	6	2	3	0	0	218	232
TOTAL	13,518	15,414	485	1,868	285	389	83	145	14,371	17,816

(Including employees of Funespaña.)



The following sections reflect management ratios that exclude FUNESPAÑA employees as they are classified as non-current assets available for sale in previous years.

4.3.1. Talent

MAPFRE has a Capacity Transformation plan in place, the main objective of which is to identify and develop the necessary knowledge of the business in the short and medium term, in addition to improving employability with development plans, career plans, training itineraries, upskilling and reskilling plans and retention plans.

Development plans

MAPFRE has a global transformation model in place. Across the company, 55 job groups have been identified based on their knowledge, which are broken down by the different levels of the technical and management career paths. Among them, 43 strategic profiles have been identified in 31 of these groups. In addition, each country annually defines job coverage matrices and multiskilling matrices from which global and local development plans, upskilling and reskilling plans, and external recruitment plans are then derived.

In 2022, 2,205 employees occupy the strategic and critical profiles in the organization, each with an individualized development plan. The unwanted staff turnover of these profiles in 2022 was 9 percent.

As of 2022, there is a global technical function development plan in place, with 12 senior managers developing their careers internationally and local plans in place in 22 countries.

This year, the fourth actuary trainee plan was developed with the incorporation of 12 actuaries, in addition to the 39 incorporated in previous years.

MAPFRE has career plans for specific functions such as underwriters, handlers, sales technicians and internal auditors, among others. These plans represented 4,817 people in 2022.

All countries have succession plans up to the third organizational level. These plans have a common methodology that defines immediate replacement, in the short and medium term, as well as the professional routes to be defined in order to be prepared for potential successors.

In the year 2022 the internal vacancy coverage rate was 41 percent, with an aspirational target to be reached by the end of this strategic cycle of 50 percent. The internal promotion rate is 86.2 percent, and the total undesired turnover was 8.4 percent.

In 2022, 1,921 vacancies were published on the internal website, and 698,430 people viewed them.

Self-development

The company offers employees a comprehensive training catalog for active development. In the year 2022, 9,153 employees accessed this catalog, completing 52,334 self-registrations for training programs. The organization has piloted a training recommendation engine in 2022 that will be available to employees in 2023.

Training and knowledge management

MAPFRE promotes employee learning through its Corporate University, and all training activities are designed in accordance with its business strategy and objectives. The Corporate University has 15 schools, 17 knowledge rooms and an InnoLAB, and it is present in all countries in which MAPFRE operates. In addition to mandatory content and knowledge for all employees (such as content related to legal requirements, occupational risk prevention, corporate policies and culture), technical content is developed to enhance employees' skills in their respective positions. Skills training is also promoted, with a special focus on leadership, languages and digital skills.

This year, training was given to 100 percent of the workforce through 961,415.92 hours of training, representing an average of 30.44 hours of training per employee.

JOB POSITION LEVEL	HOURS OF TRAINING	
	MEN	WOMEN
MANAGEMENT AND EXPERT MANAGEMENT	30,967	15,285
MIDDLE MANAGEMENT AND EXPERTS	82,123	70,527
ADVISORS	223,714	276,435
ASSOCIATES	75,810	186,554
TOTAL	412,615	548,801

- Technical and commercial training represents 82 percent of the total training provided and is fully aligned with business needs.
- The company invested 10,052,146 euros, or 327.34 euros on average per employee.
- The company conducted 121 technical and transversal programs with a global scope.
- The company developed 13 prevention programs and anti-harassment procedures and saw 2,297 enrollments in these programs by 2,210 employees.

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- The company conducted 51 anti-corruption programs and saw 43,171 enrollments by 17,109 employees in this content. And 12,208 employees completed cyber-security training.
- The company developed 75 employee training programs on occupational health and safety (general training in this area and specific training on occupational risks, hazardous activities or hazards) and saw a total of 22,960 enrollments by 15,217 employees in these programs.
- Globally in 2022, 8,146 questionnaires were completed by the managers of the employees attending these programs to assess the transfer of knowledge to the job. The percentage of responses with a rating of at least 4 out of 6 was 84 percent.

The main training-related indicators are detailed in the accompanying table.

Training Indicators	2022	2021	2020
Investment in training	€10,052,146	€8,120,763	€7,232,392
Average investment per employee	€327.34	€251.0	€214.4
Total training hours	961,416	991,210	966,335
No. of training hours per employee	30.44	30	28.6
Total training attendances	309,648	384,095	370,577
% of workforce trained	100%	100%	100%

Attendance at training activities by job position level and gender are broken down in the accompanying table.

Job Position Level	2022		2021		2020	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
MANAGEMENT AND EXPERT MANAGEMENT	8,399	4,227	11,173	5,713	8,940	4,910
MIDDLE MANAGEMENT AND EXPERTS	25,036	21,209	29,995	23,248	26,595	19,907
ADVISORS	71,236	90,813	94,638	115,508	92,283	106,222
ASSOCIATES	28,753	59,975	31,919	71,901	35,514	76,206
TOTAL	133,424	176,224	167,725	216,370	163,332	207,245

Mentoring programs

Throughout 2022, the company continued implementing the traditional and digital mentoring program as a way of developing, collaborating and transmitting knowledge among teams. In traditional mentoring processes, the mentor transmits his/her knowledge, experience and culture to the mentee. There were 122 mentors and 161 mentees in 2022. In digital mentoring, the mentor (digital profile) supports the mentee in developing digital skills, using technological tools, collaborative platforms and social networks, as well as in acquiring knowledge on digital trends. In 2022, the company had 96 digital mentors and 307 mentees.

Knowledge management

MAPFRE has a global knowledge management technology platform called Eureka, where all employees can connect to share knowledge and best practices. It is an active platform that brings together knowledge of the entire organization in a single space. There are currently more than 2,700 pieces of knowledge contributed from the company's 15 knowledge areas. Moreover, there are more than 1,450 employees identified as Knowledge Leaders around the world, who are the main disseminators of knowledge.

University Plan

MAPFRE focuses on continuous and permanent collaboration with the world of education at a global level through our Universities Plan: "MAPFRE with Universities."



The organization has more than 289 agreements with universities, business schools and academic institutions around the world, with the objective of disseminating the insurance culture, developing young talent and sharing knowledge. In 2022, more than 800 students in 26 countries completed their internships at MAPFRE.



The plan works globally through three main pillars:

- To promote knowledge of MAPFRE's insurance culture: insurance is behind all the great advances made by humanity, promoting the growth of all economic and social sectors, contributing to the development of people and helping to move toward a fairer, more inclusive and sustainable world.

MAPFRE TOGETHER WITH UNIVERSITIES



DO YOU KNOW THE INSURANCE WORLD? COME AND MEET MAPFRE!

Did you know that the insurance industry is one of the world's driving forces?
Insurance is behind all of mankind's great advances, driving the growth of all economic and social sectors, contributing to the development of people, and helping to move towards a fairer, more inclusive and sustainable world.
Behind any activity, there is always insurance.
Come and meet us, see what we do and how we do it.

MAPFRE is a world flagship for the insurance industry.

31,000 employees - 88 nationalities - 40 countries



We care about what matters to you

About us:



- MAPFRE's "Grow with Us" Intern Plan: the objective is to offer students the opportunity to acquire knowledge and skills at MAPFRE, to build their professional career and to continue their training as a person and as a professional.

MAPFRE TOGETHER WITH UNIVERSITIES



YOUR INTERNSHIP AT MAPFRE

GET TO KNOW THE "GROW WITH US" INTERNSHIP PLAN

Because we know that you are training for the future, because your learning does not end at the University, because knowledge and skills are the key to build your professional career, at MAPFRE, we have what you need to continue advancing your education as a person and as a professional.

Start your adventure with us! MAPFRE INTERNS PLAN "Grow with us."

Would you like to join?

At MAPFRE we have different professional profiles: engineers, doctors, lawyers, economists, digital profiles, experts in marketing, advertising, sales, etc.

31,000 employees - 88 nationalities - 40 countries

MAPFRE Jobs:



MAPFRE *Where your time becomes meaningful*

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- We share and add knowledge through a two-way relationship of collaboration, innovation and knowledge transfer:
- We provide the University and students with what we know, as the first Spanish insurance company in the world through sessions, webinars, Master Class, MAPFRE Case, MAPFRE Business Game and other activities.
- We share with MAPFRE and with our employees all the KNOWLEDGE from Universities and Schools, receiving the "knowledge" produced in the classrooms.



MAPFRE
TOGETHER WITH
UNIVERSITIES

**WE SHARE AND ADD
KNOWLEDGE**

**A COLLABORATIVE, INNOVATIVE
AND KNOWLEDGE TRANSFER RELATIONSHIP**

With our University Plan, we also grow together in knowledge:

- We contribute to the University and to the students what we know, as the leading Spanish insurance company in the world through Master Classes, MAPFRE Case, MAPFRE Business Game and other activities.
- We share with MAPFRE and with our employees, all the KNOWLEDGE from Universities and Schools, receiving the "knowledge" produced in the classrooms.

At MAPFRE:
31,000 employees - 86 nationalities - 40 countries

MAPFRE
We care about what matters to you

About us:



Functional and geographic mobility

At MAPFRE, mobility is key to the development of employees and their employability. In 2022, 4,532 employees, 15.7 percent of the total, enjoyed some form of mobility.

There are different types of mobility such as hierarchical mobility (between different hierarchical levels), functional mobility (between different functions), role, scope, and temporary mobility, as well as national and international geographical mobility.

As a result of international geographic mobility in international careers, global mobility and temporary transfers, 79 employees moved, and 25 countries welcomed professionals from another 25 countries. This has enriched strategic development, project implementation and innovation.

Currently, 217 executives and employees work outside their country of origin.

Performance evaluation

MAPFRE has a standardized global performance evaluation process, which is available to 98 percent of the workforce. It was developed in line with the most current trends applied in the most advanced organizations, and the process is available to individuals and their managers through a platform. The process complies with the premises of agility, continuous feedback and the multi-source system, offering a broad view of the perception of the employee's performance in all its perspectives (self-evaluation, manager, subordinates, peers, internal customers), i.e., a 360° vision.

In 2022, new functionalities and upgrades were implemented in the process to improve the employee experience in the MAPFRE performance evaluation process.

The evaluation process is employee-centered, which gives them the opportunity to direct their development and helps identify better and manage potential, contributing to the development of people.

In 2022, a total of 27,415 employees participated in the process, representing 96 percent of the workforce.

The model incorporates important stages: activities are defined, which are the steps to be taken to achieve the objectives and which are monitored during the year; a continuous conversation is held with the person in charge and other colleagues through the continuous feedback process; and a 360° evaluation is carried out annually based on the measurement of the fulfillment of the objectives, the development of MAPFRE behaviors (collaboration, innovation and agility, respect and communication) and the analysis of the employee's potential and capacity for promotion.

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External recruitment strategy

External recruitment is a proactive measure for the organization to anticipate business needs for skills that are not currently available within the organization. To this end, recruitment is conducted through external suppliers, social networks, agreements with universities and employer branding actions.

Our external recruitment model enables us to identify points to improve in each stage of the process

There is an external recruitment model in place, as well as a defined strategy for social networks and measuring the impact of the investment made across these channels.

MAPFRE's external recruitment model enables the company to identify the points to improve in each stage of the process



Employer Branding: Depending on our external recruitment needs, we use different sources and capture channels. The objectives we set are personalization and agility in the search. A total of 21,724 candidates interested in working with us registered on the "Work at MAPFRE" global site. Through the referral plan, employees proposed 198 candidates, and on MAPFRE's LinkedIn page followers increased from 507,282 in 2021 to 611,604 in 2022.

Every company must have a clear value proposition for its employees, and it must be expressed in a way that effectively transmits its employer brand attributes to attract and retain the talent it needs. MAPFRE has verbalized its value proposition that represents who we are and what we offer talent.

- Employer brand story. At MAPFRE, every minute you invest makes sense. As people, we want to spend our time doing something worthwhile that brings us joy. When it comes to choosing where to invest our professional time, we want to do it in a place that has a clear purpose, and we want to know that our work has meaning.



MAPFRE *Where your time is meaningful*

EVERY MINUTE YOU INVEST AT MAPFRE BECOMES MEANINGFUL **BECAUSE...**

WE ARE TALENT

With us, you can be yourself, applying your talent wherever you choose.

WE ARE COMMITMENT

We are committed to society and also to you; to working together each day to make the world a better place.

WE INNOVATE WITH PURPOSE

Our open, collaborative environment allows us to provide innovative solutions that improve people's lives.

jobs.mapfre.com

MAPFRE *Where your time is meaningful*

4.3.2. Flexibility and agility

MAPFRE is an agile and flexible organization that is committed to new ways of working and understands that communication, collaboration, knowledge management, access to information and improved productivity are essential for business and people development. We have formulas and products that allow us to achieve flexibility, agility and organizational efficiency, such as the project management model, Digital Workplace and the hybrid work model, which, combined with new technologies, allow us to add value to our people and our organization.

Organization

To understand the needs of the business and adapt our organizational structure in the countries, we employ a global methodology called the Change in Workforce Protocol, which allows us to identify the relationship of the people engaged in a specific activity with the evolution of that activity and the type of business. Globally, we work with a global workforce planning methodology that brings business needs closer to the required capabilities and allows us to adapt more flexibly.

Likewise, in order to promote a more efficient organizational structure and more agile decision-making at MAPFRE, the aim is to optimize the number of employees with existing managerial positions, understanding managerial positions as those who manage other employees. The ranking index at the end of 2022 was 17.2 percent.

New ways of working

New ways of working help us to be more efficient and productive in our day-to-day work, leveraging the advantages of technology and creating habits that allow us to optimize the way we collaborate and invest our work time more efficiently, both individually and as a team.

The deployment of collaborative tools used to implement the new ways of working has reached 26,912 employees and 38 countries. This includes email, audio and videoconference, chat and teamwork solutions, personal and group task management, document and knowledge managers, among others.

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To ensure the effectiveness of change management, we have a website to disseminate tips, news, best practices and common inquiries related to our productivity tools and scenarios. As part of the adoption strategy, employees have been provided with a tool that provides weekly information on their work habits (time spent on meetings, focus and concentration, channels used to communicate, frequent network of contacts, etc.) so that they can reflect on them and take corrective actions.

Combined with metrics, surveys and focus groups are carried out to detect elements that hinder adoption and to establish training and/or communication campaigns to improve adherence to new habits and the use of tools.

The workstation digitalization percentage is 87.92 percent, allowing the employee to work from any location.

Project-based management

Globally, a project-based management model was implemented that covers aspects such as training, methodology, responsibilities and roles of the different members of a project work team, as well as tools. The dedicated capacity and project prioritization are defined according to business needs.

The model has been deployed in 7 countries, with a total of 501 projects and 1,534 employees assigned, and since the start of the project in 2021, a total of 3,574 employees have received project-related training.

Global hybrid remote work model

MAPFRE has a global hybrid work model that combines in-person work and remote work. This model combines different work modalities: in-person work, remote work some days a week and remote working every day of the week. At the end of 2022, 11 countries implemented a local hybrid work model. This model aims to be a work organization mechanism that enhances motivation and commitment, improving productivity and efficiency, according to the function, the characteristics of the business and the market where MAPFRE conducts its activity.

At MAPFRE, 18,528 employees have flexible start and finish times.

Telematics Code

The Telematics Code is an instrument that details how we should use computers and other telematic media available to employees so they can work efficiently.

This code regulates digital rights in the workplace, such as digital disconnection, privacy in the use of digital devices and video surveillance, as well as sound recording and geolocation systems.

In 2022, the Telematics Code was implemented in Spain, and in 2023 it will be implemented in all MAPFRE countries.

Digital Disconnection Regulatory Policy

The Regulatory Policy for the digital disconnection of MAPFRE workers, through which a culture of respect for the time of others is established, expressly recognizes the right of workers to disconnect from the work and communication tools provided by the company outside of working hours, establishing express measures for the exercise of said right. Such measures regulate hours in which communications should not be sent or expected to be responded to unless there are exceptional justified circumstances, as well as guidelines for planning and holding meetings. To ensure its proper implementation and to promote a rest-friendly culture, the policy is complemented by a change management plan accompanied by awareness campaigns related to disconnection and rest, reasonable use of technological means and awareness of respect for personal rest time.

As is to be expected, the deployment of new ways of working has been accompanied by job renewal strategies that ensure that our employees can work from any location.

On a regular basis, news and videos related to these new ways of working are published on the corporate intranet, thereby helping to raise awareness among the workforce about the use of technological resources.

4.3.3. Leadership

We have developed a Global Transformational Leadership Plan in which we accompany leaders in a process toward a new way of working and leading. The plan will be developed over three years and aims to accompany leaders and guide them so they can offer the best version of themselves.

Through the change management process put into action, we will accompany the more than 5,000 MAPFRE leaders to continue to develop the MAPFRE leader characteristics: digital leader, values leader, strategic leader, transparent leader, learning leader and knowledge leader.

We need you to show
the best version of yourself»

The MAPFRE leader plans, executes and meets goals

1

Characteristics
of the leader



TECHNICAL
KNOWLEDGE



DIGITAL



STRATEGIC



VALUES



TRANSPARENT



WHO LEARNS

We're *ready*. Our time is *now*!

© MAPFRE 1

The plan is based on developing habits and skills in these areas in four areas:

- Knowledge of the external environment.
- Knowledge of the internal context.
- Team development.
- Personal development.

We need
you to show
*the best
version of
yourself*»

2

To move forward with a new way of leading and working

*Understanding the
OUTSIDE CONTEXT*

Keeping abreast of the trends in the market, the insurance industry and the competition

*Knowing our MAPFRE
CONTEXT*

Being familiar with our business, the Strategic Plan, the Sustainability Plan and the company's policies.

Developing MY TEAM

Paying attention to their knowledge and experience, evaluating them and contributing to their development.

Developing the SELF

Empowering digital skills, respecting and communicating to become leaders of reference and role models.

We're *ready*. Our time is *now*!

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The plan is implemented as part of an annual process through which each leader reflects on how to improve in each of the four dimensions, accessing routes with content and training resources and tools, and at the end of the process the progress of each leader will be measured.

4.3.4. Remuneration, benefits and recognition

As a company that cares for its people, MAPFRE establishes appropriate and competitive remuneration, according to function/job position, merit and performance. Remuneration policies take into account the applicable regulations and guarantee equality and non-discrimination. The remuneration model focuses on productivity and added value, with flexibility to adapt to the different groups and circumstances of an increasingly demanding talent market.

MAPFRE solid, transparent Compensation Policy, which is known to all employees, whereby remuneration is a source of motivation and satisfaction that allows the objectives set to be achieved and the strategy to be met within the framework of the company's long-term interests. This policy also promotes appropriate and efficient risk management by discouraging both the acceptance of risks that exceed the company's tolerance limits and conflicts of interest. In this respect, the specific treatment of the remuneration of management groups and those with a special impact on the institution's risk profile is included.

The remuneration of each person is adjusted to each country and environment, and more than 23 countries have systems of market surveys that make it possible to offer and maintain the most appropriate remuneration for the functions performed and the professional career.

Other components in addition to fixed remuneration are variable remuneration, recognition programs, social benefits and specific supplements applied by the function.

MAPFRE has different modalities of variable remuneration: annual target-based remuneration, medium and long-term incentives, commissions and bonuses. This year, 26,554 people were working within annual variable remuneration systems, representing 86.47 percent of the global workforce, while 292 people are working under multi-year systems in 25 countries.

Furthermore, MAPFRE recognizes the initiative, the result and quality of work and the commitment of people to the company's objectives through recognition programs. This is one of the best practices for employee motivation, improving their involvement, reducing rotation, increasing productivity, helping to achieve the objectives set and playing a critical role in employee retention.

In 2022, 20,952 employees in 16 countries participated in the different local and global recognition programs and more than 5,000 employees were distinguished with different types of recognition for their contribution to the implementation of the strategy, quality contributions, innovation and dissemination of MAPFRE's culture and values.

MAPFRE offers a wide range of social benefits, which are products and services that the company pays its employees to facilitate their well-being and cover their particular needs. These benefits are defined and managed in each country. All benefits are offered to employees, regardless of whether their contract is permanent or temporary. The amount allocated in 2022 to social benefits was 166.52 million euros.

Type of social benefit	% of employees who enjoyed social benefits from among the entitled employees
Health insurance	94.70%
Retirement/Life insurance systems	97.80%
Insurance discounts	69.30%
Length of service awards	25.00%
Educational grants for the children of employees	42.10%
Newborn child bonus	3.30%
Loans	15.20%

MAPFRE particularly promotes social protection systems for employees, incentivizing long-term savings and thus guaranteeing a supplement to retirement through the different plans in force.

In addition, other benefits are offered, such as tuition assistance for studies and advances. Assistance is also provided to employees for special situations, usually resulting from health problems. In 2022, the amount of this assistance amounted to 499,000 euros. Financial assistance was also given to retired employees in the amount of 1.02 million euros, of which 977,800 euros are bonuses in retiree health insurance.

Objectives-based model

In order to communicate and align each person with the strategic goals, MAPFRE has a global goal-based management model that determines the weight of the different goal categories (those of MAPFRE as a whole, those of its region/country/business, area/department) for each job position level, assigning a weight adjusted to the responsibility of the job position.

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Job positions linked to the sales area have their own system of goals. In this way, MAPFRE directs 100 percent of its workforce to goal-based management. In 2022, we reduced the weight of individual goals, placing greater weight on group goals, thus fostering greater employee loyalty to the company. MAPFRE will continue to develop this global goal-based management model through other specific systems adapted to the activity carried out, such as project bonds and OKRs (Objectives and Key Results), which respond to new methodologies and work environments.

GROUP OBJECTIVES							
MBO 2022	GLOBAL	CORPORATE AREA / REGIONAL AREA / CORPORATE MANAGEMENT		COUNTRY		AREA / DEPARTMENT	INDIVIDUAL
JOB POSITION LEVEL	EARNINGS AFTER NON-CONTROLLING INTERESTS	EARNINGS AFTER NON-CONTROLLING INTERESTS / CORPORATE AREA	CORPORATE MANAGEMENT	EARNINGS AFTER NON-CONTROLLING INTERESTS	NET EARNED PREMIUMS EXCLUDING LIFE SAVINGS		
CEO	100%						
EXECUTIVE COMMITTEE	60%	40%					
SENIOR DIRECTION	40%	60%					
BUSINESS UNIT MANAGEMENT COMMITTEE	10%	50%				40%	
MANAGEMENT	10%			30%	20%	40%	
AREAS /	10%	10%	40%			40%	
MANAGEMENT - COUNTRY	10%			30%	20%	40%	
MIDDLE MANAGEMENT AND EXPERT MANAGERS - CORP. AREAS / BUSINESS UNITS	10%	10%	35%			45%	
MIDDLE MANAGEMENT AND EXPERT MANAGERS - COUNTRY	10%			25%	20%	45%	
ADVISORS AND ASSOCIATES - CORP. AREAS / BUSINESS UNITS	10%	5%	15%			20%	50%
ADVISORS AND ASSOCIATES - COUNTRY	5%			15%	10%	20%	50%
CONTACT CENTER MANAGER	5%			5%	5%	85%	

Detail of the overall matrix of weights by goal category by job position level.

Flexible remuneration plans in company shares in Spain

Following the extraordinary reception of the 2022 Share Remuneration Plan in Spain, with 4,704 employees applying (43 percent of the workforce), MAPFRE launched a new flexible remuneration plan for 2023 for MAPFRE Group employees in Spain, with the aim of increasing their link to the Company's strategy and future profit.

The plan, like the previous one, offers the possibility of voluntarily allocating an annual amount of remuneration to the purchase of MAPFRE S.A. shares (between 300 and 12,000 euros per year). These shares will be delivered monthly throughout 2023, free of charges for the employee, through MAPFRE INVERSIÓN.

The shares received will give full right to participate as shareholders in the future dividend of the company, and to the application of the corresponding tax profit (except for the Basque region).

Although this edition does not include the delivery of additional shares, the applicants for the new Plan were a total of 1,581 (15 percent of the workforce in Spain), which continues to reflect a high level of confidence by employees in MAPFRE's future.

In May 2023, and in relation to the previous 2022 Remuneration Plan, MAPFRE will provide each employee with free shares in proportion to those acquired and maintained until March 31 of the same year, with the limits provided for in that plan.

Equal pay

In compliance with its Sustainability Plan 2022-2024, MAPFRE has committed to eliminating its pay gap, reducing it to within +/-1 percent by 2024.

As a result, in 2022, the methodology for calculating the equal pay gap (in English terminology), verified in 2018 by the consulting firm Ernst & Young (EY), continued to be applied.

The formula for calculating this type of gap is the following:

$$\text{EQUAL PAY GAP} = \sum_{i=1}^N \left(\frac{\text{GENDER PAY GAP EN CADA CLUSTER} \cdot \text{NUMERO DE EMPLEADOS DEL CLUSTER}}{\text{NUMERO TOTAL DE EMPLEADOS ANALIZADOS}} \right)$$

As an improvement, in 2022, some of the factors taken into account in the creation of the comparison groups or clusters were revised in order to obtain more accurate pay comparisons based on the functions and responsibilities assigned to each job position.

In general, MAPFRE Group companies took several actions to reduce the pay gap, including:

- Pay analysis of company hires.
- Analysis with special focus on promotions.
- Ongoing review of the Job Map in order to verify the correct positioning of workers.
- Budget allocation to make appropriate adjustments to remuneration.
- Awareness-raising and information actions aimed at supervisors on the pay gap in general and, in particular, on cases detected in their respective areas that need to be addressed.
- Creation of pay gap dashboards and calculators with advanced analytics tools and data display for faster and more efficient monitoring.

In 2022, in compliance with Spanish regulations, one of the most demanding in the world in this area, gender pay audits were completed for the first time, accompanied by MAPFRE's Equality Plan, with very satisfactory results.

The Group's global adjusted gap, considering 99% of the workforce (excluding Brasilseg and Funespaña), is:

INDICATOR	DIFFERENCE BETWEEN MEN AND WOMEN (%)
Average adjusted pay gap in fixed remuneration	2.13
Median adjusted pay gap in fixed remuneration	1.86
Average adjusted pay gap in variable remuneration	1.93
Median adjusted pay gap in variable remuneration	2.03

For more information, please see Note 10.

Measures to combat inflation

Due to the global inflation witnessed during fiscal year 2022, MAPFRE implemented various measures to improve the economic conditions of workers. In some countries, inflation adjustments were made, while in others extraordinary payments were made. In MAPFRE Spain, two one-off payments were made for a total of 750 euros for non-management employees. A payment of 375 euros was made in Portugal and 400 euros in Germany. All payments were extraordinary and non-cumulative. In addition, social benefits and aspects related to working hours have improved.

Collective bargaining is also an instrument for regulating the economic conditions, social benefits and other working conditions of MAPFRE employees.

Since collective bargaining is not structured in the same way in all countries, MAPFRE does not have a collective agreement applicable in several countries because the legal, social or business type or sector conditions that allow it to be implemented do not exist. For this reason, MAPFRE has 59.38 percent of employees covered by collective agreements in 10 countries.

However, it should be noted that the coverage of the workforce by collective agreement that MAPFRE has in the countries indicated below is significant, as detailed in the accompanying table.

COUNTRY	% OF EMPLOYEES COVERED BY A COLLECTIVE AGREEMENT
Argentina	100%
Brazil	92%
Spain	100%
Greece	63%
Italy	98%
Malta	87%
Uruguay	98%
Venezuela	100%

In addition, in 2022, the main collective bargaining agreements reached between MAPFRE and the legal representation of workers are detailed here.

- In Germany: 11 agreements on paid leave, remote work, overtime and availability.
- In Argentina: 17 agreements, mainly on Occupational Risk Prevention.
- In Brazil: 15 agreements, mainly relating to Occupational Risk Prevention, collective agreements and variable remuneration.
- In Italy: 2 agreements on working conditions and incentives to leave the company.
- In Malta: 4 agreements on conciliation and Occupational Risk Prevention.
- In Ecuador: 2 agreements on Occupational Risk Prevention.
- In Peru: 21 agreements, including the negotiation of the Collective Agreement and agreements on Occupational Risk Prevention.

- In Mexico: 9 agreements on Occupational Risk Prevention.
- In Uruguay and Tunisia: 2 agreements on Occupational Risk Prevention.
- In Venezuela: 26 agreements on compensation and Occupational Risk Prevention.
- In Spain: 6 agreements on working conditions, rights of association, digital disconnection, modification of working conditions and negotiation of the MAPFRE Insurance Group Agreement for the next four years.

In total, 115 agreements were signed with the workers' legal representatives during 2022.

4.3.5. Health and Well-being

At MAPFRE, people are our main value, and taking care of their physical and mental health, safety and well-being is our priority. For this reason, MAPFRE is committed to providing safe and healthy working environments, guaranteeing the right of people to the protection of their health and integrity beyond the working environment itself, and is committed to integrating the prevention of occupational risks and the promotion of health and well-being in all of the company's activities and decisions, at all levels of the organization. Furthermore, it follows an occupational health and safety management system, the Healthy Company Management Model, based on the ISO 45001 standard, with a global scope and local implementation through actions adapted to the reality of each country, based on a process of continuous improvement, which is extended to the main stakeholders.

MAPFRE has policies in place, approved by the Board of Directors, which support safety, health and well-being: Code of Ethics and Conduct; Policy on Health, Well-Being and Occupational Risk Prevention; Corporate Sustainability Policy; and the Diversity and Equal Opportunities Policy.

The identification and prioritization of the most relevant aspects within the organization has enabled us to establish a healthy company strategy, based on which global and local actions and objectives are defined with annual planning, thus ensuring continuous improvement.

In order to identify and eliminate hazards and minimize the health risks of employees, MAPFRE guarantees regular health monitoring. The Occupational Risk Prevention technicians and the company's medical services conduct periodic risk assessments (psychosocial risks, health, safety, ergonomics and others outside our facilities, such as those arising from work in mobility, travel and commuting) and investigate and analyze accidents at work, occupational diseases and/or incidents and absenteeism for other health reasons. The main objective is to determine the causes that cause damage to health in order to establish the planning and organization of the necessary preventive measures to eliminate or minimize risks and reduce absenteeism. In addition, MAPFRE guarantees regular health surveillance taking into account all the particularities of people (physical, mental or sensory disability, maternity, pregnancy, especially sensitive workers, etc.), as well as medical, psychological and health care assistance not related to work, through its own medical services or external services contracted by the company.

MAPFRE provides all employees with continuous training in health and safety at work and provides non-work-related medical, psychological and health care services through its own medical services or external services contracted by the company.

In 2022, 94.7 percent of MAPFRE employees availed of private health insurance provided by the company.

The company has Health and Safety Committees that meet regularly with the company's management, workers' representatives specialized in occupational risk prevention and the company's Occupational Risk Prevention professionals as guest advisors. A total of 25,831 employees (84.1 percent of the workforce) are represented on these committees. Some of the main issues discussed in these committees are:

- Conducting occupational risk assessments in the workplace.
- Specific studies on job positions.
- Analysis of sick leave and absenteeism.
- Return after long-term leave.
- Emergency evacuation and control plans.
- Health surveillance plans.
- Frequency and content of medical examinations for employees.
- Occupational health and safety management systems.

Workplace absenteeism

In 2022, workplace absenteeism for health reasons was monitored, registering a total of 185 cases of work accidents resulting in medical leave, which is 1.6 percent less than the previous year. The main reasons for injuries were sprains and strains, superficial injuries and simple (closed) fractures. Additionally, there was one fatality arising from an occupational accident.

The number of days lost due to absenteeism resulting from non-occupational accidents and common illnesses was 218,166, which represents 6 percent less than the previous year.

The severity index was 0.12 (0.11 for men and 0.13 for women) and the frequency index was 3.62 (4.08 for men and 3.25 for women). The absenteeism ratio was 2.96, a decrease of 0.11 points compared to the base year (2019).

ABSENTEEISM DATA (1,2,3)	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
NUMBER OF OCCUPATIONAL ACCIDENTS *	92	93	185	102	86	188	55	56	111
NUMBER OF OCCUPATIONAL ILLNESSES	0	4	4	2	1	3	2	1	3
NUMBER OF EMPLOYEE FATALITIES DUE TO OCCUPATIONAL ACCIDENTS	1	0	1	0	0	0	0	0	0
NUMBER OF EMPLOYEE FATALITIES DUE TO AN OCCUPATIONAL ILLNESS	0	0	0	0	0	0	0	0	0
TOTAL NUMBER OF LOST WORKDAYS DUE TO ABSENCE CAUSED BY NON-OCCUPATIONAL ACCIDENTS AND COMMON ILLNESSES	64,069	154,097	218,166	85,794	146,393	232,187	64,209	167,028	231,237

1. Recordable occupational injuries are reported, not differentiating those cases with major consequences.
2. Hours worked are theoretical hours.
3. Includes accidents on the way to and from work.

ABSENTEEISM RATES	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
ACCIDENT INCIDENCE	659.88	527.18	585.76	691.99	471.03	569.73	352.48	297.66	322.51
ILLNESS INCIDENCE	0	22.67	12.67	13.57	5.48	9.09	12.82	5.32	8.72
EMPLOYMENT ABSENTEEISM RATE	0.07	0.09	0.08	0.11	0.06	0.09	0.06	0.04	0.05
ACCIDENT FREQUENCY	27.51	21.93	24.39	28.75	19.37	23.53	14.88	12.44	13.54
ILLNESS FREQUENCY	0	0.94	0.53	0.56	0.23	0.38	0.54	0.22	0.37
LOST WORKDAY RATE	0.73	0.86	0.85	1.14	0.63	0.86	0.62	0.36	0.48
OCCUPATIONAL ACCIDENT FATALITIES	0.3	0	0.13	0	0	0	0	0	0
OCCUPATIONAL ILLNESS FATALITIES	0	0	0	0	0	0	0	0	0
FREQUENCY INDEX	4.08	3.25	3.62	4.27	2.87	3.49	2.27	1.9	2.06
SEVERITY INDEX	0.11	0.13	0.12	0.16	0.09	0.12	0.08	0.05	0.07
ABSENTEEISM RATIO	1.99	3.73	2.96	2.53	3.36	2.99	1.8	3.75	2.72

Please see Note 11 of this report for more information on the calculation methodology.

The effectiveness of the measures, goals, objectives and indicators used to assess progress in safety, health and well-being are included in the Health and Well-being section of the People and Organization 2022 report.

Work-life balance measures

As we look after our employees, our organization fosters a balance between work and personal lives with the aim of increasing their satisfaction and commitment to the company. It is therefore a two-way commitment.

Work-life balance measures	No. of employees benefiting
Flexible work schedule	18,528
Part-time work arrangements	2,351
Reduced workday	890
Teleworking	2,976
Paid and unpaid leave	15,291
Maternity/paternity leave	1328
Sabbaticals for study/family purposes	73
Employee reintegration program following a protracted leave of absence	359

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In 2022, 80.8 percent of women and 90.6 percent of men took maternity and paternity leave and returned to work in the same year. Of the 1,492 maternity and paternity leaves availed of in 2021, 1,056 remain on the workforce, giving a retention rate⁶ of 70.8 percent.

4.3.6. Diversity, equality and inclusion

MAPFRE is a diverse, egalitarian and inclusive company with a global Diversity and Equal Opportunities Policy approved by the MAPFRE Board of Directors on July 23, 2015 and a Diversity, Inclusion and Equity Strategy called Inclusion for Sustainable Growth.

Gender diversity

MAPFRE's goal is to have more than 40 percent of women in positions of responsibility, with 35 percent of women in management positions, and to eliminate the pay gap.

According to MAPFRE's Diversity, Inclusion and Equity Strategy for the years 2022-2024, the gender diversity objectives are as follows:

- Promote an inclusive labor environment for all people, regardless of gender.
- Position MAPFRE as an inclusive company in terms of gender diversity.
- Increase the number of women in leadership positions, especially at the management level.
- Correct the pay gap in groups where it is found.

MAPFRE has a global catalog of measures on gender diversity, which address the following areas:

- Talent development.
- Remuneration and other working conditions.
- Awareness-raising.
- Leadership.

In Spain, the MAPFRE Insurance Group Equality Plan, in place since 2010, promotes the principle of equal treatment and opportunities in the workplace, reflecting measures aimed at avoiding any type of occupational discrimination between women and men.

	2022	2021	2020
Percentage of women in job positions of responsibility*	42.00%	41.60%	40.90%
Number of women in job positions of responsibility*	2,761	2,620	2,425
Percentage of women in management positions	31.70%	31.30%	30.90%
Number of women in management positions	532	519	510

*Management positions: management and middle management

The main data referring to equality in 2022 are as follows:

- 54.7 percent of new hires were women.
- 105 women hold Senior Management positions or positions on Boards of Directors. The Board of Directors of MAPFRE S.A. includes 6 women among its members, representing 42.9 percent of its members at 12/31/2022. In its director selection policy, MAPFRE is committed to having at least 40 percent of women on the Board of Directors from 2022.
- 27 percent of employees in senior management positions are women, as well as 44.2 percent of those in junior management positions.
- 42.9 percent of job positions of responsibility in business areas are held by women.
- 32.7 percent of STEM (Science, Technology, Engineering, Math) positions are held by women⁷.

MAPFRE has Women's Leadership Networks in Mexico, the United States, Brazil, Peru, Turkey and Spain to promote women's leadership. These are inclusive spaces for dialog aimed at promoting initiatives on gender diversity. Their main mission is to promote initiatives that contribute to advancing equality in the company and, specifically, to increase the presence of women in leadership positions in which they are under-represented and to give visibility to the talent of the women in our company.

⁶ Retention rate: (total number of employees retained 12 months after returning from parental leave/Total number of employees returning from parental leave in the reporting period) *100

⁷ Data calculated on the basis of the total number of IT employees.

Gender diversity

MAPFRE POLICIES

- Diversity and Equal Opportunity Policy
- Promotion, Selection and Mobility Policy
- Remuneration Policy



In support of

WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office

Data for **2022**



6

women have seats on the **Board of Directors** of MAPFRE S.A., accounting for **50%** of the members

105

women hold **Senior Management** positions or **seats on Boards of Directors**

31.7%

Women account for 31.7% of **management positions**

42.0%

Women hold 42.0% of **job positions of responsibility**

27.0%

Women hold 27.0% of **Top Management** job positions

44.2%

Women hold 44.2% of **Junior Management** job positions

42.9%

Women hold 42.9% of the **management positions** in business areas

32.7%

Women hold 32.7% of **STEM** (Science, Technology, Engineering) IT job positions

49.2%

Women accounted for 49.2% of **promotions**

54.7%

of **new hires** in 2022 were women

55.4%



44.6%



JOB POSITION LEVEL

Senior management and management	1.7%	3.7%
Middle managers	7.1%	8.5%
Advisors	27.3%	22.5%
Associates	19.3%	9.9%

GENERATIONS

Veterans	0.1%	0.1%
Baby Boomers	5.8%	7.0%
Generation X	22.1%	18.1%
Generation Y	18.8%	14.2%
Generation Z	8.5%	5.2%



Disability

MAPFRE has committed to having 3.5 percent of people with disabilities in its workforce by 2024. At the end of 2022, this figure was also 3.5 percent.

We continue to work on improving the universal accessibility of people with disabilities in accordance with the principle of equal opportunities and nondiscrimination. To this end, we have a global program implemented in all countries, with measures to promote the true inclusion of this group in the company, in addition to a strategy with the following objectives:

- To promote an inclusive labor environment for all people with a disability.
- To position MAPFRE as an inclusive company in terms of disability.
- To increase the number of people with disabilities at the company.
- To improve the quality of life for people with disabilities, including employees and their family members.

Since 2021, MAPFRE has joined the International Labor Organization's Business and Disability Network. This international network aims to help make corporate employment policies and practices more inclusive of people with disabilities worldwide, as well as to increase awareness of the positive relationship between disability inclusion and business growth.

	2022		2021	
	No.	%	No.	%
People with a disability on the workforce	992	3.5%	1,031	3.5%

Bank of Brazil workforce data excluded.

Actions taken to raise awareness in this area:

- In 2022, a new online disability training course was designed for all employees, which will be rolled out in 2023.
- 147 volunteer activities carried out involving people with disabilities.
- 79 awareness-increasing talks and activities given.
- 59 news pieces published on the intranet.

Actions conducted in the field of labor integration:

- In 2022, 188 people with disabilities joined the workforce, including at Brasilseg
- 14 people with disabilities completed internships at MAPFRE.
- Donations were made to companies that support the integration of people with disabilities totaling 134,629.72 euros.

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- Promotion of indirect employment through contracts with special employment centers or similar companies totaling 160,291.87 euros.

MAPFRE consolidates and reaffirms its commitment to the social inclusion of people with disabilities by signing the Charter of the International Labor Organization's (ILO) Global Business and Disability Network.

Cultural diversity

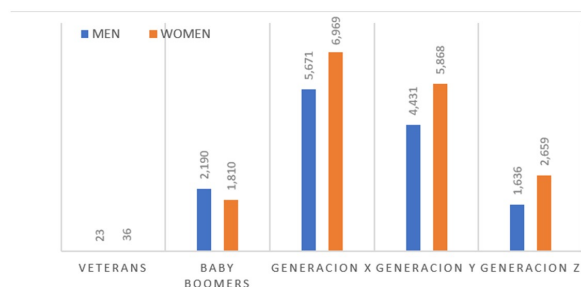
MAPFRE employees include 81 different nationalities, which enriches the company's cultural diversity. International mobility in 2022 allowed 79 employees to change their job position to another country. These employees originate from 25 countries and have been sent to 25 countries, while 82.3 percent of Senior Management and executives working in Group companies are natives of the country in which they operate.

Nationality	% of employees by nationality over the total number of employees	% of managers over the total number of managers
Spanish	37%	43%
Brazilian	16%	7%
Mexican	6%	4%
Peruvian	5%	5%
Dominican	3%	2%
Argentina	3%	3%
Colombian	3%	3%
Turkish	2%	4%
Italian	2%	1%
American	2%	2%

(Including Funespaña employees.)

Generational diversity

Five different generations work together at MAPFRE. This enriches intergenerational exchange, transmission of knowledge and values, and innovation.



Veterans (up to 1955); Baby Boomers (from 1956 to 1967); Generation X (from 1968 to 1981); Generation Y (from 1982 to 1993); Generation Z (from 1994 onward), including those employees who work at Funespaña.

Workforce by age group

Age group	% of employees
Under 30	16%
Between 30 and 50	58%
Over 50	26%

(Including Funespaña employees.)

In Spain, MAPFRE has launched the Ageing Project, an initiative that aims to roll out specific programs for senior workers, taking into account three fundamental lines: promoting Senior Talent, flexible working conditions and preparing for retirement.

4.3.7. The voice of MAPFRE people

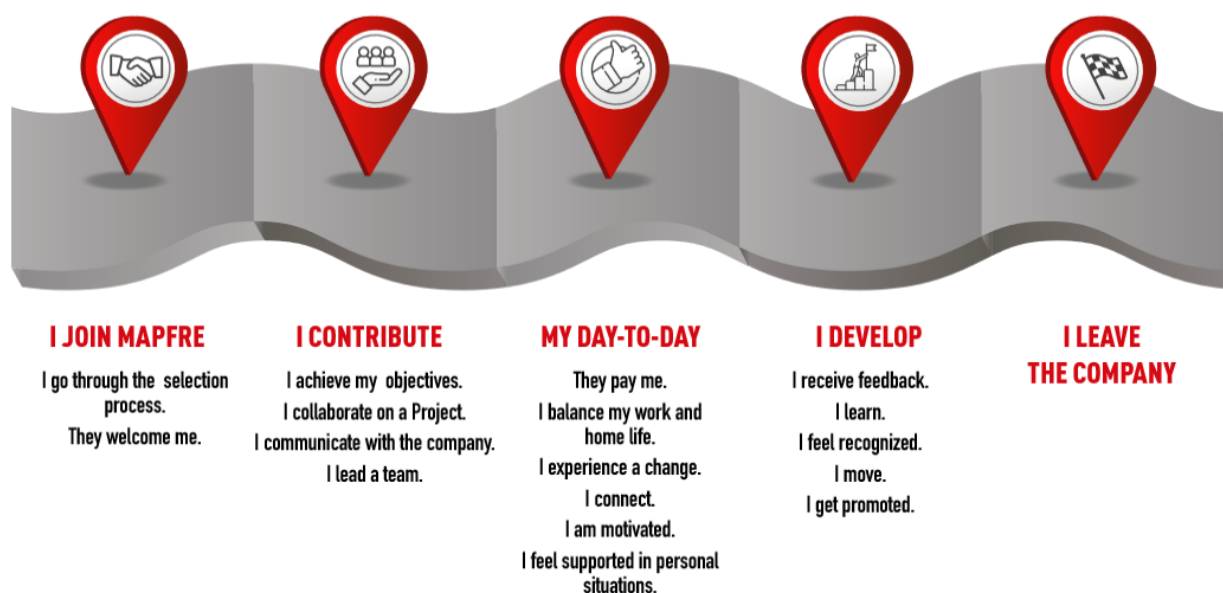
MAPFRE has an active listening and experience measurement model that promotes employee participation and allows them to participate directly in decision-making on the issues that affect them. This model takes the form of a continuous measurement of the employee journey (employee lifecycle), identifying the different moments of employee interaction with the company from before they join the company until the moment they leave, complemented by the continuous measurement of employee satisfaction and commitment.

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- Listening and participation groups that make up a representative sample of the workforce and focus groups with specific groups (young people, senior profiles, strategic profiles, expatriates, new recruits, recent promotions, etc.). In them, we explore moments of truth when they may need a different experience to that of the employees as a whole.
- Transactional eNPS® questionnaires. This measurement is performed using short questionnaires that complement the listening performed in focus groups.

MAPFRE EMPLOYEE LIFE CYCLE

MAPFRE *People*
Talent and commitment



The voice of employees is also measured through the recommendation, satisfaction and commitment survey, which is conducted twice a year.

- Company recommendation: Relationship eNPS®: how likely employees are to recommend MAPFRE as a company to work for. A total of 91 percent of employees work in countries with a very high recommendation score, above 20 points, or excellent recommendation score, above 40 points.
- Level 1 and level 2 root causes: the main reasons why an employee recommends MAPFRE as a company to work for to a lesser or greater extent. The reasons for the recommendation are as follows:

The conditions and benefits that MAPFRE offers us	Development possibilities
Job stability	Improvement in employability as a professional
Social benefits	Promotional possibilities

- **Commitment:** The ESI Index (Employee Satisfaction Index) is 70%, which corresponds to the percentage of employees who rated their satisfaction with these ten variables with an average score of between 8 and 10: knowledge of objectives, pride in the work performed, recognition for the work performed, contribution to the company, receipt of quality feedback, development opportunities, collaboration, work tools, care for people, pride in the social footprint.

In 2022, the commitment index was 70, meeting the target of 70 established for the year.

Commitment index by gender	
Men	71
Women	69

Commitment index by age group	
25 or under	76
From 26 to 37	69
From 38 to 49	69
From 50 to 64	71
Over 65	74

Commitment index by job position level	
Advisors	70
Associates	65
Middle management	78
Management	85

Leader Index. This measures the likelihood of employees recommending their supervisors. In 2022, on a recommendation scale from 0 to 10, 62% of employees gave a score of 9 or 10. This scope of this measurement metric covers 93.1% of the workforce.

- **Satisfaction:** The satisfaction index stands at 67 percent, which corresponds to the percentage of employees who gave a score of between 8 and 10 in relation to their current level of satisfaction with the company.
- **Reputation:** Employees rated MAPFRE's reputation with a score of 8.3 out of 10.

Likewise, continuous listening to the voice of people takes place in the ongoing conversation that leaders have with their teams, as well as through formal and informal meetings of management bodies with employees and other listening, participation, innovation and co-creation initiatives promoted by the company. The information gathered in this continuous listening to people's experience is centralized and harnessed anonymously through dashboards that make it possible to integrate their perspective in decision-making, as well as to return the results of the listening openly to the entire organization.

Legal representation of workers

In addition to the above mechanisms, MAPFRE maintains a permanent and direct dialog with its workforce, reporting information on all relevant aspects, listening to its opinions and requesting its active participation through different channels.

One of these channels is undoubtedly the legal representation of workers (unions, business committees, etc.). Therefore, in countries where such representation exists, communication on issues concerning labor relations is channeled through it.

MAPFRE guarantees and respects the freedom of union, association and collective bargaining of its employees, although it should be noted that the election of legal representatives is a right that corresponds voluntarily to the workforce itself.

Currently, 50.44% of the workforce is represented by workers' legal representatives. It is worth noting that countries such as Algeria, France, Germany, Malta, Tunisia, Spain and Venezuela have between 80 and 100 percent of the workforce represented by trade unions.

The relationship between the company and the legal representation of workers is conducted through the following channels:

- Within the company's participation bodies with the workers' legal representatives and formal commissions.
- Periodic meetings agreed by both parties.
- Direct contact via telephone or email.
- Teams channels for exchanging information.

In addition, workers' legal representation communicates with employees through specific email accounts or intranet spaces, visits to work centers and spaces for meetings or assemblies that the company provides for communication and dialog with employees.

4.4. GENERATING BUSINESS FOR PROVIDERS

MAPFRE aims to ensure ethical and socially responsible behavior on the part of all providers who service either the Group or its customers directly. This is in addition to ensuring an adequate level of quality in the provision of the service and high standards of internal control in all phases of the process.

To this end, it has a procurement standard in place that establishes economic, environmental, social, and governance criteria, as well as mandatory principles that must be respected when entering into contracts on behalf of the company.

The Group's Code of Ethics and Conduct establishes a specific section for providers and collaborating companies that determines the framework governing commercial relationships.

The Group works with approximately 145,000 providers who bill over 4.44 billion euros annually. They are classified into two categories: service providers (those who provide services arising from insurance contracts or services offered by the Group's insurance companies or their subsidiaries to customers) and support or general providers (those whose end customer is any MAPFRE Group company for activities such as supply management, consulting, printing, etc.).

To strengthen the relationship with providers and offer better customer service, MAPFRE furnishes a range of materials, training dossiers, procedures, tools, and online or in-person courses, which facilitate providers' work and provide knowledge on several topics such as legislative changes, technological developments, as well as other relevant issues in the field of sustainability.

Service providers are in effect an extension of the company to the customer. Therefore, given its relevance, MAPFRE has a Provider Management Operating Model in place, which defines the different processes, procedures and operations that establish the best way to act, always in accordance with the current legislation of each country. Likewise, this model is the reference that establishes the guidelines to follow and constitutes the basic source for correct management and execution.

The Providers Operating Management Model comprises a set of general principles that are of global application and which define the management model, which are: technical rigor, orientation and optimization of contact with the client, dedication to service, efficiency in operations, risk control and internal control, innovation and continuous improvement, as well as corporate social responsibility.

The model establishes a common contribution system that implies a dynamic relationship of commitments between MAPFRE and the supplier. These commitments make it possible to establish different categories of suppliers, depending on the degree of connection, the maximum exponent of which is "Brand Ambassador", whose members reach the most demanding standards of service and professionalism.

Currently, the Providers Operating Management Model has been deployed in 19 countries across five regional areas. The implementation of this model seeks to standardize and homogenize the procurement processes and sub-processes, as well as generate efficiency, deliver economic savings for the company and generally improve of the quality perceived by the client in all the countries the Group operates in.

4.4.1. Service Providers Operating Management Model

PROVIDER CATEGORY DEFINED BY MAPFRE AND MUTUAL COMMITMENTS:

	MAPFRE'S COMMITMENTS	PROVIDER'S COMMITMENTS
 KNOWN	➤ Transactional relationship: Sporadic collaboration under an agreement limited to service delivery and service payments	
 RECOMMENDED	➤ Occasional services assignment derived from strategic and/or operational necessities ➤ Professionalism and solvency in service payments	➤ Quality valued-added service delivery ➤ Legal requirements compliance ➤ Corporate Social Responsibility adoption and fulfillment ➤ Integrity in service delivery
 RECOMMENDED+	➤ Willingness to maximize provider capacity by assigning more services ➤ Technical and new functions training ➤ Increase Provider's portfolio of services	➤ Participation in the company's financial model ➤ Integration with MAPFRE's service management processes
 AMBASSADOR	➤ Assignment priority ➤ New collaboration opportunity proposals ➤ Recognition of provider's contribution to MAPFRE's business development	➤ MAPFRE brand ambassador ➤ Service management participation ➤ Collaboration in new products and services development

4.4.2. Support Providers Global Procurement Model

The procurement strategy is defined centrally and is implemented in a decentralized manner by each country through its procurement group, which have the authority to enter into contracts.

The procurement model is devised on the basis of five fundamental aspects:

1. **Rules and Procedures:** General Procurement Rules and Procedures, in addition to the local procedures of each country/organization with local specificities.
2. **Function Governance:** Centralized strategy defined by Corporate Procurement and executed autonomously by the different countries and organizations.
3. **Procurement Process:** Defined globally but adapted to the peculiarities and size of the organizations.
4. **Organizational Structure:** Specialized and professional procurement teams with support from Corporate Procurement.
5. **Procurement System:** Global procurement system (SAP) with consolidated information at group level. The evolution of SAP (ARIBA) for procurement management is currently being implemented via a five-year project. During 2022, the system risk management tool was implemented.

4.4.3. Sustainable provider management

Responsible and sustainable provider management is one of the company's priorities in terms of sustainability. Comprehensive provider management implies executing the necessary training, control, supervision, and remediation to ensure that the sustainability practices carried out by providers are aligned with those of MAPFRE and that the standards defined by the company are met.

MAPFRE has a provider ESG approval methodology in place. This process includes, in addition to assessing the provider's sustainability practices, training and awareness in human rights and the 2030 Agenda.

The model is deployed with service providers in Spain, Brazil, the United States, Mexico and Colombia. As regards the sustainable management of support providers, the implementation progresses together with the deployment of the global purchasing system. In 2022 the tool that allows the homologation is deployed in Spain, Mexico, Argentina, Honduras, Paraguay, Guatemala and Ecuador.

4.4.4. ESG approval process

Approval is a mandatory process for selected providers. It involves a process of assessment, monitoring and repair, which begins with the initial analysis of the sustainability practices of providers. This analysis is carried out through a specific questionnaire that includes the following risk factors:

- Occupational health and safety of workers.
- Anti-corruption practices in all its forms (including extortion, bribery and fraud to obtain competitive advantages)
- Human rights: Child and forced labor, basic labor rights, etc.
- Environmental practices and sanctions.
- Inclusion, diversity and non-discrimination.
- Information security and data privacy.

Based on the answers that the providers provide in the questionnaire, the process continues with the following steps:

- If all the criteria are correct, the process proceeds to ESG approval
- If the criteria are incorrect, an action plan is proposed with measures to reverse, repair and/or mitigate the situation.

Through this system, a risk map can be established and mitigation measures included through action plans.

ESG APPROVAL PROCESS



Approval of service providers

At a general level, the selection of distinguished providers (Brand Ambassadors, Recommended+ and Recommended) of the automobile and homeowners lines in five of the countries mentioned represents an average of 55.53 percent of the services that MAPFRE provides in the different business lines and a total of 65.63 percent of total billing. This shows the wide coverage of ESG certification. It should be noted that the selection of these suppliers has been carried out since 2019 and with the entry of new suppliers these percentages have been decreasing.

Since the beginning of the approval process, 4,502 service providers have been included in it, of which 96.5 percent were approved. The remaining 3.5 percent of providers were not approved because they presented a medium or high risk (21) or did not respond to the approval questionnaire (135).

Likewise, 100 percent of the providers have been made aware of and received training in human rights (through content prepared by the Spanish Network of the Global Compact) and the United Nations 2030 Agenda..

ESG approval of support providers

In 2022, a total of 1,123 support providers were approved, as per the distribution detailed in the accompanying table.

Country	No. of approved providers	% billing in 2022 over total
Spain	719	49.97%
Mexico	71	80.27%
Honduras	58	47.66%
Guatemala	42	81.22%
Ecuador	86	52.19%
Paraguay	94	80.00%
Argentina	53	48.00%

Other ESG provider supervision, audit and control processes

In addition to the supervision and control work carried out within the framework of ESG approval, MAPFRE carries out other actions that contribute to conveying and ensuring that the behavior of suppliers is aligned with MAPFRE's values, policies and standards.

Environmental aspect:

During the internal audit process associated with the ISO 14001 and ISO 50001 certifications, compliance with all industrial and environmental safety regulations for the general maintenance activity of facilities (carried out by an external provider) in 11 MAPFRE installations located in Spain has been verified.

The audit was carried out by a specialized third party, with the participation of the technical manager of the corresponding maintenance company.

Security of information:

MAPFRE has a methodology in place for managing the security risk of third-party information with which it is intended to ensure that providers comply with the standards required by the company in this matter.

Following the methodology implemented, throughout the year 2022, the security of more than 35 different providers was evaluated, having been applied in more than 40 tender processes.

Additionally, a specific process is being carried out to assess the level of security of the providers that currently provide the company with critical services, beginning with those that provide services to companies located in Spain. This analysis will gradually be extended to the rest of the MAPFRE Group companies in other countries. More than 15 providers associated with this specific process were evaluated in 2022.

Fraud and anti-corruption:

Within the framework of support provider management, an audit on corruption was carried out in 2022 at the highest governance layer to ensure that none of the ultimate beneficiaries are involved in legal proceedings, are the subject of sanctions or are on blacklists for these issues. In total, 52 providers were analyzed, representing 75 percent of MAPFRE S.A.'s billing. In no case have the ultimate beneficiaries of the requested companies, both individuals and companies, been found to have any type of sanction or negative evidence on corruption issues.

At MAPFRE Spain, activity checks are carried out periodically on providers in the Homeowners (repairers) and Automobile (tow trucks and workshops) business lines. These controls involve questionnaires, requests for evidence and physical visits to verify that all requirements are being implemented, as well as mitigation and redress actions in the event of deviations from established norms. The main issues that are evaluated are: technical issues and quality of service, occupational risk prevention, fight against fraud and regulatory compliance in tax and labor matters. The main data for 2022 are as follows:

- a. Property/homeowners: more than 630 providers were reviewed (14.9 percent of the portfolio), and 9 of them were eliminated due to failure to provide the required information.
- b. Repair shops: 79 providers reviewed.
- c. Tow trucks: 328 providers were reviewed, 28 deviations were found and subsequently resolved through remedial action plans.

4.5. OUR FOOTPRINT, SHARED VALUE

MAPFRE is committed to the principles of sustainable development and the objectives of the 2030 Agenda.

The Company monitors and informs all its stakeholders regarding the impacts of its activity on the environment (see section 3.3.2 Sustainability in the business and chapter 5 Committed to the Environment), the economy (see sections 2.4.5. Fiscal transparency and 3.2 MAPFRE key figures) and society, through the creation and distribution of social value.

4.5.1. Creation and distribution of social value

Creation and distribution of value in MAPFRE

In compliance with the public commitments contained in the international frameworks underwritten in the area of human and labor rights, as well as in the Company's principles and policies, MAPFRE directs its corporate strategy toward the creation and distribution of value to all its stakeholders.

MAPFRE creates value through its commitment to diversity and knowledge, promoting innovation and job opportunities for all generations; sustainable operations management, especially via sustainable oversight of its providers and strengthening its sales network; and ultimately by promoting sustainable business. It does so by analyzing the impact of its investment portfolio on the Sustainable Development Goals and its direct contribution to the 2030 Agenda.

With regard to value distribution, in addition to the positive impacts that all of the above has on society, MAPFRE shares the social value created through the exercise of its corporate citizenship through, among other initiatives, corporate volunteering activities and direct donations or collaborations with activities of special public and social interest.

In addition, the company's social footprint increases its positive impact by paying dividends corresponding to its main shareholder, Fundación MAPFRE, based on the results of the fiscal year and the shareholding structure. The Company's financial performance thus becomes another expression of its corporate citizenship by contributing to sustaining the Foundation's social purpose and independence. (For more information, please see Fundación MAPFRE's 2022 Annual Report)

How MAPFRE creates value for society and how it is distributed among its stakeholders is shown in the accompanying chart.

Distribution of value	Shareholders		Society		Company and Society	
	€876.4 million paid out in dividends to shareholders, among them Fundación MAPFRE		€16.36 billion allocated to benefits			
			€630 million paid to Public Administrations			
			€2.6 million in contributions to industry and institutional organizations			
			€135,000 donated to labor integration actions			
Creation of value	Investment		Underwriting		Sustainable Business	
	€30.1 billion in third-party funds under management		€24.54 billion in total written and accepted premiums			
	€41.4 billion in own investments		2.3 million clients have benefited from new products and services developed through initiatives originating in MAPFRE Open Innovation			
	Providers		Sales Network		Sustainable Operations	
	€7.04 billion paid out to providers					
	MAPFRE maintains commercial and service relationships with almost 145,000 providers		83,332 agents, delegates and brokers work with MAPFRE			
	100% of providers who have been approved in line with ESG criteria have been made aware of aspects pertaining to Human Rights and the UN 2030 Agenda		7,573 bancassurance offices (of which 3,983 are in Brazil, 3,386 in Spain, 114 in the Dominican Republic, 53 in Mexico and 37 in Malta)			
	€160,000 in contracts for special employment centers or analog companies		4,814 direct offices and delegates			
	Opportunities for Young People		Innovation	Diversity	Diversity and Knowledge	
	289 agreements with universities, business schools and third-level institutions		MAPFRE Open Innovation initiatives underway in 15 countries	55.1% of the current workforce are women and 42.0% of job positions of responsibility are held by women		
			5 CESVIMAP investigation and development in 5 countries (Spain, Argentina, Brazil, Colombia and Mexico)	People with a disability make up 3.5% of the workforce		
	More than 800 students completed internships in the Group in 2022 in 26 countries			81 nationalities and 5 generations work together at MAPFRE		
				686 people participate in the global mentoring program		
	Health and Well-being		Employment		Flexibility and Work-life balance	Minimum Guarantees
	75 programs dedicated to training employees in health and well-being		30,327 employees are on fixed contracts		57.6% of employees enjoy flexible work schedules	
			€1.44 billion paid in wages and salaries and other payments		1,328 employees availed of maternity and paternity leave	
	84.1% of the workforce is represented on employee-management joint committees		41% of vacancies published were filled through internal promotion, while the internal promotion rate is 86.2%		2,976 employees have teleworking contracts	
					€166.5 million invested in social benefits for employees	

4.5.2. Contribution to Agenda 2030

MAPFRE's footprint is reflected in its contribution to the Sustainable Development Goals through its activity, the implementation of its sustainability plan and the exercise of its corporate citizenship.

In particular, MAPFRE focuses its actions on seven Sustainable Development Goals and is aware that by acting on them it generates an impact on the other 10. (For more information, please see section 6.3 Note 12 Framework to identify MAPFRE's contribution to the Sustainable Development Goals).

MAPFRE's activity

From a general management and impact perspective, the Group's contribution is oriented both externally, developing products and services for all its stakeholders, as well as internally, improving its ESG procedures and performance in relation to the people who work directly and indirectly for the company and manage its assets.

The Group's contribution to the 2030 Agenda materializes mainly through risk coverage, through compensation or the provision of services. Since its inception, MAPFRE has been helping families, companies, and institutions to recover from the impact of claimable events. In 2022, 16.362 million euros in benefits were earmarked. (For more information, please see 6.3. Note 6 Sustainable products.)

MAPFRE has proven capacity to channel the resources entrusted to it by its customers, as well as its own assets, toward sustainable investments with a positive social impact in terms of the 2030 Agenda. As an investor in public debt, MAPFRE not only creates value for all its stakeholders, but also contributes to the social welfare and protection of citizens. In its role as a buyer of debt and other corporate assets, it favors, among other things, the creation of wealth and employment. (For more information, please see section 3.3. Risk management and sustainability in business.)

The following table details MAPFRE's main contributions and impacts in 2022 to the 2030 Agenda and the seven SDGs prioritized by the company with an impact on the other 10.

SDG	Principal Contribution
1 No Poverty	We promote the resilience of 29.8 million people and their families, reducing their exposure and vulnerability to common disasters and extreme events.
3 Good Health and Well-being	In 2022, €1.5 million were invested in actions to promote physical and psychological health, both in the work environment and in employees' personal and family environments.
	218,166 days lost due to absenteeism due to non-occupational accidents and common illnesses. Reduction of 0.11 percentage points in the absenteeism ratio compared to the base year (2019).
8 Decent Work and Economic Growth	More than 115,000 people work directly or indirectly for the company and almost 145,000 providers render services to MAPFRE.
	1,340,882 companies benefit from the coverage of products specifically designed to protect the risks of their economic activities.
11 Sustainable Cities and Communities	More than 154,000 euros allocated to investigating road traffic accidents and reducing accident rates.
	CESVIMAP has evaluated the ADAS systems of 72 different vehicle models, extrapolating results to multiple different versions. 87.1% of the models in the MAPFRE Spain product catalog are covered.
13 Climate Action	Total photovoltaic generation in 2022 was 3,543,038 kWh, which is equivalent to 10.3% of electricity consumed from own generation.
	13 international headquarters hold sustainable building certification, which represents 35.5% of the total floor area of MAPFRE's main buildings.
16 Peace, Justice and Strong Institutions	In 2022, 17,109 employees received 33,203.62 hours of training in the prevention of money laundering.
17 Partnerships for the Goals	The expense corresponding to contributions from trade and institutional organizations that help create a more comprehensive and global vision of the environment in which the insurance industry operates, its impacts and the risks and opportunities inherent, was approximately 2.6 million euros in 2022.

Contribution to the 2030 Agenda through the Sustainability Plan

MAPFRE's Sustainability Plan is aligned with the following business benchmarks of the Global Compact's SDG Ambition international framework:

1. **Reduction of emissions:** MAPFRE has set its own greenhouse gas emission reduction objectives in line with its strategy and underwriting and investment operations. Its public commitments to carbonize investment and underwriting portfolios aim to advance a just transition to a low-carbon economy that contributes to achieving the targets set to take urgent action to combat climate change and its effects (SDG 13), which impacts on ensuring healthy lives and promoting well-being for all at all ages (SDG 3).

Objective	KPI
Reduce the group's carbon footprint.	The carbon footprint has been reduced by 20.62%. Carbon intensity, measured as (total CO ₂ e emissions in metric tons/no. of employees), is 2.25
Achieve carbon neutrality in the main geographies.	The carbon footprint has been neutralized in Spain and Portugal.
Support the low-carbon economy.	Total portfolio emissions have decreased by 34% with respect to the baseline year (2019).
Leverage underwriting to underpin MAPFRE's commitment to sustainable development.	100% of operations comply with underwriting commitments.
Guarantee ESG analysis in the underwriting process.	77% of clients are qualified in line with ESG criteria.

2. **Zero waste:** MAPFRE has determined the source, type and amounts of waste generated that allow it to establish a baseline and identify areas for improvement in waste management. The "Zero Waste" certifications of its buildings, the training of its suppliers in waste management and the development of new insurance products, which include this ambition, are some of the steps taken by the Company to contribute to the achievement of the targets set out in objective 12.

Objective	KPI
Encourage repair versus replacement in repair shops.	39.9% of the Preferred Network of tow truck operators and repair shops trained in repairable waste and repair methods.
Implement the MAPFRE Zero Waste model.	2 buildings with the Zero Waste model in place.

3. **Perception of a living wage:** In labor matters, MAPFRE focuses its action on creating quality employment that contributes to the achievement of different SDGs, such as ending poverty (SDG 1), especially in vulnerable groups, or decent work and economic growth (SDG 8) for all. Salary, pay equity, ongoing training or pre-retirement support are some of the components taken into account by the company in this regard.

Objective	KPI
Develop people's skills, increase employability and offer quality employment.	The level of functional mobility in the main countries the Company operates in stands at 15.7%.
	The Employee Satisfaction Index (ESI) stands at 70%.
	The internal promotion rate at MAPFRE is 86.20.
	41% of vacancies were filled internally.
Increase the number of people with disabilities integrated into the workforce (directly and indirectly).	814 people have had their first professional experience at MAPFRE.
	People with disabilities represent 3.5% of the workforce.
Achieve pay equity, reducing the gender-adjusted pay gap.	4 family members of employees with disabilities integrated into the labor market thanks to the alliances and other agreements MAPFRE maintains with various organizations.
	The average global adjusted pay gap for the Group's fixed remuneration, considering 99% of the workforce, is 2.13%, a percentage equivalent to that of the previous year.

4. **Zero bribery incidents:** Corrupt practices prevent growth, distort competition and have a disproportionate impact on vulnerable people. MAPFRE has zero tolerance for these practices throughout its value chain. By harmonizing providers and strengthening reporting channels, the company contributes to achieving the targets of Goal 16 (Peace, Justice and Strong Institutions).

Objective	KPI
Approve MAPFRE providers in line with sustainability criteria.	4,345 Business Providers of the Preferred Network signed up to clauses related to ESG criteria.
	1,123 Support Providers signed up to clauses related to ESG criteria.
Improve the operation and accessibility of complaint channels and make progress in the development of the ethical framework for digital governance.	external advisor, the guiding principles of the framework for the international standards and respect human rights to which MAPFRE has committed

Additionally, MAPFRE collaborated with other member companies of the think tank enClave de Personas and PwC in the drafting of the report titled *Contribution of People Management to the SDGs*. The report employs a methodology that defines and measures more than 40 indicators, applicable to all types of companies. Its conclusions include the impact of people management on 7 of the 17 Sustainable Development Goals: Health and Well-being (3), Quality Education (4), Gender Equality (5), Decent Work and Economic Growth (8), Reduced Inequalities (10), Climate Action (13) and Partnerships to achieve the goals (17).

Corporate citizenship

The company is also committed to multiplying its contribution to the 2030 Agenda via its corporate citizenship through: collaboration with activities of public and social interest, as well as the promotion of corporate volunteering and the channeling of the solidarity commitment of the people working at MAPFRE (for more information see the People and Organization Report 2022)

Activities of public and social interest

During 2022, MAPFRE collaborated with various cultural, social and environmental initiatives, including:

1. With the sponsorship of the Verti Music Hall cultural space, in the Berlin district of Friedrichshain, MAPFRE seeks to help improve the social and cultural well-being of the immediate community and all its visitors.

2. The "MAPFRE Highway Assistance" program, the result of the partnership between MAPFRE Insurance and the Massachusetts Transportation Department (MassDOT), responds free of charge to more than 30.000 road incidents per year.
3. MAPFRE launched its own Planet Challenge, linked to the eSports City League of Gran Turismo 7 championship, to test the gamer community with a sustainability challenge based on creating habits of recycling, physical activity and sustainable mobility.

The distribution of MAPFRE's contributions to activities of public and social interest are detailed in the accompanying table.

% of contributions as per their corresponding category	
Specific collaborations	14%
Community investment*	56%
Commercial initiatives	30%

In addition to these contributions, Fundación MAPFRE (the main shareholder in MAPFRE S.A.) carries out general interest activities in the areas of Social Action, Insurance and Social Protection, Culture, Accident Prevention and Road Safety, and Health Promotion. More details on its activities are available in its annual report.

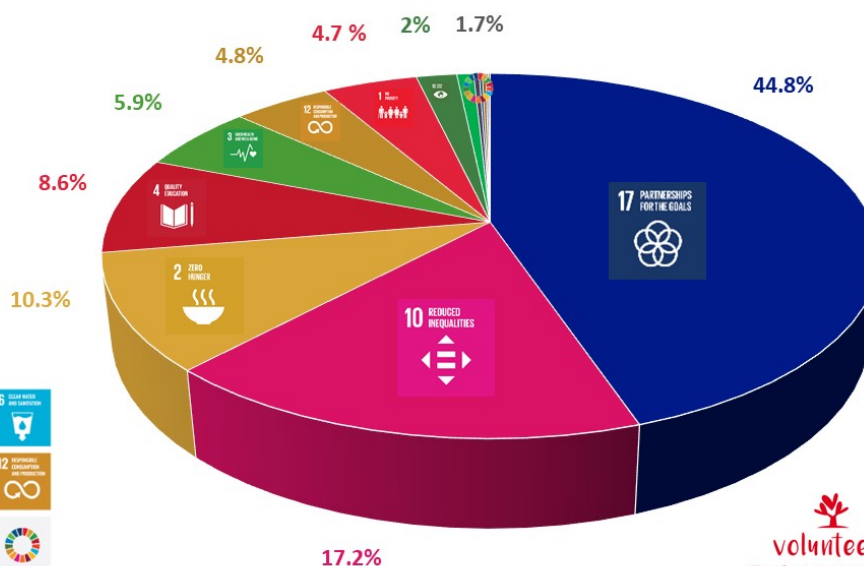
Promotion of volunteering

The corporate volunteering program, whose management is certified by AENOR, has mobilized 4,109 volunteers, including employees and family members during 2022, conducting 1,488 activities around the world in collaboration with 458 not-for-profit organizations, in the fields of education, nutrition, health and emergency aid, among others, directly impacting 124,147 people. More than 12.3 percent of the global workforce has enjoyed a volunteering experience.

CONTRIBUTION OF CORPORATE VOLUNTEERING TO THE SDGS

MAPFRE
People
ready to help

Distribution of the impact of the activities carried out during 2022 on the UN SDGs



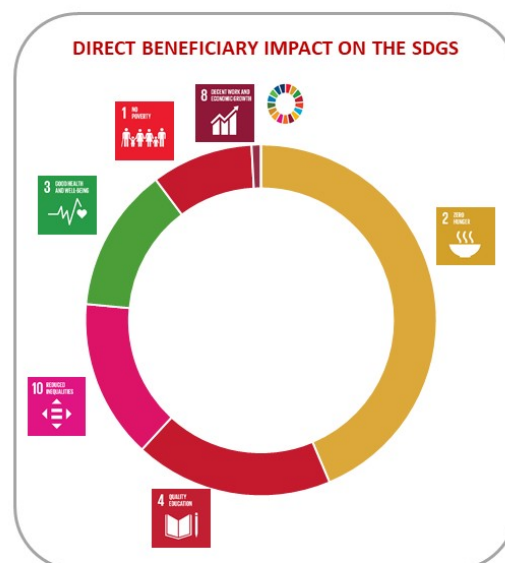
volunteers
Fundación **MAPFRE**

DISTRIBUTION OF THE DIRECT BENEFICIARY IMPACT ON THE SDGS

MAPFRE
People
ready to help

SUSTAINABLE DEVELOPMENT OBJECTIVE	DIRECT BENEFICIARIES	PERCENTAGE IMPACT
2. Zero Hunger	53,755	43.3%
4. Quality Education	22,457	18.1%
10. Reduced Inequalities	18,015	14.5%
3. Health and Well-being	16,372	13.2%
1. No Poverty	11,541	9.3%
8. Decent Work and Economic Growth	1,053	0.8%
Other Sustainable Development Objectives	954	0.8%
TOTAL	124,147	100%

volunteers
Fundación **MAPFRE**

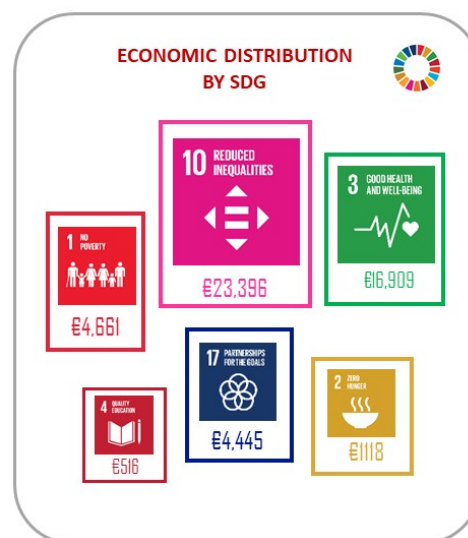


Channeling people's sense of solidarity at MAPFRE

MAPFRE also collaborates with other social projects through monetary collections and programs such as the Euro Solidario in Spain or the Together We Give Program in the United States of America. This initiative offers employees the opportunity to donate one euro/dollar per month from their payroll to a social project of their choice, with the commitment that, for every euro/dollar donated, MAPFRE donates another.

ECONOMIC DISTRIBUTION OF FUNDRAISING BY SDG

SUSTAINABLE DEVELOPMENT OBJECTIVE	TOTAL IN EUROS	PERCENTAGE
10. Reduced Inequalities	€28,396	50.0%
3. Health and Well-being	€16,909	30.2%
1. No Poverty	€4,661	8.3%
17. Partnerships to Achieve the Goals	€4,445	7.9%
2. Zero Hunger	€1,118	2.0%
4. Quality Education	€516	0.9%
TOTAL	€56,045	100%



5. COMMITTED TO THE ENVIRONMENT

Action strategy against climate change

In November 2022, at COP27 in Egypt, the UN Climate Change Executive Secretary made an urgent call to action: “[The COP in] Paris gave us the agreement. Katowice and Glasgow gave us the plan. Sharm el-Sheik shifts us to implementation.”

To heed this call, MAPFRE is launching various strategic projects that are detailed in the Corporate Environmental Footprint Plan 2021–2030, which defines the company's strategy to combat climate change in terms of both mitigation and adaptation.

Meeting the established targets for another year, the carbon footprint of the MAPFRE companies in Spain and Portugal was compensated in 2022⁸.

In addition, at the beginning of 2022, the MAPFRE Group joined the Net-Zero Insurance Alliance with the aim of making its insured portfolio net zero by 2050. This year, work was done to define an appropriate framework for establishing intermediate targets to meet this challenge. (For more information, please see section 3.3.2. Sustainability in the business).

SIGMAYEc³ - our Strategic Model

This effective management system, based on continual improvement and the principles of risk prevention and precaution, has enabled the Group to uniformly expand its corporate environmental principles.

The Environmental Policy, which is constantly evolving to include new commitments, is incorporated into organizational strategies through the operational and management procedures defined in our strategic model, the SIGMAYEc³.

The SIGMAYEc³, which started in the environmental area (ISO 14001), now extends to energy management (ISO 50001), carbon footprint inventory (ISO 14064) and the circular economy through zero waste (AENOR Regulation).

Its transversal design is a guarantee of success in meeting the established targets, as it incorporates all the areas responsible for the different aspects that comprise it.

Furthermore, as this system is based on a commitment to continual improvement, the effectiveness of the measures taken towards the established targets is constantly evaluated.

All actions in this sphere are verified annually by accredited third parties following the main standards of reference.

⁸ As of the date of this report, 3,000 metric tons of CO₂e of the reported footprint have been offset. Full compensation will take place prior to the Annual General Meeting in March 2023.

The progress of SIGMAYEc³ in 2022 is shown in the accompanying chart.



In the context of the new Environmental Footprint Plan and thanks to the expansion of the SIGMAYEc³ model, the Group has established new objectives to be added to the previously existing ones:

Objectives to 2024:

- Reduce the Group's carbon footprint by 19 percent compared to the 2019 baseline.
- Compensate MAPFRE's carbon footprint in Brazil, the United States, Mexico, Peru, Puerto Rico, Germany, Italy and Turkey.

Objectives to 2030:

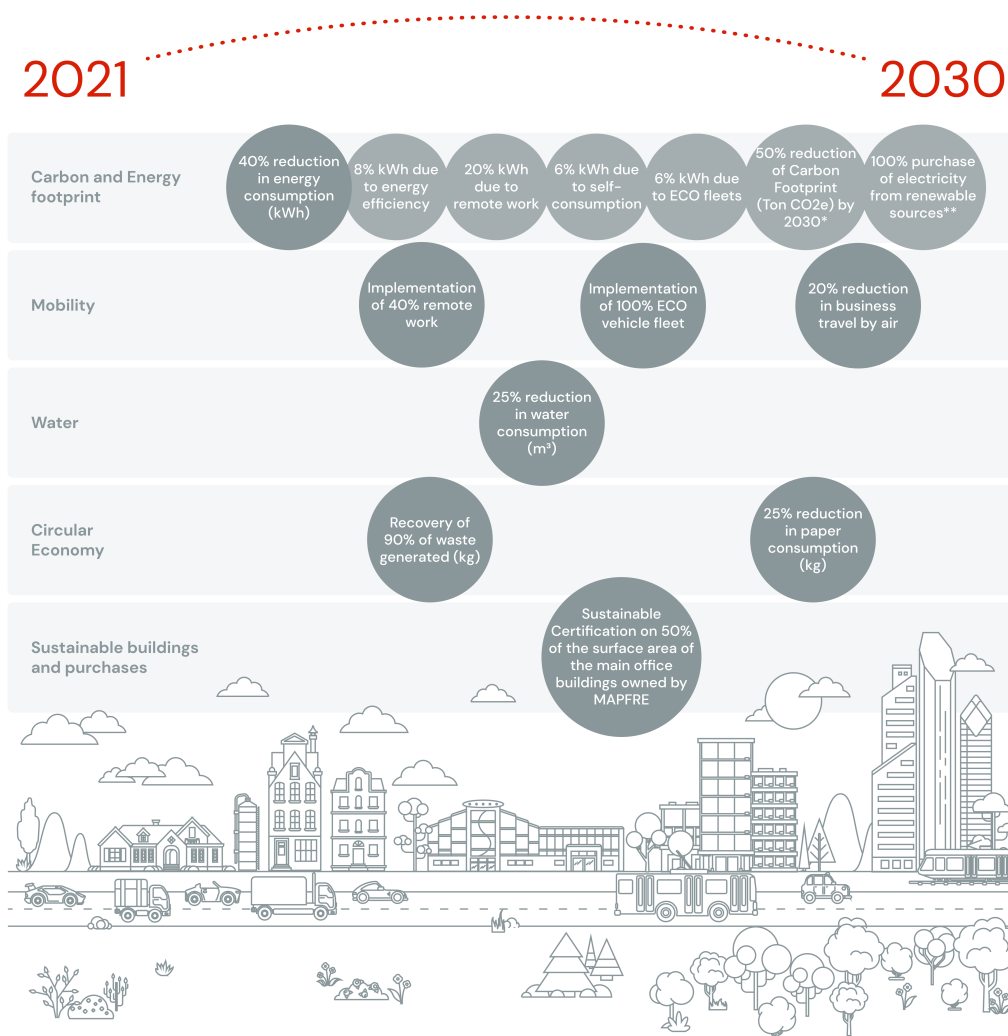
- Reduce the Group's carbon footprint by 50 percent compared to the 2019 baseline.

- Compensate the remaining carbon footprint for the Group as a whole.

5.2. Corporate Environmental Footprint Plan

The Corporate Environmental Footprint Plan includes all the key lines of action to reduce the Group's carbon footprint by at least 50 percent by 2030.

Path to carbon neutrality by 2030



(*) 2019 is established as the baseline for the 2030 Corporate Environmental Footprint Plan.

(**) At locations where technically feasible. This would allow us to join the RE100 initiative led by the Climate Group and CDP.

These lines of action, which define the Group's roadmap to fight climate change, are addressed individually over the following pages.

The Environmental Footprint Plan 2021-2030 establishes the following objectives:

5.2.1. Energy efficiency

Energy use in buildings is one of the largest contributors to total energy consumption and Greenhouse Gas (GHG) emissions. For this reason, making our buildings more energy-efficient is crucial to reduce our environmental impact and meet the Group's objectives.

Corporate Environmental Footprint Plan 2021-2030: Energy efficiency

Reduction in Group energy use with respect to the baseline	Baseline (2019)	Performance 2021	Performance 2022	Goal 2024	Goal 2030
Total GWh of energy acquired	155	128	136	127	93
Percentage reduction with respect to 2019 baseline		-18%	-12%	-16%	-40%

Energy efficiency indicators

During 2022, energy consumption was reduced by 19,339,218 kWh compared to 2019, which represents a 12 percent decrease, exceeding the targets of 3.5 percent and 5,434,303 kWh for 2022

The most important actions taken this year towards energy efficiency, as well as their impact on the associated indicators, are shown below:

- In 2022, MAPFRE launched one of the most comprehensive and unique self-generated solar power facilities in Spain, with the installation of 4,700 state-of-the-art solar panels at the Group's headquarters, with an area of 5,700m². These facilities will generate 3.1 GWh per year, allowing MAPFRE to self-supply 40% of its annual electricity consumption, avoiding the emission of 740 tons of CO₂ per year into the atmosphere. This clean energy will also supply the 48 free charging points that MAPFRE offers employees at its head office.
- Total solar power generation in 2022 reached 3,543,038 kWh through the contribution of the panels installed at the headquarters in Majadahonda (Madrid, Spain), the Data Center in Alcalá de Henares (Madrid, Spain), Valencia (Spain) and Sant Cugat (Spain), CESVIMAP-Vicolozano (Ávila, Spain), the company's headquarters in Mexico and the Dominican Republic and the MAPFRE ASISTENCIA building in Italy. This is equivalent to 10.3 percent of self-generated electricity consumed at these sites.
- In 2022, the awareness campaigns on heating and air conditioning in buildings continued with the aim of adapting room temperatures to improve energy efficiency: The Cool Biz campaign in Spain and Argentina (for energy savings from heating in winter) and the Cool Biz campaign in Spain, Argentina, Mexico, Portugal and Uruguay (for energy savings from air conditioning in summer). The objective of both campaigns is to adjust the room temperature by 1°C, which translates into an estimated 7% savings in energy consumption.

- During 2022, the MAPFRE headquarters in Mexico earned MAPFRE's SIGMAYEc³ Energy Management certifications, and the company now has a total of 26 certified buildings (located in Spain, Puerto Rico and Mexico).
- Other relevant actions aimed at improving energy efficiency during 2022 were: the replacement in 2022 of conventional lights with LEDs in the paint booths of the motor vehicle repair shop in Alcalá de Henares (Madrid, Spain) with expected savings of 21,612 kWh per year and a 65 percent saving of that energy use; improvements in the air conditioning systems of the Azca (Madrid, Spain), CSA Alcorcón (Madrid, Spain), and Headquarters buildings in Mallorca (Spain), Puerto Rico and Brazil with an expected saving of 409,130 kWh; and the replacement of lights with LEDs in the Headquarters buildings in Aravaca (Madrid, Spain), Las Palmas (Spain), Zaragoza (Spain), Brazil, Italy, Puerto Rico and CSA Alcorcón (Madrid, Spain), with an expected saving of 202,436 kWh.

For more information about the environmental performance indicators, please see 6.3. Notes on additional information Note 13 Environmental indicators.

5.2.2. Sustainable buildings

Designing and constructing a building according to the highest efficiency criteria achieves significant savings in multiple environmental aspects, such as power and water consumption, reducing the carbon footprint while improving occupant comfort due to optimized room temperatures and air quality.

MAPFRE therefore aims to obtain LEED, BREEAM, and ENERGY STAR certifications for sustainable buildings, or similar credentials granted locally, for all new constructions and major renovations. Additionally, management systems that target continuous improvement, such as ISO 14001 and ISO 50001, aim to control buildings' environmental impact and require demonstrable improvements in their environmental performance.

For this reason, the 2030 Environmental Footprint Plan establishes the following objectives for MAPFRE Group properties:

Corporate Environmental Footprint Plan 2021-2030: Sustainable buildings

Certification of buildings	Baseline (2019)	Performance 2021	Performance 2022	Goal 2024	Goal 2030
Percentage of square meters in sustainable buildings	15 %	35 %	36 %	39 %	50 %

Sustainable building indicators

- In 2022, with the LEED Gold certification of the Coruña headquarters (Spain), 13 offices around the world now have a sustainable building certification, representing 35.5 percent of the surface area of MAPFRE's main buildings.
- 44 offices worldwide operate under the environmental and energy facets of SIGMAYEc³.

For more information about the environmental performance indicators, please see 6.3. Notes on additional information Note 13 Environmental indicators.

5.2.3. Carbon footprint

The MAPFRE Group is collaborating with the international climate agenda by seeking initiatives and tangible actions that offer real solutions to the challenges of climate change, with the aim of limiting the temperature increase to 1.5°C. Within its Environmental Footprint Plan 2021-2030, it undertakes to cur its carbon footprint by 50 percent by 2030 compared to 2019.

To meet its emissions reduction target, the following strategic objectives were defined:

Corporate Environmental Footprint Plan 2021-2030: Carbon footprint

Reduction in tons of CO ₂ eq	Baseline (2019)	Performance 2021	Performance 2022	Goal 2024	Goal 2030
Tons of CO ₂ eq	83,448	50,207	61,727	67,425	41,336
Percentage reduction with respect to 2019 baseline		-40 %	-26 %	-19 %	-50 %
Percentage of energy from renewable sources with guarantees of origin	59 %	66 %	65 %	87 %	100 %

*The performance for 2021 was heavily conditioned by the extraordinary operating environment motivated by COVID-19

Carbon footprint indicators

- The carbon footprint in Spain and Portugal was offset for the second consecutive year, representing 17,152 metric tons of CO₂e^{9 10}.
- In 2022, the Group's carbon footprint was reduced by 21,720 metric tons of CO₂e compared to 2019, which is a 26 percent decrease. This exceeds the 2022 reduction targets of 1.71 percent and 209 metric tons of CO₂e for Scope 1 and 14.56 percent and 2,131 metric tons of CO₂e for Scope 2, as well as 3.53 percent and 1,998 metric tons of CO₂e for Scope 3.
- In 2022, the proportion of clean electricity purchased by the MAPFRE Group increased thanks to renewable electricity contracts for 100 percent of consumption in Spain and Germany, 99 percent of consumption in Portugal, 42 percent in Italy and 34 percent in Brazil. Through this purchase of clean energy, which prevented emissions of 14,913 metric tons of CO₂e into the atmosphere in these countries, meaning 65 percent of the Group's global power consumption comes from renewable sources.
- The MAPFRE Group continues its process of decarbonizing its Scope 1 emissions (direct emissions) through the ecological heating systems project. After the replacement of natural gas boilers in the General Perón 40 building (Spain), in 2022, Scope 1 direct emissions were reduced by 70.23 metric tons of CO₂e, as combustion of 36,294 cubic meters of natural gas was avoided at this headquarters.

⁹ The commitment to carbon neutrality includes direct and indirect emissions from imported energy (Scope 1 and 2), other indirect emissions (Scope 3) from transport, products and services used in the company, and those associated with use of the company's products.

¹⁰ As of the date of this report, 3,000 metric tons of CO₂e of the reported footprint have been offset. Full compensation will take place prior to the Annual General Meeting in March 2023.

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- In 2022, the Dominican Republic joined the carbon footprint inventory under ISO 14064, the same year that the 2012 version of the standard was transitioned to the 2019 version, initiating the process to expand the scope of reporting under this standard in the coming years. With the addition of this country, 85.46 percent of the Group's employees are now under this international standard for reporting greenhouse gas emissions.

For more information about the environmental performance indicators, please see 6.3. Notes on additional information Note 13 Environmental indicators.

5.2.4. Sustainable mobility

The transport of people and goods is the sector that most seriously impacts on climate change, generating around a quarter of global GHG emissions.

This aspect accounts for 73 percent of MAPFRE's carbon footprint and is mainly motivated by employees commuting between home and work as well as business trips (plane, train, and car).

Therefore, MAPFRE has established two ways to shrink its transport-related carbon footprint: reducing the number of trips, promoting work methods that are less dependent on physical presence, and encouraging more ecological and collective means of transport.

The Environmental Footprint Plan establishes the following commitments:

Corporate Environmental Footprint Plan 2021-2030: Sustainable mobility					
Reduction in GHG emissions deriving from mobility	Baseline (2019)	Performance 2021	Performance 2022	Goal 2024	Goal 2030
Tons of CO ₂ eq related to commuting	39,510	24,150	33,649	32,890	23,706
Percentage reduction with respect to 2019 baseline (commuting)		-39%	-15%	-17%	-40%
Tons of CO ₂ eq related to business travel	15,342	3,613	5,005	14,416	12,414
Percentage reduction with respect to 2019 baseline (business travel)		-76%	-67%	-8%	-2%
*The performance for 2021 was heavily conditioned by the extraordinary operating environment motivated by COVID-19					

Sustainable mobility indicators

In 2022, the carbon footprint associated with business trips was reduced by 10,237 metric tons of CO₂e compared to 2019, meeting the 4 percent annual target.

At the end of 2022, the Group's new travel policy was approved and updated, applying sustainability criteria to travel management. This policy is directly implemented in Spain and should be adapted locally for the rest of the Group's countries in the coming year.

In 2022, the proportion of ECO vehicles in the MAPFRE Group fleet increased to 12 percent after the replacement of combustion engine vehicles with hybrid and electric vehicles. By the end of 2022, ECO vehicles accounted for more than 50 percent of the company's fleet in Portugal, Mexico and Spain. The other countries continue the gradual migration process to make 100 percent of the MAPFRE Group's fleet ECO by 2030. Among them, Germany stood out with 44 percent ECO vehicles at the end of the year. This ecological renewal of the fleet prevented the combustion of 82,097 liters of diesel in 2022, reducing the Scope 1 direct emissions associated with own vehicle use by 14 metric tons of CO₂e.

Likewise, since 2019, all vehicles assigned to management teams in Spain have been classified as ECO, reaching a rate of 43 percent ECO vehicles in this group by the end of 2022.

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In 2022, progress was made in reducing the number of commutes by progressively implementing the hybrid working model in the countries where the MAPFRE Group operates (see 4.3.2. Flexibility and agility for more information). Thanks to these mobile working formats, especially in countries with the highest numbers of employees, such as Spain, Brazil and the United States, the carbon footprint associated with commutes decreased by 5,861 metric tons of CO₂e and 15 percent compared to the 2019 baseline emissions.

In terms of business mobility, in 2022 there were 29 hybrid tow trucks and 39 fully electric or LPG-powered repair shop vehicles operating in the provider network in Spain. In addition, thanks to the ECO vehicle project in Spain to replace batteries, the number of providers specializing in this type of malfunction has increased. Thus, in 2022, servicing was carried out on 207,131 vehicles that would not start due to malfunctioning batteries, thus avoiding future breakdowns arising from the same problem.

For more information, please see 6.3. Notes on additional information Note 13 Environmental indicators.

5.2.5. Water management

Fresh water is a limited resource and using it efficiently has become an obligation for companies, especially in countries and areas experiencing water stress.

The Environmental Footprint Plan establishes the following saving actions:

Corporate Environmental Footprint Plan 2021-2030: Water management					
Reduction in consumption of water	Baseline (2019)	Performance 2021	Performance 2022	Goal 2024	Goal 2030
m3 of water acquired	720,111	585,782	680,777	620,079	540,083
Percentage reduction with respect to 2019 baseline		-19%	-4%	-14%	-25%

Water management indicators

- In 2022, water consumption was reduced by 31,018 m³ compared to 2019, representing a 4.3 percent reduction and exceeding the 2022 targets of a 2.3 percent decrease and 16,692 m³.
- In many countries where the Group operates, technical actions have been taken to reduce water consumption. For example, the Mexico headquarters has waterless urinals and flushing systems that use recycled water from a purifier in the facilities; equipment is used to reduce water pressure in the Colombia headquarters; and in the U.S. headquarters, there are sensors in the faucets, and water consumption for irrigation was reduced in summer 2022.
- Awareness-raising campaigns to achieve a more efficient and responsible use of sanitary water in the following countries: Argentina, Chile, Costa Rica, Honduras and Uruguay.

For more information, please see 6.3. Notes on additional information Note 13 Environmental indicators.

5.2.6. Circular economy

The transition to a circular economy is a major global challenge. For this reason, MAPFRE has been working since 2019 to develop plans that address this model from an internal management perspective, emphasizing:

- Use of sustainable materials, promoting the responsible consumption of resources.
- Reduced generation of waste, increasing reuse, recycling, and salvaging, decreasing landfill waste, and taking actions to combat food waste.
- Contracting of waste management companies with business models that align with the principles of circularity, gradually adapting to the zero-waste management model.
- Promotion of projects related to the circular economy.

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As a sign of this commitment, MAPFRE was the first insurance company in Spain to sign up to the Pact for a Circular Economy. Further information on the monitoring indicators for the degree of implementation of the Pact can be found in the following document (available only in Spanish): https://www.miteco.gob.es/es/calidad-y-evaluacion-ambiental/temas/economia-circular/iinformedeindicadores2017-2019_tcm30-510491.pdf.

The Environmental Footprint Plan 2030 targets the salvaging of 84 percent of the waste generated in the Group's operations worldwide by 2024 and 90 percent by 2030. In addition, the Zero Waste model will be extended from the main corporate headquarters to other headquarters by 2024: Spain, Mexico, Brazil, and Puerto Rico.

Corporate Environmental Footprint Plan 2021-2030: Circular economy					
Reduction in waste	Baseline (2019)	Performance 2021	Performance 2022	Goal 2024	Goal 2030
Percentage of waste treated	0.73	0.95	0.99	0.83	0.9
*The performance for 2021 was heavily conditioned by the extraordinary operating environment motivated by COVID-19					

One example of its integration into business is **CESVIMAP**, MAPFRE's Road Safety and Experimentation Center, a world-renowned technology center for the design, insurance, use, maintenance, repair, and recycling of vehicles and other mobility solutions for goods and people.

Vehicle decontamination (extraction of hazardous waste), reuse of viable parts for the purpose for which they were designed, recycling of vehicles' raw materials, and energy recovery from the materials are the four ecological processes used by CESVIRECAMBIOS, one of MAPFRE's Authorized Treatment Centers for accident vehicles. This center is a benchmark for the ecologically responsible disposal of vehicles, extending the life of some parts and enabling the rest of the vehicle's base materials (steel, plastic, aluminum, glass, rubber, fabric, etc.) to be reused. All these steps take advantage of the raw materials and industrial processes while helping to reduce energy consumption.

Circular economy indicators

- Zero Waste certification (AENOR Regulation) is maintained for the company's headquarters complex in Madrid, Spain.
- For the first year, MAPFRE's Data Center in Alcalá de Henares (Madrid, Spain), where more than 90 percent of technological waste has been salvaged, is certified as a Zero Waste location.
- The Zero Waste management model has been implemented at the Mexico headquarters, where organic waste is composted, generating a raw material that can be used for agricultural purposes.

- Management of 6,486 tons of waste globally, of which 6,407 tons have undergone salvaging processes: recovery, recycling, or energy production, 99 percent of the total.
- The consumption of 191 tons of paper has been avoided thanks to the biometric electronic signature, avoiding emissions of 175.75 metric tons of CO₂e in Spain and Portugal.
- Reuse of 77 percent of total IT equipment waste managed in Spain, avoiding 175.75 metric tons of CO₂e and donating 24,750 kg of computer equipment in the Group.
- Treatment of 1,847 vehicles, from which a total of 54,485 parts were salvaged for reuse in different markets.
- Work continues on the following projects: MAPFRE without Plastic, the ECORAE project, reuse and recycling programs, employee awareness programs, and Zero Waste implementation.
- Development of the Document Printing Environmental Management Project, focused on the use of electronic signatures in the insurance business.
- Launch in Spain of the "MAPFRE Virtual Forest" initiative, a site created for employees to learn about their paper, toner and energy consumption when using printers in the workplace, their regional and/or central office and at home. The aim of this project is to cut down on the use of paper for printing, thereby helping to reduce paper and toner waste.
- Participation in the Circular and Green Weekend initiatives.

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For more information, please see 6.3. Notes on additional information Note 13 Environmental indicators.

5.2.7. Green procurement

One of the lines of work in the Corporate Environmental Footprint Plan 2030 is the development of sustainable purchases. Under the "Green Purchasing" theme, the objective is to deploy a model for acquiring products, services and works and for drafting contracts based on environmental aspects that guarantee the minimum environmental impact during their life cycle.

To achieve this, actions have been defined as targets for 2024 for MAPFRE in Spain and 2030 for the rest of the Group.

Green purchasing indicators

- Italy, Peru and Portugal have begun to deploy the SAP ARIBA tool, launched in Spain in 2021.
- 41 MAPFRE providers that participate in the CDP initiative.
- Launch of a pilot experience to incorporate green purchasing sheets into waste collection and management services and messaging and internal mail in Spain.

5.2.8. Natural capital management and biodiversity preservation

With regard to Natural Capital, the UN Conference on Biological Diversity (COP 15) was held in 2022 with the objective of agreeing on a new global framework to transform society's relationship with biodiversity and ensure that the shared vision of living in harmony with nature is fulfilled by 2050.

This framework will be equivalent in terms of nature to the Paris Agreement on Climate Change.

Although MAPFRE work centers are not located in protected or cataloged spaces of high diversity, the development of the company's activity depends directly on and directly impacts natural capital, which includes both biodiversity and the services provided by ecosystems, as well as natural resources (water, energy, fuels, etc.).

Natural capital and biodiversity preservation indicators

- Various actions on reforestation and cleaning of natural spaces through corporate volunteering in Argentina, Brazil, Costa Rica, Mexico, Peru, Turkey, Venezuela, Ecuador, Honduras, the Dominican Republic, Nicaragua, Malta, Spain, Portugal and Colombia.

- CO₂ REVOLUTION project in Spain to regenerate the biodiversity of a fire-degraded space by planting 4,874 trees.
- In Portugal, the company collaborated with the "Plantar Uma Arvore" association to help regenerate protected areas by planting 1,667 native-species trees from different strata of the plant ecological system, improving the survival rate, biodiversity and resistance to fire.
- Launch of the pilot project with ECOACSA and the LIFE (Lasting Initiative for Earth) Institute of Brazil, which promotes the business sector's participation in biodiversity conservation and the maintenance of ecosystem services. The project aims to quantify the impact of the facilities in Spain and Portugal on natural capital.
- Together with Fundación Biodiversidad, MAPFRE is analyzing its current commitment to biodiversity and natural capital to define the new challenges and objectives aligned with this new global framework.

5.3. Corporate strategy for offsetting greenhouse gas emissions

The Corporate Environmental Footprint Plan is complemented by the corporate Greenhouse Gas Compensation strategy.

Accordingly, MAPFRE's carbon footprint in Spain and Portugal has been offset through reforestation and renewable energy projects. Compensation projects are selected according to criteria that encourage biodiversity recovery and ensure ecosystem services and natural capital, going beyond the creation of carbon sinks.

As part of this strategy, the company has created the "MAPFRE Real Forest," which, based on the reforestation activities to offset its carbon footprint in Spain and Portugal, encompasses all the reforestation projects developed by the Group to create carbon sinks that support the fight against climate change. Additionally, the launch of the MAPFRE Virtual Forest (described in section 5.2.6. Circular economy) completes the "MAPFRE Forest" as a whole.

6. ADDITIONAL INFORMATION

6.1. Bases of preparation and presentation of the report

About this report

Integrated Report

This Report has been prepared in accordance with the Comprehensive option of the GRI Standards, the GRI financial sector endorsement (whose content index is attached as an Annex to this Report) and the recommendations of the information framework published by the International Council of the Integrated Report (IIRC).

The Report responds to the information requirements of EU Directive 2014/95 on the disclosure of non-financial information and diversity, as well as its respective transpositions in Germany, Spain, Italy and Portugal. It also includes the information required from the Consolidated Non-Financial Information Statement, which forms part of the Consolidated Management Report of MAPFRE S.A. In addition, it responds to the requirements of Regulation 2020/852 on Environmental Taxonomy.

The consolidated Annual Accounts and Management Report have been taken into consideration. Such information is public and can be consulted in full on MAPFRE's corporate website. This report includes information from January 1, 2022 to December 31, 2022.

The Report provides a comprehensive view of MAPFRE, its deployment, its business model, the challenges and risks it faces, and its social, environmental, economic and governance performance. It constitutes the approximation to the creation of economic and social value, which has allowed us to continue deepening and establish a greater relationship between the business model and the effect on the described resources.

This Report has been analyzed by the Audit and Compliance Committee and was duly ratified by the Board of Directors of MAPFRE S.A at its meeting of February 8, 2023.

Information scope

The Integrated Report corresponds to MAPFRE S.A. and its subsidiaries and investee companies, and the scope of information established in the reports used as the basis for their preparation have been taken into consideration.

The Alternative Performance Measures (APM) used in the Report, which correspond to those financial measures not defined or detailed in the framework of the applicable financial information, can be consulted on the company's website:

<https://www.mapfre.com/media/shareholders/2022/2022-03-22-alternate-performance-measures.pdf>

Some of the figures included in this Report have been rounded. Therefore, discrepancies in the tables between the totals and the amounts listed could arise due to such rounding.

Materiality, relevance and inclusivity

This Integrated Report includes all relevant information for MAPFRE and for stakeholders. In 2021, a materiality study was carried out that has made it possible to identify those aspects of great impact for MAPFRE and its stakeholders. A review of the study was carried out in 2022 to ensure that we focus on the risks and opportunities that most concern our stakeholders. This study addresses the perspective of double materiality and has served as the basis for the preparation of this report. (For more information, please see section 6.2. Materiality of this report.)

The relevant issues in the environmental, social and governance spheres are covered by the material issues and the information contained in this Integrated Report.

Likewise, there are some relevant aspects that are not fully presented in the body of this Report. These are fully developed and included in:

- Section 6.3 Notes on additional information of this Report.
- Consolidated Annual Accounts Report and Consolidated Management Report. (Published on the corporate website, at www.mapfre.com.)
- Fundación MAPFRE Annual Report. (Published on the organization's website, at www.fundacionmapfre.org.)
- Annual Corporate Governance Report. (Published on MAPFRE's corporate website, at www.mapfre.com.)
- Annual Report on Remuneration of Directors of public companies. (Published on MAPFRE's corporate website, at www.mapfre.com.)
- MAPFRE People and Organization Report 2022. (Published on MAPFRE's corporate website, at www.mapfre.com.)

- MAPFRE Group TCFD Report 2022. (Published on MAPFRE's corporate website, at www.mapfre.com)

Response capacity

The Report, in addition to offering relevant information for the stakeholders with which MAPFRE interacts, responds to the observations transmitted by them throughout the year. However, people interested in consulting or supplementing the information provided in this document can contact MAPFRE through the following channels:

Corporate Sustainability:
responsabilidadsocial@mapfre.com

Corporate External Relations and Communication Area:
comunicacion@mapfre.com

Environment Department:
medioambiente@mapfre.com

Capital Markets and Analyst and Investor Relations:
relationsconinversores@mapfre.com

MAPFRE's corporate website:
www.mapfre.com

External assurance

The qualitative and quantitative information of the indicators in this document responds to the new GRI standards that have been externally assured by KPMG Asesores S.L., including the information provided for the activities of MAPFRE ASISTENCIA, MAPFRE GLOBAL RISKS, MAPFRE RE and MAPFRE Seguros carried out in Germany, Brazil, Colombia, Spain, USA, Mexico, Peru, Puerto Rico and Turkey, which together account for 89 percent of the Group's turnover.

In addition, a limited review of the data provided by the rest of the MAPFRE entities has been carried out.

Balance

The Report reflects the positive aspects of the organization's performance, and when the results have not reached the expectations that had been formulated, this circumstance is noted in the corresponding sections.

6.2. Materiality

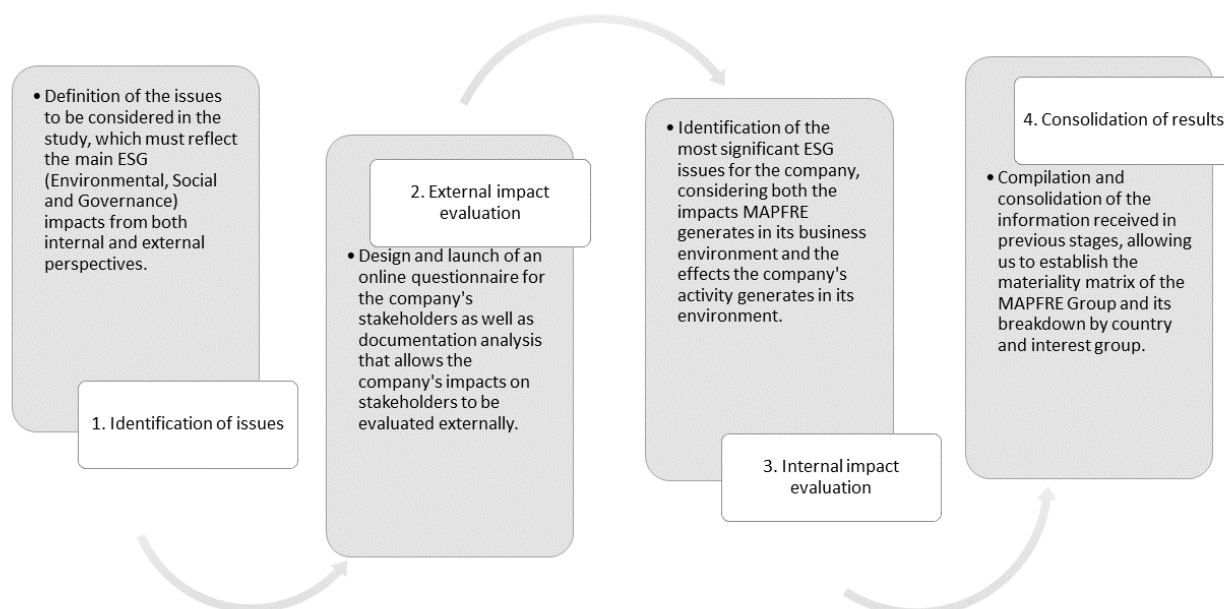
MAPFRE regularly carries out an analysis called a Materiality Study that helps prioritize topics that are relevant both for stakeholders and for MAPFRE. The materiality analysis was carried out in 2021 using an updated methodology that enables the company to stay on top of trends, align its approach, reporting and strategy with sustainability issues and set internal and external priorities for stakeholders and the business. In 2022, a review of the study was carried out to ensure that the company is focusing on the risks and opportunities that concern its stakeholders.

The study includes the concept of materiality as established in the GRI 3 standard: Material Topics 2021, in which the real and potential impacts on the economy, the environment and people have been evaluated and integrated, including impacts on human rights, across the entire organization's activities and commercial relations. These impacts may be negative and positive, short and long term, intended and unintended, and reversible and irreversible. To identify these impacts and address the concerns of our main stakeholders, the organization has consulted both internal and external sources. (See more detail in the accompanying graphic.)

The materiality study was completed taking into account the global nature of the company and all the stakeholders identified by MAPFRE were included in the scope. The study was been deployed in the main countries in which the company operates: Spain, Brazil, the United States, Mexico, Peru, Puerto Rico, Germany, Italy, Turkey, Panama and Colombia, which represent 91.21% of the volume of the Group's business.

The study was conducted with the following phases:

2021:



Variables:

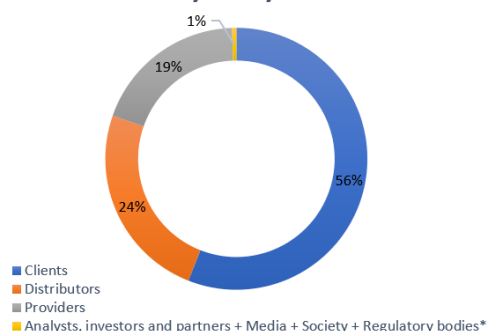
The study focuses mainly on the concept of impact, understood as the actual or potential effect on the surroundings, environment and people, whether positive or negative. In this regard, it should be noted that, in view of this materiality study, both MAPFRE's impact on its surroundings as well as the effect that its surroundings may have on MAPFRE are assessed.

Within this framework, two variables have been established that constitute the pillars of the materiality matrix:

- **Internal impact evaluation:** Impact evaluation performed by the company itself and considering documentation and opinions of groups that define MAPFRE's strategic orientation. This assessment considers both the ESG (environmental, social and governance) impacts that MAPFRE generates on its surroundings, as well as the ESG effects that the latter generates on MAPFRE, and which may affect the achievement of the organization's strategic objectives and/or the normal performance of the activity.

- **External impact evaluation:** Impact evaluation performed by each of the different interest groups (employees, customers, suppliers, distributors, analysts, shareholders and investors, regulatory and supervisory bodies, the media and society in general)¹¹ using the information sources accessible to each of them. In total, more than 12,000 users have actively participated in the consultation process, as shown in the accompanying graphic.

Materiality Study - Parties Consulted



*For these smaller interest groups, surveys were combined with desk analysis.

This external impact evaluation is expressed through the expectations and concerns of the stakeholders, which require MAPFRE to act in relation to matters that have an impact on them.

¹¹ For these less numerous stakeholder groups, the surveys were combined with documentation analysis.

2022:

In 2022 the company carried out a review of the same study in line with the following phases:

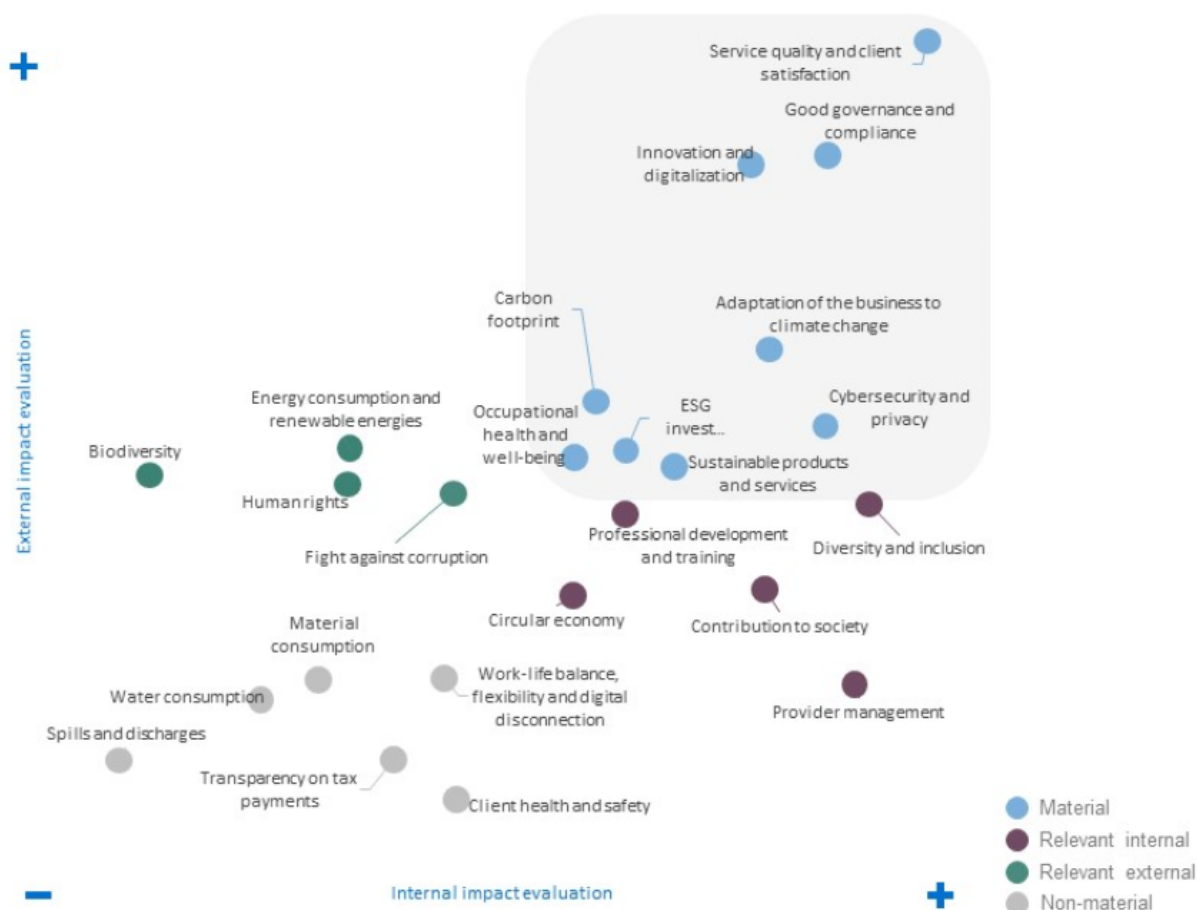
- Phase 1. Analysis and identification of material topics as per the following reference sources:
 - External sources: Financial Stability Report June 2022 (EIOPA); Creating value, finding focus: Global Insurance Report 2022 (McKinsey); Ukraine: A conflict that changed the world (Lloyd's); AON Making Better Decisions in Uncertain Times: Aon's 2022 Executive Risk Survey; Global Risks Report 2022 (World Economic Forum).
 - Internal sources of the company: MAPFRE Group Risk Matrix.

The topics identified have been grouped under the following headings: environmental, economic, geopolitical, social, technological, regulatory and market.

- Phase 2. Review of the material, relevant, impact and non-material topics of the MAPFRE 2021 materiality study and the reference topics identified in the previous phase. The topics from the previous phase have been validated, with the 24 key topics for the 2021 study, taking into account the relevance they represent for the aforementioned studies, as well as the influence they may have for MAPFRE.

Materiality matrix

The MAPFRE 2022 materiality matrix is shown here, being the result of consolidating the results of both phases, where material, relevant internal, relevant external and non-material topics can be observed.



It should be noted that the topics that MAPFRE identified as material in 2021 remain valid, which demonstrates the consistency of the internal model for the analysis and identification of issues pertaining to sustainability.

Topics under observation:

- Economic slowdown and rising inflation, accelerated by the war in Ukraine. According to the World Bank, the world could be inching toward a global recession in 2023 and a series of financial crises in emerging markets and developing economies that could cause lasting damage.

For these and other reasons, MAPFRE considers that monitoring the behavior of the economy and its impact on the insurance/reinsurance sector is a key factor that affects our strategic priorities and the issues that we have defined as material, but it is not included as a specific factor in the materiality matrix.

- Personnel management / talent retention: employee attraction and retention processes are one of the risks that organizations are facing this year. Human talent continues to be key for organizations, but the work environment, heavily impacted by COVID-19, is totally different. The ability to adapt and present appropriate and different models will be the key to attracting and retaining talent.

The following table shows the link between the material issues and the Group's strategy, as well as with the sustainability plan. Likewise, the section of this report where its management is detailed is indicated.

Material topic	Connection with Group strategy (Section 2.2.1.)	Connection with Sustainability Plan 2022-2024	Location in this report
Service quality and customer satisfaction	Strategic pillar: disciplined growth, efficiency and productivity	Lines: – Sustainable products – Transparency	4.1. Protecting the client / Customer satisfaction
Good governance and compliance	Strategic pillar: transformation	Line: – Transparency	2.4. Good governance
Innovation and digitalization	Strategic pillar: disciplined growth, efficiency and productivity	Lines: – Circular economy – Inclusion – Sustainable products	4.1. Protecting the client / Digital business
Adaptation of the business to climate change	Strategic pillar: transformation	Lines: – Environmental footprint management – Sustainable products – Sustainable underwriting – Sustainable investment	3.3.2. Sustainability in the business 5. Committed to the environment
Cybersecurity and privacy	Strategic pillar: efficiency and productivity	Line: – Transparency	2.4.4. Cybersecurity and data privacy
Carbon footprint	Strategic pillar: transformation	Lines: – Environmental footprint management – Circular economy – Sustainable investment – Sustainable underwriting	3.3.2. Sustainability in the business 5. Committed to the environment
ESG investment	Strategic pillar: transformation	Lines: – Sustainable products – Sustainable investment	3.3.2. Sustainability in the business
Sustainable products and services	Strategic pillar: transformation	Lines: – Sustainable products – Sustainable underwriting – Sustainable underwriting	3.3.2. Sustainability in the business
Occupational health and well-being	Strategic pillar: transformation	Lines: – Employment – Inclusion	4.3. Developing people

For more information on material topics, please see 6.3. Notes on additional information Note 14 Material topics.

MAPFRE's strategy with the different stakeholders is already addressed from the very definition of MAPFRE's mission and vision, the objective being to build long-term relationships of trust based on commitment and dialogue and developed from integrity, responsibility and transparency, thereby contributing to the sustainable value creation model pursued by the group and acting in accordance with the provisions of MAPFRE's Code of Ethics and Conduct and MAPFRE's Corporate Social Responsibility Policy.

In order to gather information on the negative impacts and risks in terms of human rights, MAPFRE has consultation channels (see the Main Channels of Relations with Stakeholders graphic) through which to involve affected and potentially affected rights holders, including workers, their legal representatives and unions. These channels are accessible and take into account potential barriers to effective stakeholder engagement.

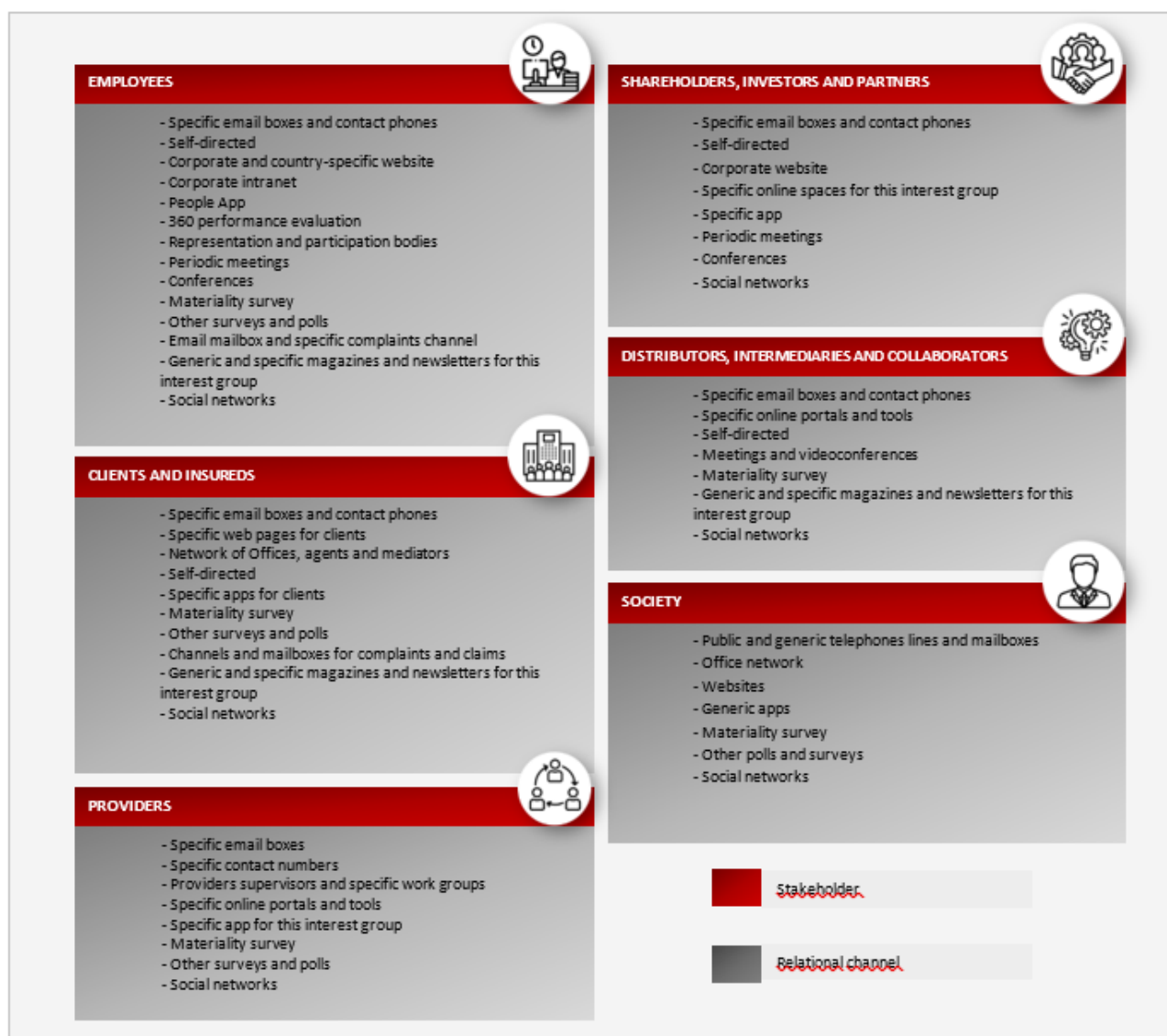
Chapter 4 of this report is dedicated to highlighting the most relevant aspects of management with stakeholders, employees, customers and policyholders, distributors, intermediaries and collaborators, providers and shareholders.

As far as governments and the authorities are concerned, MAPFRE carries out its business activities with full respect for current regulations in the countries in which it operates, acting in accordance with the provisions of the Group's Code of Ethics and Conduct, as well as the Anti-Corruption Policy and the Corporate Sustainability Policy of the company.

Since 2019, MAPFRE has been registered in the Transparency Registry of the European Union, with the aim of promoting transparency and openness in interaction with community institutions, enabling its participation in the decision-making and policy-making process and ultimately contributing to reinforcing institutional trust. This registration also entails respect for certain ethical and behavioral principles in the course of their work representing interests with the EU institutions, collected in a code of conduct.



Main relational channels for stakeholders



From the firm conviction that alliances and public-private collaboration are essential to contribute to the economic and social development of the communities in which it operates (SDG 17) and the role it plays as a corporate actor, MAPFRE collaborates and participates in industry and business organizations that help it form a more comprehensive and global vision of the environment in which the insurance industry operates, its impacts, risks and opportunities, while allowing you to learn the keys to an increasingly complex and interconnected economic and social reality, as well as contributing to the public debate on the main issues of interest for the insurance and investment sector, specifically, and for the business world, in general.

The main business and sector associations, foundations, chambers of commerce and other non-profit organizations through which the MAPFRE Group carries out its institutional activity are shown in the accompanying tables.

Cámara de Comercio de España	SPAIN
Confederación Española de Organizaciones Empresariales (CEOE)	
Unión Española de Entidades Aseguradoras y Reaseguradoras (UNESPA)	
Fundación de Estudios de Economía Aplicada (FEDEA)	
Investigación Cooperativa entre Entidades Aseguradoras y Fondos de Pensiones (ICEA)	
Asociación de Instituciones de Inversión Colectiva y Fondos de Pensiones (INVERCO)	
Fundación Instituto para el Desarrollo e Integración de la Sanidad (IDIS)	
Fundación SERES	
Consejo Empresarial Alianza por Iberoamérica (CEAPI)	
Fundación Iberoamericana Empresarial (FIE)	
Cámara de Comercio Brasil-España	BRAZIL
Cámara de Comercio de EE.UU. en España	
Asociación Empresarial España-Asean (ASEMPEA)	
Cámara Comercio Hispano-Turca	
Federação Nacional de Capitalização (FENACAP)	
Federação Nacional de Previdência Privada e Vida (FENAPREVI)	MEXICO
Federação Nacional das Empresas de Resseguros (FENABER)	
Federação Nacional de Seguros Gerais (FENSEG)	PERU
Asociación Mexicana de Instituciones de Seguros (AMIS)	
Cámara Oficial de Comercio de España en el Perú	
Massachusetts Insurance Federation Inc.	
Ohio Insurance Institute	
Insurance Association of Connecticut	USA
American Property Casualty Insurance Association	

Puerto Rico Association of Insurance Companies	PUERTO RICO
Puerto Rico Chamber of Commerce	
Insurance Association of Turkey - TSB	TURKEY
Istanbul Ticaret Odasi (Istanbul Chamber of Commerce)	
Associazione Nazionale fra le Imprese Assicuratrici	ITALY
Gesamtverband der Deutschen Versicherungswirtschaft (German Insurance Association)	
Industrie - und Handelskammertag (Chamber of Commerce and Industry)	GERMANY

Additionally, MAPFRE is a partner of the following sector organizations at the European and global levels:

Institute of International Finance
CRO Forum
Pan-European Insurance Forum
The Geneva Association
European Financial Services Roundtable
International Insurance Society
Global Reinsurance Forum
The European CFO Forum

The expense corresponding to contributions from the aforementioned sectoral and institutional entities was approximately 2.6 million euros in 2022, among which, based on the amount of contributions, stand out: The Geneva Association (contribution: 76,970 euros), European CFO Forum (contribution: 62,000 euros) and Institute of International Finance –IIF (contribution: 35,944 euros).

The main topics of interest around which the work of these industry bodies has focused in 2022 are, in order of importance: 1) Financial and prudential regulation (637,779 euros); 2) Digital regulation and cyber threats (398,612 euros); and 3) Sustainability, ESG taxonomy and reporting (558,057 euros).

The total contributions made in 2022 to the chambers of commerce in the different countries amount to 232,389 euros.

Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights

MAPFRE shows its commitment to each of the 10 United Nations Guiding Principles for Business and Human Rights in a number of ways.

Adherence to:

- Commitment to the United Nations 2030 Agenda and its development goals (SDG)
- United Nations Global Compact
- United Nations Principles for Responsible Investment (PRI)
- UNEPFI Principles for Sustainability in Insurance (PSI)

The approval and public dissemination of:

- Institutional, Organizational and Business Principles
- Code of Ethics and Conduct (express reference)
- Human Rights Policy
- Sustainability Policy

To respond to these commitments, the Group has the following systems for the prevention and assessment of internal risks and those arising from our activity:

- Impact self-assessment - Guide to the implementation of the United Nations Guiding Principles on Business and Human Rights, prepared by the Spanish Network of the Global Compact

- MAPFRE materiality survey (Detects internal risks and risks derived from the activity)
- Permanent dialogue with stakeholder groups and workers' legal representatives
- ESG analysis report on underwriting and investments
- RepRisk report, to assess and monitor the ESG risks of business conduct related, among other things, to human rights
- Internal, control and compliance audits
- Approval of providers working under ESG criteria, including aspects related to human rights, non-discrimination and compliance with environmental and labor regulations

Likewise, the company has the following claim and repair mechanisms that cover all the circumstances included in the 10 Principles:

- Sustainability Operating Committee
- Corporate Ethics Committee
- Channels for ethical complaints arising from non-compliance with the Code of Ethics and Conduct, available to any stakeholder and anonymous group
- Specific channels and means for the protection of rights and the management of customer complaints

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The following table shows the organization's specific commitment to each of the 10 Global Compact Principles and human rights, as well as the main prevention and mitigation measures, along with the available grievance and redress mechanisms. These commitments and mechanisms are additional to those already mentioned.

Global Compact Principles		MAPFRE's public commitment to Human Rights	Prevention and mitigation (due diligence)	Complaint and redress mechanisms
Human Rights	Principle 1	- Human Rights policy - Corporate Sustainability Policy	- Training on human rights for employees and provides, as a preventive measure - Awareness of the United Nations 2030 Agenda	Ethical whistleblower channel
	Principle 2			
	Businesses must ensure that their businesses are not complicit in human rights violations."			
Labour	Principle 3	- MAPFRE signs up to the UN Women's Principles and adheres to the United Nations Standards of Conduct for Companies on LGTBI matters - ILO Global Business and Disability Network - Diversity Charter - Diversity and Equal Opportunities Policy - Social commitments 2022-2024, assumed at the Annual General Meeting held in 2022. Among others, to correct the gender pay gap, with a tolerance threshold of 1% and to people with a disability make up 3.5% of the workforce. (See section 2.2.2. Sustainability)	- Company (Spanish Ministry of Equality) - EFR certificate - Engagement survey - Performance evaluation - Development plans - Internal and external reputation surveys - Healthy Company Model (occupational risk assessments: safety, hygiene and ergonomics, psychosocial risks, medical examinations, epidemiological studies, etc.) - Gender Diversity:	- Harassment protocol for employees - Human Resources Departments - Workers' legal representatives
	Principle 4			
	"Businesses must uphold the elimination of all forms of forced and compulsory labor."			
	Principle 5			
	"Businesses must uphold the eradication of child labor"			
	Principle 6			
Environment	Principle 7	- Paris Pledge for Action Adherence to the Net Zero Insurance Alliance (NZIA) and Net Zero Asset Owner Alliance (NZAOA) - Environmental Policy - Environmental commitments 2022-2024, assumed at the Annual General Meeting held in 2022 (see section 2.2.2. Sustainability) - Environmental commitments 2022-2024 (see section 3.3.2. Sustainability in the business)	Environmental management system (SIGMAYEc³)	
	Principle 8			
	"Businesses must encourage initiatives that promote greater environmental responsibility"			
	Principle 9			
	"Businesses must encourage the development and promotion of environmentally friendly technologies"			
Anti-Corruption	Principle 10	Anti-corruption Policy	- MAPFRE Anti-Corruption Framework - Criminal risk prevention model - Internal systems and procedures established to detect situations of corruption, fraud prevention and money laundering	Financial and Accounting Whistleblower channel accessible to employees
	"Businesses must work against corruption in all its forms, including extortion and bribery"			

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As established in the Group's Human Rights Policy, MAPFRE's commitment in this area is inspired by the following international declarations and standards:

- The United Nations International Bill of Human Rights.
- The 10 Principles of the United Nations Global Compact.
- The United Nations Guiding Principles on Business and Human Rights.
- The OECD Guidelines for Multinational Companies.
- The Principles of UN WOMEN.
- The Global Standard of Conduct for the protection of LGBTI people in companies.
- The principles and rights established in the main conventions of the International Labor Organization (ILO).

- The ILO Declaration of Fundamental Principles and Rights at Work.
- The Principles for the Sustainability of Insurance (PSI).
- The United Nations Principles for Responsible Investment (PRI).

Likewise, in terms of the due diligence approach in the area of human rights, MAPFRE implements this based on four moments:

- The establishment of commitments and design of preventive actions.
- The definition and execution of action plans in relation to each of these.
- The verification and evaluation of the actions implemented.
- The adoption of corrective measures if necessary.

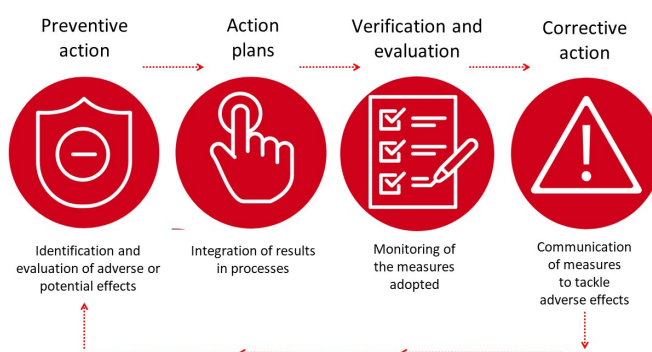
In each of these four moments, the following best practices should be highlighted:

Preventive action:

At MAPFRE, the protection of human rights is linked to the internal regulations approved at the highest level of the organization. Said protection is reinforced through the commitments acquired by the Group by adhering to different principles and initiatives of the United Nations.

Action plans:

In addition to including respect for Human Rights, the regulations (such as, for example, the MAPFRE purchasing standard and its Responsible Investment Framework) define the roles and responsibilities of the teams impacted by the regulations.



Verification and evaluation:

The progress and level of achievement of the specific commitments of the Group in ESG matters included in the Sustainability Plan, among which are issues related to Human Rights, are periodically reported to the Sustainability Operating Committee, the Risk and Sustainability Committee and the Board of Directors.

Corrective action:

MAPFRE makes consultation and complaint channels available to all its stakeholders associated with ethical behavior and practices that breach Human Rights.

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Regarding the remediation of adverse impacts, the Group establishes the following three levels of participation:

Causal relationship: when MAPFRE activities are identified that by themselves are sufficient to produce an adverse impact on the environment or on human rights, the Company will establish action plans aimed at repairing the real impacts caused and, where appropriate, stopping or prevent the conduct from which such practices derive.

Contribution relationship: in those cases where MAPFRE's business relationship with its suppliers or its investment operations substantially increases the threat of a negative impact, the Company will establish action plans aimed at: stopping or preventing their contribution to the real impact caused by a third and will collaborate with the repair of the part of the negative impact that corresponds to it; likewise, to the extent possible, MAPFRE will use its influence to mitigate residual impacts.

Linking relationship: when there is a relationship between the negative impact caused by a third party and MAPFRE's products, services or activities. In these cases, the Company will establish action plans aimed at, to the extent possible, using its ability to influence so that the cause of the adverse impact prevents or mitigates it.

Note 3 Cybersecurity and business continuity

MAPFRE deals with cybersecurity and business continuity in an integrated manner.

Strategic lines and measures related to cybersecurity

Protection against cyber risks	• Identification of external factors likely to modify asset protection needs, fundamentally: threat level, regulatory requirements, internal requirements arising from the transformation process and requirements of stakeholders. • Evaluation and continuous evolution of prevention, detection and response mechanisms against cyber attacks. • Evaluation and continuous evolution of operational resilience mechanisms. • Third Party Security Risk Management
Proactive Privacy	• Early adaptation to applicable regulations on cybersecurity and/or privacy in the different geographies in which the company operates • Incorporation into the design of the security and privacy aspects necessary to adequately protect the privacy of personal data • Application in the company's processes of the appropriate technical and organizational measures, not only to guarantee protection and comply with applicable regulations, but also to demonstrate compliance with control authorities and interested parties
Culture of Cybersecurity and Privacy	• Permanent awareness-raising plan • Permanent education and training plan • Obtaining recognized certifications in security, privacy and data protection
Cybersecurity and Privacy from the Start	• Integration of cybersecurity and privacy in the life cycle of the company's new initiatives, guaranteeing privacy and protection by design and by default • Evaluation of the impact on privacy of the new treatments and the corresponding implementation of controls and measures • Inclusion of cybersecurity and privacy criteria in the processes of purchasing technological solutions and services, as well as in the establishment of agreements with third parties
Promoting collaboration, both through public-private partnerships and private-private partnerships	• Participation in industry and institutional initiatives that contribute to improving knowledge related to techniques, tactics and tools used by organized cybercrime groups • Participation in associations and collaborative networks on cybersecurity such as FIRST and CSIRT.es • Participation in associations that promote privacy such as the Data Privacy Institute, ISMS, COTEC and in sectoral and institutional initiatives aimed at clarifying the application of the GDPR, such as the UNESPA Data Protection GT, the Pan-European Insurance Forum (PEIF), the DPO Forum, the DPO Community • Supporting manifestos on the matter such as the "Commitments for Privacy and Digital Ethics" promoted by COTEC

Regarding the promotion of relations with third parties in the area of cybersecurity and privacy, in 2022 MAPFRE experts have joined specialized cybersecurity groups, such as the EFR's Cybersecurity Working Group and the CRO Forum's Ransomware Working Group.

Measures related to the protection of people and business continuity

In an integrated manner and aligned with the action in the fields of data privacy and cybersecurity (see 2.4.4 Cybersecurity and data privacy), MAPFRE identifies the protection of the people who work in the Group and their employees as essential elements in terms of security, facilities, as well as the adequate resilience of its operations and the services it provides:

Protection of people

The protection of the people who work at MAPFRE materializes by providing a safe work environment, a consequence of the implementation from the project phase and maintenance over time, of protection measures for the facilities; the development, implementation, maintenance and testing of self-protection plans in the workplace; o The design and implementation of specific measures in events, trips and displacements of staff (especially to risk areas), including training actions and direct and specialized support in the event of risk or crisis situations.

In 2022, more than 600 trips made by employees from different countries were monitored through the "We travel with you" website published on the Group's intranet. In addition, installation and maintenance of security and fire protection systems have been carried out in 183 buildings. In terms of emergencies, this year more than 175 emergency drills have been carried out, and more than 4,530 employees have received training in this matter.

In addition, to contribute to the perception of safety by people who access its facilities, MAPFRE has maintained, during most of the year 2022, the certification with AENOR of the protocols against COVID-19 applied in its locations in Spain, Venezuela, Chile, Colombia, Peru, Ecuador and Uruguay.

Business continuity

In terms of availability, business continuity solutions are designed and implemented to guarantee the maintenance of the services provided to customers in the event of serious contingencies, thus contributing to the resilience of operations and services provided.

In 2022, it is worth highlighting the granting by AENOR of the ISO22301 Business Continuity Systems Management certification to the MAPFRE insurance companies located in Panama and Costa Rica, as well as to MAPFRE Inversiones in Brazil. Added to the new certifications is the renewal and maintenance of those obtained in previous years by MAPFRE Spain, MAPFRE RE, MAPFRE GLOBAL RISKS, MAPFRE Inversión, MAPFRE Portugal, MAPFRE Mexico, MAPFRE Turkey, MAPFRE Puerto Rico, MAPFRE BHD (Dominican Republic), MAPFRE Honduras, Solunion and the Global SOC of the MAPFRE Group.

In addition, and in compliance with the defined planning, in 2022 tests of the Disaster Recovery Plans of the corporate Data Centers have been carried out, designed to test the digital operational resilience capabilities in the event of a major disaster event. or catastrophe. Partial contingency tests have also been carried out to test the high availability and mutual support capabilities between Data Centers, as well as information recovery, in the face of potential events that cause the loss of services and specific critical elements.

Note 4 Prevention and compliance measures in Data privacy

To comply with due diligence regarding data privacy, MAPFRE has the following prevention and compliance measures in place.

Prevention measures

Firstly, MAPFRE has established a corporate reference model in terms of privacy and data protection aimed at guaranteeing compliance with its obligations. The model develops and implements measures of various kinds to ensure compliance with the principles relating to data processing: "legality, loyalty and transparency", "limitation of purpose", "data minimization", "accuracy", "integrity and confidentiality" and "proactive responsibility". Taking the GDPR as a reference, the model is adapted to the different applicable regulations, monitoring and analyzing the different pronouncements of the regulators, in order to guarantee the alignment of the corporate criteria with them and attending, in due time and form, the rights of the interested parties. Through this reference model, the MAPFRE Group manages to ensure compliance with a common and homogeneous protection standard throughout the Group, which will be complemented by the adherence of the different group entities to the Binding Corporate Regulations (BCR) that have been developed and submitted to the Spanish Data Protection Agency.

In addition to having a Corporate DPO in place, in those countries where MAPFRE is present and the local legislation so requires, there are local Data Protection Officers and corresponding Privacy and Data Protection Committees in place, with functional dependence on the corporate ones.

Compliance measures

As far as the processes associated with compliance with current legislation on data protection go, the different pronouncements issued by the different regulators, especially the European ones, have continued to be analyzed, so they can be incorporated, if necessary, into the corresponding processes.

All employees are aware of the obligations to guarantee, among other aspects, the confidentiality of information and compliance with data protection regulations, established in the MAPFRE Code of Ethics and Conduct, as well as in the company's Telematic Code, the possibility that, in the event of a breach of these principles, the corresponding sanctions are adopted in line with the current disciplinary regime.

The disciplinary measures applicable to employees for this type of breach depend on various factors, such as the country, local legislation or applicable collective agreement, and the level of seriousness and/or recidivism in the commission of such conduct contrary to stated MAPFRE policies. Notwithstanding this, in general terms the sanctions that can be imposed are usually: warning or written reprimand in minor cases, suspension of employment and salary in serious cases, and termination in very serious cases.

Additionally, internal privacy and data protection audits are carried out, which are mandatory for all Group entities. In 2022, more than 30 of the aforementioned audits were carried out.

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Note 5 Main tax information by country

COUNTRY	TOTAL REVENUE	EARNINGS BEFORE TAX	TAX ON EARNINGS		NUMBER OF EMPLOYEES AT YEAR END
			PAID	ACCRUED	
GERMANY	748,337,184	18,273,883	-1,098,745	-4,929,643	517
ALGERIA	260,554	-2,743,685	-1,255,191	409,665	59
ARGENTINA	367,424,112	-268,087	-2,685,126	-2,169,961	980
BAHRAIN	1,150,296	-952,725	0	-998	0
BELGIUM	173,369,433	10,975,121	-201,417	-2,753,709	10
BRAZIL	5,534,683,589	720,494,056	-142,140,544	-191,091,392	5,006
CANADA	12,412	-21,174	0	0	0
CHILE	442,067,461	10,621,701	-1,157,136	844,945	452
CHINA	251,737	2,112,019	0	0	8
COLOMBIA	553,959,626	48,488,198	-64,801,691	-3,877,897	962
COSTA RICA	83,185,702	2,972,882	-873,906	-873,904	73
ECUADOR	87,730,896	264,724	-32,388	-698,428	254
USA	2,689,404,879	-39,930,818	-14,374,626	3,982,592	2,138
EGYPT	-101,168	-426,362	0	0	0
EL SALVADOR	108,740,127	6,165,371	-176,373	-1,869,553	183
SPAIN	12,540,339,698	568,575,432	-120,381,860	-104,400,793	11,718
PHILIPPINES	16,413,238	-1,757,644	0	-205,709	10
FRANCE	439,591,062	-56,284,546	1,296,657	14,111,896	20
GREECE	16,177,633	-239,044	-11,000	31,699	71
GUATEMALA	114,356,778	6,590,068	-548,339	-1,334,097	187
HONDURAS	103,377,326	5,070,107	0	-526,052	208
HUNGARY	2,104,337	114,169	-2,737	-9,878	6
INDIA	74,905	123,428	0	0	1
INDONESIA	30,004,900	6,302,977	-1,561,270	-1,228,518	0
IRELAND	24,745,753	3,547,274	-576,953	-465,704	134
ITALY	427,462,925	659,355	-783,190	-1,161,544	569
MALAYSIA	14,332,523	-4,307,701	0	0	0
MALT	447,042,420	22,758,180	-2,940,542	-7,618,881	343
MEXICO	1,164,983,897	40,494,744	-11,421,397	-8,539,673	1,847
NICARAGUA	21,172,319	3,009,830	-418,595	-650,168	117
PANAMA	272,315,169	-8,599,277	0	-556,049	522
PARAGUAY	77,001,991	-6,061,474	-4,023,360	-88,786	188
PERU	771,853,973	46,190,459	1,213,630	5,150,884	1,393
PORTUGAL	170,597,141	6,709,746	-3,601,112	-1,800,183	437
PUERTO RICO	389,312,312	16,522,409	-128,179	-2,107,810	533
UK	435,747,702	-3,210,079	-592,000	-4,139,287	11
DOMINICAN REPUBLIC	491,166,975	13,560,356	1,418,433	-3,393,298	1,053
SINGAPORE	102,100,624	337,438	-1,466,000	-64,457	10
TUNISIA	13,279,151	704,139	-332,143	-905,883	77
TURKEY	463,163,659	-49,669,800	-150,497	9,357,070	704
URUGUAY	147,015,420	9,905,948	-2,368,385	-471,656	162
VENEZUELA	23,443,907	542,872	6,574	201,540	330
TOTAL	29,509,654,579	1,397,614,472	-376,169,408	-313,843,621	31,293

Figures in euros

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The companies that make up the Group and their main activities are detailed in Appendix 1 and 2 of the Consolidated Annual Accounts of MAPFRE S.A.

The subsidies received by MAPFRE during the year are not significant.

Regarding the presence of MAPFRE in financial centers classified by the IMF as extraterritorial and/or in those jurisdictions considered by the OECD as non-compliant or partially compliant, the provisions of action guidelines 2 and 4 of the Fiscal Policy apply, (<https://www.mapfre.com/en/corporate-governance/>), duly aligned with the principles and recommendations of the Code of Best Tax Practices.

Risk and context	Impact	Measures	Sustainability dimensions				
			Economic	Geo-political	Environ-mental	Social	Techno-logical
Climate change Climate change risk is the risk arising from the long-term change in average weather patterns that have shaped the local, regional and global climates of the earth. This risk would manifest itself mainly in extreme weather events (tropical cyclones, floods, forest fires, etc.), in economic uncertainty due to various changes (regulatory, technological, social, etc.), in the transition toward a low-carbon economy and in environmental liability claims where climate change risks are not prevented, mitigated or disclosed. The risks derived from climate change are divided into two broad categories: physical risks and transition risks.	As an insurer, the impacts have been identified in line with the categories of this type of risk: HIGH - Acute physical risk: increased severity and frequency of extreme events. Increased liability for insurance claims. MEDIUM-HIGH - Reputational risk: changes in consumer preferences. Decrease in the value of assets or their useful life, leading to amortization, deterioration of assets or early retirement of existing assets. MEDIUM-HIGH - Market Risk: risk of stranding of assets considered in making investment decisions. Decrease in the value of assets or their useful life, leading to the amortization or deterioration of assets or the early withdrawal of existing assets. MEDIUM - Current regulatory risk: mandates and regulation of the demand for products and services. Decrease in revenue due to reduced demand for products and services.	The incorporation of climate change into the decision-making of the business strategy. A detailed knowledge of the insured risks (such as their geolocation and the characteristics of their underlying assets), with the aim of underwriting the correct coverage and selection of catastrophic protection. Proper management and control of accumulations to optimize the use of capital. Maximum collaboration and transparency between the insured and the insurer to facilitate the best evaluation and pricing. Taking out reinsurance coverage.	x	x	x	x	

Products and services The high volatility and speed of change in the environment, in society and in the markets in which the company operates (aging, digitization, large cities, new regulations, conflicts, the appearance of new competitors, etc.) produce drastic changes in customer behavior and demand levels.	HIGH Inadequacy of products and services that do not meet the needs of customers, implying a consequential impact on and drop in results. Market entry of large technology companies, as new competitors not subject to specific regulation, may negatively affect financial stability, which could encourage the undertaking of greater risks in order to compete in attracting customers.	Continuous monitoring of new customer trends, accelerating innovation processes, transformation of distribution channels for customer service and creation of alliances with startups and hubs. Monitoring of the behavior of insurtechs in the insurance industry and main markets in which the Group operates.		x		x	x
Instability and financial crises due to conflicts and scarcity of resources. Aggravation and multiplication of conflicts between countries for the control of natural resources (raw materials) or vital for subsistence (drinking water), and an increase in authoritarianism and populism.	HIGH The results may be subject to fluctuation as a result of oscillations in the financial markets in which the company operates, by changes in exposure to interest rates that may reduce the contracting of products (life, savings), the profitability of investments, as well as in the sufficiency of technical provisions and the increase in costs and loss ratio. Additionally, regulatory changes derived from conflicts can cause direct losses due to restrictions to operate.	Identify aspects that may affect the Group socially and politically, in addition to monitoring the main macroeconomic and financial variables, with special emphasis on their impact on the insurance industry and on the Group's financial strength.	x	x	x	x	

ESG topics		How might they affect the business?	Monitoring and mitigation techniques, and reference information within MAPFRE
Environmental topics	Adaptation to and mitigation of climate change;	· The climate variable can affect insurance and reinsurance underwriting. Related to underwriting risk.	– Section 3.3.2. Sustainability in the Business
	Carbon footprint, natural resources; waste management.	· Greater regulation on both a local and regional level. Related to risk of non-compliance. · Increased social pressure. Related to reputational risk.	– Chapter 5. Commitment to the environment – Section 6.2. Materiality
Social topics:	Demographic changes: longevity, mortality and demographic challenges	· Affecting the Life/health business. Related to underwriting risk.	– Section 4.2. Protecting the client
		· May affect the internal management of companies: delayed retirement age, aging of the workforce, etc. Related to operational risk.	– Section 4.3. Developing people – People & Organization Report 2022, available at www.mapfre.com – Statement of Financial Condition Report (SFCR), available on the corporate website, and Note 7 Risk management, of MAPFRE's Consolidated Annual Accounts 2022.
	Equality, diversity and non-discrimination in the company	· Greater regulation on both a local and regional level. Related to risk of non-compliance.	– Chapter 4.1. Protecting the client
		· Affects the public commitments made by the company. Related to corporate governance risk and reputational risk.	– Chapter 4.3. Developing people
		· Regulation proliferation. Related to legal risk or risk of non-compliance.	– People & Organization Report 2022, available on www.mapfre.com – Section 6.2. Materiality
	Health-related security: health and safety	· Protection of clients and insureds. Related to operational risk and underwriting risk.	– Section 3.2. MAPFRE key figures – Section 4.1. Protecting the client
		· Protection of employees. Related to operational risk.	– Section 4.3. Developing people
		· Protection of the business. Related to operational risk and underwriting risk.	– Section 3.3.2. Sustainability in the business
	Cybersecurity and data privacy	· Protection of the business against cyberattacks. Related to operational risks and reputational risk.	– Statement of Financial Condition Report (SFCR), available on the corporate website, and Note 7 Risk management, of MAPFRE's Consolidated Annual Accounts 2022.
		· Security and protection of clients, employees and providers. Related to operational risk and reputational risk.	– Section 3.3. Risk management and sustainability in the business – Section 2.4.4. Cybersecurity and data privacy

	Business ethics: corruption and internal fraud	· Regulation proliferation. Related to legal risk, risk of non-compliance, strategic risk and corporate governance.	– Section 2.4.2. Control measures: the internal control model
		· Related to the company's accident prevention systems and to employees.	– Statement of Financial Condition Report (SFCR), available on the corporate website, and Note 7i Risk management, of MAPFRE's Consolidated Annual Accounts 2022.
		• May lead to economic loss for the company, sanctions and loss of reputation.	– Section 6.2. Materiality

Social topics	Demographic changes: longevity, mortality and demographic challenges	· Affecting the Life and /or health business. Related to underwriting risk.	· Section 4.2. Protecting the client
		· Could affect the internal management of companies: delay in the retirement age, aging of the workforce, etc. Related to operational risk.	· Section 4.4. Developing employees
			· People and Organization report 2021, available at mapfre.com
			· Solvency and Financial Condition Report (SFCR) on corporate website and Note 7 Risk Management of the Consolidated Annual Accounts of MAPFRE 2021.
	Equality, diversity and non-discrimination in the company	· Greater local and regional risk. Related to non-compliance risk.	· Section 4.2. Protecting the client
		· Affects the public commitments assumed by the company. Related to corporate governance risk and reputational risk.	· Section 4.4. Developing employees
		· Proliferation of regulation. Related to legal risk or non-compliance risk.	· People and Organization report 2021, available at mapfre.com
			· Section 6.2 Materiality
	Health security	· Customer protection and insurance. Related to operational risk and underwriting risks.	· Section 3.2. Economic and insurance environment. COVID-19
		· Protection of employee. Related to operational risk.	· Section 4.1. MAPFRE and COVID-19
		· Protection of the business. Related to operational risk and underwriting risk	
	Cybersecurity and data privacy	· Protecting the business from cyber attacks. Related to operational risk and reputational risk.	· Solvency and Financial Condition Report (SFCR) on corporate website and Note 7 Risk Management of the Consolidated Annual Accounts of MAPFRE 2021.
		· Security and protection of customers, employees and providers. Related to operational risk and reputational risk.	· Section 3.3. Risk management: emerging risks
			· Section on Ethical behavior: Cybersecurity and data protection

Corporate governance topics	Corporate ethics: corruption and internal fraud	· Regulation proliferation. Related to legal risk, non-compliance risk, strategic and corporate governance risk.	· Section 2.4.2. Ethical behavior: main compliance and prevention measures
		· Related to the prevention systems of the company and as they pertain to employees.	· Solvency and Financial Condition Report (SFCR) on corporate website and Note 7 Risk Management of the Consolidated Annual Accounts of MAPFRE 2021.
		· Could lead to financial loss for the company, sanctions and loss of reputation.	· Section 6.2 Materiality

Note 8 Sustainable products

SUSTAINABLE PRODUCTS AND SERVICES: Investment

Some of the most relevant investment products and services in MAPFRE's countries and business units are presented in the accompanying table.

Inclusión Responsable Fund	Equity fund that invests in companies especially committed to the inclusion of people with disabilities. Included in the 2019 United Nations Global Compact report as an example of best practice, it combines the search for financial profitability with promoting social improvement. The management team, in collaboration with the French partner La Financière Responsable (LFR), applies a methodology based on seven themes with 40 variables that invests in companies particularly focused on recruiting people with a range of disabilities. At the end of 2022, the fund had more than 35 million euros of assets under management.
Capital Responsable Fund	Fund that seeks to preserve capital, but without giving up on long-term growth. To this end, it offers a balanced portfolio of fixed-income assets and European equities (close to 68% are bonds, and around 30% are equities). The objective is to favor those companies that have a strategy focused on monitoring ESG criteria, under the assumption that these companies provide a more appropriate risk return profile. MAPFRE also has a pension plan that replicates this approach. At the end of 2022, the fund has more than 150 million euros of assets under management.
Multifondos Compromiso ESG	MAPFRE's first Unit-Linked product where all the funds that make up the portfolio incorporate ESG criteria into their investment policy. The maximum exposure to equities does not exceed 50%, so as to protect clients from severe market fluctuations.

Other investment products:

- Infrastructure:

MAPFRE and Abante, as part of the development of the strategic alliance they entered three years ago, launched in 2020, through Macquarie, the Australian financial services group, an infrastructure fund of up to 300 million euros. MAPFRE committed to contribute an initial capital of 50 million euros in accordance with ESG criteria, although this figure has increased to 103 million.

This fund of funds, which has aroused the interest of institutional and private banking investors and which has several Macquarie Infrastructure and Real Assets (MIRA) strategies as its underlying investment premise, offers investors an opportunity to access an asset class that enables them to diversify their portfolios in a low interest rate environment.

- Sustainable investments:

The other leg of the insurance group in terms of alternative investments can be found in the agreement reached with Iberdrola to jointly invest in renewable energies in Spain, through the promotion of an investment vehicle, managed by Kobus Partners, which features a commitment of 220 million euros from MAPFRE. This association supposes the creation of a pioneering co-investment vehicle between an energy company and an insurance company.

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To date, the joint venture has 298 MW in wind renewable energy production projects from the energy company's asset portfolio. Said agreement also foresees the incorporation of other operating assets, as well as new renewable energy development projects in photovoltaic and wind technology, and aims to reach 1,000 MW.

Likewise, within the framework of the diversification of alternative assets, the added objective of this alliance is that third-party institutional investors have the possibility of co-investing in this clean energy vehicle in which approximately 800 million euros will be invested jointly.

SUSTAINABLE PRODUCTS AND SERVICES: Underwriting

A. SOCIAL PRODUCTS AND SERVICES

MAPFRE offers insurance products or services aimed at specifically covering the basic needs of the population, related to the protection of life, health and education in disadvantaged communities and/or low-income groups, also including aspects related to the protection of human rights, non-discrimination, inclusion and diversity.

Currently, the company has different social products:

- a. Products that respond to social challenges and problems faced by socially disadvantaged groups (products for young people, the elderly, the disabled, immigrants, the unemployed, religious or cultural inclusion and/or professional disability coverage and related to access to housing, health and education) and/or that promote socially responsible behavior by offering solutions specifically adapted for low-income groups. These products are based on the protection of human rights and social inclusion.
- b. Other products that increase accessibility to the economic structure: equal opportunities and access to the labor market, fair working conditions, financial inclusion (Life, Life savings)

The volume of premiums for these products represents 11 percent of written and accepted premiums in Spain, Brazil, Colombia, Mexico, Peru, Puerto Rico, the Dominican Republic and Venezuela, which are some of the countries where these products or services are marketed. .

B. ENVIRONMENTAL PRODUCTS AND SERVICES

MAPFRE continues to work on the design of sustainable solutions, to this end, market options, new business models and solutions arising from digital and technological changes are analyzed with the ultimate goal of offering the best solutions and services to customers. current and future and contribute to the just transition to a low carbon economy. Currently, the company has different environmental products

- a. Products that promote sustainable mobility (electric and hybrid vehicles and rewards for low mileage, responsible driving, motorcycles, scooters, etc.).
- b. Products that promote energy efficiency in facilities (energy efficiency insurance, LED lighting, more efficient windows and boilers, electric vehicle charging point installation).
- c. Products that promote renewable energies: insurance of wind farms, photovoltaic, etc.
- d. Products that promote the circular economy: disassembly, restoration, repair and recycling of products (batteries, electrical appliances, etc.
- e. Products that prevent and/or repair damage caused to the environment: products such as civil liability policies for pollution or environmental liability.
- f. Products for the recovery of biodiversity and ecosystems: restoration projects for degraded lands, revegetation of river ecosystems, water protection, regenerative agriculture and reforestation.

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In addition, the company provides customers with documentation related to insurance products for our customers in digital format, which means saving tons of paper.

For more information on the volume of premiums attributable to MAPFRE's sustainable environmental products, please see section 3.3.2.2. Integration of ESG aspects into MAPFRE's underwriting processes / Taxonomy Regulation regarding Non-Life insurance and reinsurance premiums¹².

C. INSURANCE FOR TECHNOLOGICAL RISKS

MAPFRE has insurance solution in place for technological risks aimed at protecting businesses from any number of the main current vulnerabilities, particularly cyber attacks.

The volume of premiums for these products represents 0.1% of the premiums issued and accepted in Spain and the United States, where the product or service is marketed.

¹² The products included as eligible (Taxonomy Regulations relating to non-life insurance and reinsurance premiums) are considered to have a double environmental character: mitigation and adaptation to climate change, as well as some of the characteristics of the products defined in the list.

Note 9 New hires and employee departures in 2022 by job position level
New hires and employee departures

Reason for new hire	2022	2021
Merger or acquisition	2	0
External recruitment	4,462	3,523
Return after leave of absence	63	73
Return from international posting	2	0
Temporary contract	497	371
Total	5,026	3,967

Reason for departure	2022	2021
Transfer	983	186
Voluntary	2,717	2,591
Dismissal	2,255	1,837
Leave of absence	139	126
Retirement	103	110
Early retirement	2	46
Death	21	34
Disability	46	39
Termination of temporary contract	389	387
Total	6,655	5,356

Terminations by job position level, gender and age in 2022

	VETERANS			BABY BOOMERS			GENERATION X			GENERATION Y			GENERATION Z		
	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN	TOTAL
MANAGEMENT AND EXPERT MANAGEMENT	1	0	1	31	5	36	29	10	39	5	3	8	0	3	3
MIDDLE MANAGERS AND EXPERTS	0	0	0	53	17	70	50	54	104	44	37	81	0	0	0
ADVISORS	0	1	1	58	39	97	105	144	249	168	224	392	83	134	217
ASSOCIATES	1	0	1	38	55	93	91	266	357	114	185	299	86	121	207
TOTAL	2	1	3	180	116	296	275	474	749	331	449	780	169	258	427

New hires, average age, average seniority, unwanted staff turnover at the Group by gender

	2022			2021		
	Men	Women	Total	Men	Women	Total
New hires	44.60%	55.40%	5610	43%	57%	3967
Average age	43	41.1	42	42.4	40.8	41.5
Average length of service	12.5	11.6	12	12.5	11.4	11.9
Unwanted staff turnover (*)	9%	8%	8%	8%	8%	8%
Total staff turnover (**)	21%	21%	21%	17%	16%	16%
(*) Unwanted staff turnover is calculated using the following formula: voluntary departures over average workforce. We consider that within a Group as large as MAPFRE, this remains at low levels.						
(**) Total staff turnover is calculated using the following formula: departures over average workforce. (This data is impacted by the assistance business exiting the following countries: United States, United Kingdom, Australia, Belgium, Hungary, Canada, China, India) Including Funespaña employees.						

New hires

JOB POSITION LEVEL	VETERANS		BABY BOOMERS		GENERATION X		GENERATION Y		GENERATION Z		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
MANAGEMENT AND EXPERT MANAGEMENT	0	0	5	2	22	13	18	3	0	0	63
MIDDLE MANAGERS AND EXPERTS	1	0	3	3	56	22	75	40	13	6	219
ADVISORS	1	0	23	14	159	217	500	546	436	549	2,445
ASSOCIATES	3	5	12	24	99	169	313	507	428	739	2,299
TOTAL	5	5	43	43	336	421	906	1,096	877	1,294	5,026

Staff turnover

JOB POSITION LEVEL	VETERANS		BABY BOOMERS		GENERATION X		GENERATION Y		GENERATION Z		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
MANAGEMENT AND EXPERT MANAGEMENT	66.7%	—%	14.5%	13.9%	9.2%	11.3%	21.4%	16.7%	100.0%	—%	12.8%
MIDDLE MANAGERS AND EXPERTS	33.3%	—%	15.5%	10.4%	9.6%	9.0%	24.9%	19.6%	20.0%	31.3%	14.1%
ADVISORS	25.0%	33.3%	9.2%	8.9%	10.7%	10.1%	26.6%	24.8%	37.9%	31.7%	18.6%
ASSOCIATES	150.0%	64.7%	19.1%	16.7%	20.6%	20.0%	35.7%	29.2%	47.1%	39.7%	28.8%
TOTAL	50.0%	45.0%	12.9%	12.0%	11.9%	12.9%	28.6%	25.7%	41.7%	35.9%	20.7%

Data greater than 100% impacted by the exit of countries from the Assistance business in the first quarter of 2021, which reduces the average workforce, data with which this table is calculated. Total turnover is calculated using the following formula: redundancies over average workforce. (This data is impacted by the exit of the following countries from the assistance business: United States, United Kingdom, Australia, Belgium, Hungary, Canada, China, India), including Funespaña employees.

Unwanted staff turnover

JOB POSITION LEVEL	VETERANS		BABY BOOMERS		GENERATION X		GENERATION Y		GENERATION Z		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
MANAGEMENT AND EXPERT MANAGEMENT	—%	—%	1.9%	1.9%	2.3%	3.9%	9.3%	6.7%	—%	—%	3.3%
MIDDLE MANAGERS AND EXPERTS	—%	—%	0.4%	—%	3.6%	2.4%	10.2%	9.4%	10.0%	6.3%	4.7%
ADVISORS	—%	—%	1.5%	1.3%	3.6%	3.7%	13.2%	12.0%	19.6%	16.4%	8.2%
ASSOCIATES	25.0%	17.6%	4.8%	3.3%	6.8%	4.2%	17.0%	12.4%	24.8%	18.8%	11.5%
TOTAL	3.8%	7.5%	1.9%	1.8%	4.0%	3.6%	13.6%	11.8%	21.7%	17.5%	8.4%

Unwanted staff turnover is calculated using the following formula: voluntary departures over average workforce. We consider that within a Group as large as MAPFRE, this remains at low levels. Includes Funespaña employees.

Total workforce by job position level, contract type, working hours, gender and generation - December 2021

JOB POSITION LEVEL	CONTRACT TYPE	WORKING DAY	VETERANS		BABY BOOMERS		GENERATION X		GENERATION Y		GENERATION Z		TOTAL
			M	W	M	W	M	W	M	W	M	W	
SENIOR MANAGEMENT	PERMANENT	FULL-TIME	0	0	24	4	23	9	0	0	0	0	60
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
	TEMPORARY	FULL-TIME	0	0	0	0	0	0	0	0	0	0	0
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
MANAGEMENT	PERMANENT	FULL-TIME	4	0	362	105	626	333	118	76	1	0	1,625
		PART-TIME	0	0	0	0	0	0	0	1	0	0	1
	TEMPORARY	FULL-TIME	0	0	1	3	1	1	1	1	0	0	8
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
MIDDLE MANAGEMENT	PERMANENT	FULL-TIME	3	1	495	266	1,288	1,166	687	615	35	25	4,581
		PART-TIME	0	0	0	2	0	6	0	2	0	0	10
	TEMPORARY	FULL-TIME	0	0	2	1	1	2	4	1	0	0	11
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
ADVISORS	PERMANENT	FULL-TIME	18	21	1,124	920	2,965	3,391	2,541	2,787	546	687	15,000
		PART-TIME	1	3	10	28	29	201	104	373	89	364	1,202
	TEMPORARY	FULL-TIME	0	0	3	4	8	23	53	80	49	48	268
		PART-TIME	0	2	1	2	0	0	5	8	7	5	30
ASSOCIATES	PERMANENT	FULL-TIME	6	18	340	573	816	1,836	1,056	1,890	510	861	7,906
		PART-TIME	0	1	6	67	55	400	86	316	52	110	1,093
	TEMPORARY	FULL-TIME	0	0	5	5	22	21	73	100	62	92	380
		PART-TIME	0	1	0	1	1	4	9	40	34	76	166
TOTALS			32	47	2,373	1,981	5,835	7,393	4,737	6,290	1,385	2,268	32,341

**Total workforce by job position level, contract type, working hours, gender and generation
- 2021**

JOB POSITION LEVEL	CONTRACT TYPE	WORKING DAY	VETERANS		BABY BOOMERS		GENERATION X		GENERATION Y		GENERATION Z		TOTAL
			M	W	M	W	M	W	M	W	M	W	
SENIOR MANAGEMENT	PERMANENT	FULL-TIME	0	0	26	5	21	9	0	0	0	0	61
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
	TEMPORARY	FULL-TIME	0	0	0	0	0	0	0	0	0	0	0
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
MANAGEMENT	PERMANENT	FULL-TIME	5	0	378	105	632	331	116	70	0	0	1,637
		PART-TIME	0	1	0	0	0	0	0	1	0	0	2
	TEMPORARY	FULL-TIME	0	0	1	3	0	1	1	2	0	0	8
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
MIDDLE MANAGEMENT	PERMANENT	FULL-TIME	4	2	514	281	1,303	1,176	675	625	33	24	4,637
		PART-TIME	0	0	0	2	0	6	1	2	0	0	11
	TEMPORARY	FULL-TIME	0	0	2	1	1	2	5	1	0	0	12
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
ADVISORS	PERMANENT	FULL-TIME	22	27	1,243	980	3,014	3,436	2,619	2,809	491	601	15,242
		PART-TIME	1	1	10	30	31	200	102	374	89	358	1,196
	TEMPORARY	FULL-TIME	0	0	3	3	8	21	56	82	33	39	245
		PART-TIME	0	0	0	0	0	1	5	7	4	2	19
ASSOCIATES	PERMANENT	FULL-TIME	12	28	374	599	827	1,905	1,122	2,002	519	904	8,292
		PART-TIME	0	1	6	65	55	402	94	311	54	104	1,092
	TEMPORARY	FULL-TIME	0	0	3	5	29	29	98	119	70	76	429
		PART-TIME	0	1	0	0	1	6	7	28	20	52	115
TOTALS			44	61	2,560	2,079	5,922	7,525	4,901	6,433	1,313	2,160	32,998

**Total workforce by job position level, contract type, working hours, gender and generation
- December 2022**

JOB POSITION LEVEL	CONTRACT TYPE	WORKING DAY	VETERANS		BABY BOOMERS		GENERATION X		GENERATION Y		GENERATION Z		TOTAL
			M	W	M	W	M	W	M	W	M	W	
SENIOR MANAGEMENT	PERMANENT	FULL-TIME	0	0	20	2	27	7	0	0	0	0	56
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
	TEMPORARY	FULL-TIME	0	0	0	0	0	0	0	0	0	0	0
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
MANAGEMENT	PERMANENT	FULL-TIME	2	0	329	99	621	327	144	94	2	1	1,619
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
	TEMPORARY	FULL-TIME	0	0	0	1	0	0	1	1	0	0	3
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
MIDDLE MANAGEMENT	PERMANENT	FULL-TIME	4	3	459	269	1,367	1,190	761	697	65	41	4,856
		PART-TIME	0	0	2	4	1	8		10	1	2	28
	TEMPORARY	FULL-TIME	0	0	0	0	1	3	5	1	0	1	11
		PART-TIME	0	0	0	0	1	0	0	0	0	0	1
ADVISORS	PERMANENT	FULL-TIME	14	14	1,021	838	2,671	3,236	2,256	2,492	674	779	13,995
		PART-TIME	1	4	9	22	31	186	110	375	122	418	1,278
	TEMPORARY	FULL-TIME	0	0	3	2	15	14	37	79	55	75	280
		PART-TIME	0	0	0	1	0	3	4	6	8	6	28
ASSOCIATES	PERMANENT	FULL-TIME	2	14	334	517	865	1,720	948	1,772	522	1,017	7,711
		PART-TIME	0	0	4	50	36	244	72	226	47	105	784
	TEMPORARY	FULL-TIME	0	0	6	2	31	23	80	82	76	111	411
		PART-TIME	0	1	3	3	4	8	13	33	64	103	232
TOTALS			23	36	2,190	1,810	5,671	6,969	4,431	5,868	1,636	2,659	31,293

**Total workforce by job position level, contract type, working hours, gender and generation
- 2022**

JOB POSITION LEVEL	CONTRACT TYPE	WORKING DAY	VETERANS		BABY BOOMERS		GENERATION X		GENERATION Y		GENERATION Z		TOTAL
			M	W	M	W	M	W	M	W	M	W	
SENIOR MANAGEMENT	PERMANENT	FULL-TIME	0	0	22	3	27	8	0	0	0	0	60
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
	TEMPORARY	FULL-TIME	0	0	0	0	0	0	0	0	0	0	0
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
MANAGEMENT	PERMANENT	FULL-TIME	3	0	337	103	623	326	139	89	2	0	1,622
		PART-TIME	0	0	0	0	0	1	0	0	0	0	1
	TEMPORARY	FULL-TIME	0	0	0	2	0	1	1	1	0	0	5
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
MIDDLE MANAGEMENT	PERMANENT	FULL-TIME	3	2	451	257	1,349	1,191	729	677	49	31	4,739
		PART-TIME	0	0	1	3	1	7	1	5	0	1	19
	TEMPORARY	FULL-TIME	0	0	0	0	1	1	4	1	1	0	8
		PART-TIME	0	0	0	0	0	0	0	0	0	0	0
ADVISORS	PERMANENT	FULL-TIME	15	16	1,072	883	2,826	3,318	2,421	2,627	612	745	14,535
		PART-TIME	1	4	10	24	30	191	103	365	113	408	1,249
	TEMPORARY	FULL-TIME	0	0	3	2	8	16	45	76	51	55	256
		PART-TIME	0	1	0	2	0	1	5	7	4	6	26
ASSOCIATES	PERMANENT	FULL-TIME	4	15	347	558	878	1,762	1,063	1,857	546	946	7,976
		PART-TIME	0	1	24	72	53	351	84	301	64	134	1,084
	TEMPORARY	FULL-TIME	0	0	4	2	26	24	72	89	69	119	405
		PART-TIME	0	1	1	3	4	7	13	30	56	87	202
TOTALS			26	40	2,272	1,914	5,826	7,205	4,680	6,125	1,567	2,532	32,187

Vacancies covered internally

JOB POSITION LEVEL	VETERANS		BABY BOOMERS		GENERATION X		GENERATION Y		GENERATION Z		TOTAL
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
MANAGEMENT AND EXPERT MANAGEMENT	0	0	2	0	18	11	12	8	0	0	51
MIDDLE MANAGERS AND EXPERTS	0	0	7	1	46	49	71	68	10	10	262
ADVISORS	0	1	8	15	71	106	204	257	85	100	850
ASSOCIATES	0	0	1	8	12	28	46	71	29	55	250
TOTAL	0	1	18	24	147	197	333	404	124	165	1,413

Workforce data by FTE

(Including Funespaña employees)

FTEs by gender

	FTE	%
Men	13,888	45.0%
Women	16,969	55.0%
TOTAL	30,856	100.0%

FTEs by age range

	FTE	%
Under 30	4,899	15.9 %
Between 30 and 50	17,749	57.5 %
Over 50	8,208	26.6 %
TOTAL	30,856	100.0 %

FTEs by main nationalities

	FTE	%
Spanish	10,827	35.1%
Brazilian	2,842	9.2%
Mexican	1,833	5.9%
Peruvian	1,403	4.5%
Colombian	997	3.2%
Argentinian	874	2.8%
Turkish	702	2.3%
Italian	549	1.8%
American	525	1.7%
Venezuelan	469	1.5%

% of women out of total FTEs by job position of relevance

	FTE
Women in management positions	31.7%
Women in Top Management	27.0%
Women in junior management	44.2%
Women in revenue-generating management job positions	42.7%
Women in STEM job positions	32.8%

FTEs with disabilities by gender

	FTE	%
Men	286	29.2%
Women	344	35.2%
Not disclosed*	348	16.2%
TOTAL	978	100.0%

*No disability disclosure requirement in the USA

Average payroll cost per FTE throughout 2022: €1,021.34.

The number of hours of training per FTE in 2022 was 31.8, at an average cost of €332.10.

Average remuneration and evolution, broken down by gender, age and professional classification:

AVERAGE REMUNERATIONS IN SPAIN (figures in euros)

2021				
AGE AND JOB POSITION LEVEL	NO. OF PEOPLE		AVERAGE FIXED REMUNERATION	
	M	W	M	W
VETERANS				
MANAGEMENT AND EXPERT MANAGEMENT	3		119,278	
MIDDLE MANAGERS AND EXPERTS				
ADVISORS	2		*	
ASSOCIATES AND SUPPORT PERSONNEL				
BABY BOOMERS				
MANAGEMENT AND EXPERT MANAGEMENT	221	41	136,724	107,593
MIDDLE MANAGERS AND EXPERTS	343	128	62,792	58,195
ADVISORS	778	516	47,205	40,271
ASSOCIATES AND SUPPORT PERSONNEL	188	264	36,822	34,875
GENERATION X				
MANAGEMENT AND EXPERT MANAGEMENT	243	110	99,045	94,610
MIDDLE MANAGERS AND EXPERTS	615	473	48,657	45,969
ADVISORS	1,652	1,909	38,524	34,478
ASSOCIATES AND SUPPORT PERSONNEL	265	1,052	30,199	29,491
GENERATION Y				
MANAGEMENT AND EXPERT MANAGEMENT	19	9	85,186	74,858
MIDDLE MANAGERS AND EXPERTS	106	89	41,483	38,988
ADVISORS	584	604	31,488	30,036
ASSOCIATES AND SUPPORT PERSONNEL	118	482	22,783	22,399
GENERATION Z				
MIDDLE MANAGERS AND EXPERTS	2	1	*	*
ADVISORS	104	97	22,245	23,023
ASSOCIATES AND SUPPORT PERSONNEL	38	82	19,360	18,757

2022				
AGE AND JOB POSITION LEVEL	NO. OF PEOPLE		AVERAGE FIXED REMUNERATION	
	M	W	M	W
VETERANS				
MANAGEMENT AND EXPERT MANAGEMENT	1		*	
MIDDLE MANAGERS AND EXPERTS				
ADVISORS	1		*	
ASSOCIATES AND SUPPORT PERSONNEL				
BABY BOOMERS				
MANAGEMENT AND EXPERT MANAGEMENT	202	45	138,410	105,485
MIDDLE MANAGERS AND EXPERTS	282	123	64,390	59,339
ADVISORS	745	491	47,394	40,725
ASSOCIATES AND SUPPORT PERSONNEL	161	246	37,038	35,446
GENERATION X				
MANAGEMENT AND EXPERT MANAGEMENT	270	122	101,370	96,338
MIDDLE MANAGERS AND EXPERTS	638	517	50,237	47,419
ADVISORS	1,612	1,903	39,156	35,398
ASSOCIATES AND SUPPORT PERSONNEL	250	995	30,920	29,931
GENERATION Y				
MANAGEMENT AND EXPERT MANAGEMENT	28	13	80,882	68,661
MIDDLE MANAGERS AND EXPERTS	140	114	46,424	38,717
ADVISORS	568	621	32,714	31,320
ASSOCIATES AND SUPPORT PERSONNEL	117	468	23,346	23,328
GENERATION Z				
MIDDLE MANAGERS AND EXPERTS	6	3	35,312	29,600
ADVISORS	172	141	24,133	24,864
ASSOCIATES AND SUPPORT PERSONNEL	47	90	20,121	19,082

*For data protection and confidentiality reasons, in those groups in which there are two or fewer men or women, the information is not published.

	MANAGEMENT AND EXPERT MANAGEMENT			MIDDLE MANAGERS AND EXPERTS			ADVISORS			ASSOCIATES		
COUNTRY	AVERAGE FIXED REMUNERATION - MEN	AVERAGE FIXED REMUNERATION - WOMEN	RATIO	AVERAGE FIXED REMUNERATION - MEN	AVERAGE FIXED REMUNERATION - WOMEN	RATIO	AVERAGE FIXED REMUNERATION - MEN	AVERAGE FIXED REMUNERATION - WOMEN	RATIO	AVERAGE FIXED REMUNERATION - MEN	AVERAGE FIXED REMUNERATION - WOMEN	RATIO
GERMANY INSURANCE	139,032	124,462	0.9	80,767	72,181	0.89	51,307	46,296	0.9	32,608	32,470	1
ALGERIA ASSISTANCE	5,020,098			1,548,420	1,435,511	0.93	1,014,336	745,467	0.73	699,519	652,884	0.93
ARGENTINA ASSISTANCE	8,545,898	9,074,381	1.06	3,542,969	3,321,142	0.94	2,136,479	1,845,059	0.86	890,490	885,369	0.99
ARGENTINA INSURANCE	11,923,173	11,998,412	1.01	6,515,130	6,629,067	1.02	3,842,343	3,680,213	0.96	2,497,617	2,827,913	1.13
BRAZIL ASSISTANCE	*	*		137,566	133,443	0.97	77,520	57,415	0.74	*	28,989	
BRAZIL INSURANCE	564,041	468,595	0.83	183,389	157,134	0.86	75,891	68,213	0.9	24,344	22,394	0.92
BANCO BRASIL	420,369	*		98,414	88,075	0.89	15,362	6,844	0.45	15,972	15,812	0.99
CHILE ASSISTANCE	53,585,304	*		24,940,207	20,701,913	0.83	18,290,624	15,302,314	0.84	9,801,312	10,368,355	1.06
CHILE INSURANCE	79,253,569	83,387,030	1.05	42,978,171	39,094,643	0.91	23,750,813	24,876,676	1.05	12,506,302	13,038,927	1.04
CHINA ASSISTANCE	*	*			*			*				
COLOMBIA ASSISTANCE	*	*		45,690,073	91,381,680	2	27,140,600	40,685,442	1.5	20,464,821	16,865,351	0.82
COLOMBIA INSURANCE	186,713,650	201,180,754	1.08	80,052,626	74,488,779	0.93	34,413,673	33,887,630	0.98	18,093,407	19,432,715	1.07
COSTA RICA INSURANCE	*	31,015,298		14,574,446	19,717,049	1.35	8,956,446	7,759,553	0.87	*	5,885,880	
ECUADOR ASSISTANCE	81,733	*		15,123	11,496	0.76	8,841	10,352	1.17	6,292	6,469	1.03
ECUADOR INSURANCE	88,905	69,240	0.78	26,692	24,750	0.93	22,137	13,525	0.61	9,011	8,509	0.94
EL SALVADOR ASSISTANCE	*	*		10,650	13,064	1.23	11,739	8,256	0.7	*	*	
EL SALVADOR INSURANCE	61,716	77,858	1.26	28,080	33,715	1.2	17,169	17,669	1.03	12,384	9,802	0.79
SPAIN	115,200	96,626	0.84	53,396	47,975	0.9	39,144	34,954	0.89	30,209	28,425	0.94
UNITED STATES OF AMERICA INSURANCE	200,931	180,227	0.9	110,742	100,099	0.9	78,842	70,456	0.89	41,386	41,231	1
GREECE ASSISTANCE	76,499	*		31,481	25,736	0.82	*	*		15,439	14,236	0.92
GUATEMALA ASSISTANCE	*			*	*		75,228	69,667	0.93	*	51,618	
GUATEMALA INSURANCE	822,429	*		281,939	272,229	0.97	128,030	103,373	0.81	60,902	61,152	1
HONDURAS ASSISTANCE	*			*	*		*	235,242		177,664	155,704	0.88
HONDURAS INSURANCE	1,685,192	1,347,414	0.8	703,238	662,551	0.94	355,075	343,993	0.97	270,391	277,407	1.03
HUNGARY ASSISTANCE	*				*		*				3,160,000	

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IRELAND ASSISTANCE	102,305	*		50,043	46,183	0.92	30,382	31,088	1.02	21,879	21,690	0.99
ITALY ASSISTANCE	103,367	*		50,168	37,053	0.74	28,883	29,831	1.03	23,677	22,424	0.95
ITALY INSURANCE	128,763	93,747	0.73	65,811	56,766	0.86	43,839	42,098	0.96	31,904	36,494	1.14
MALTA ASSISTANCE	*			24,991	*		20,324	16,341	0.8	16,624	16,195	0.97
MALTA INSURANCE	92,017	94,396	1.03	51,207	47,841	0.93	29,621	27,013	0.91	19,634	16,654	0.85
MEXICO ASSISTANCE	*			347,268	395,627	1.14	172,304	164,685	0.96	99,597	99,024	0.99
MEXICO INSURANCE	2,388,753	1,831,035	0.77	701,149	649,547	0.93	258,734	310,089	1.2	200,636	236,622	1.18
NICARAGUA ASSISTANCE	*	*		*			*	*		169,267	157,133	0.93
NICARAGUA INSURANCE	1,370,343	2,896,236	2.11	651,234	608,710	0.93	417,770	294,403	0.7	216,300	202,067	0.93
PANAMA ASSISTANCE	*	*		22,461	21,950	0.98	16,589	13,397	0.81	9,680	9,806	1.01
PANAMA INSURANCE	106,943	88,500	0.83	45,580	41,615	0.91	19,426	17,658	0.91	12,203	11,855	0.97
PARAGUAY ASSISTANCE				*			*					
PARAGUAY INSURANCE	269,164,443	312,152,474	1.16	145,839,615	105,700,000	0.72	66,885,614	70,251,176	1.05	43,778,000	49,025,333	1.12
PERU INSURANCE	336,288	223,707	0.67	95,638	84,191	0.88	49,120	40,125	0.82	23,164	28,519	1.23
PORTUGAL ASSISTANCE	71,171	*		29,296	24,207	0.83	18,379	18,566	1.01	17,689	16,978	0.96
PORTUGAL INSURANCE	78,350	87,484	1.12	37,695	36,486	0.97	25,252	24,583	0.97	20,188	20,458	1.01
PUERTO RICO INSURANCE	137,326	105,009	0.76	66,315	54,490	0.82	38,537	36,266	0.94	22,156	23,659	1.07
DOMINICAN REPUBLIC ASSISTANCE		2,841,310		759,253	698,488	0.92	507,086	379,113	0.75	263,380	265,215	1.01
DOMINICAN REPUBLIC INSURANCE	3,780,821	5,409,340	1.43	1,924,446	1,442,258	0.75	777,281	723,157	0.93	415,722	408,469	0.98
MAPFRE SALUD ARS	14,080,916	5,510,405	0.39	1,645,404	1,485,548	0.9	866,174	753,764	0.87	386,996	379,990	0.98
TUNISIA ASSISTANCE	87,691	44,075	0.5	17,277	19,871	1.15	12,406	15,633	1.26	10,345	10,877	1.05
TURKEY INSURANCE	794,355	683,511	0.86	336,321	384,317	1.14	213,259	206,362	0.97	119,894	137,777	1.15
URUGUAY ASSISTANCE	3,637,474	*		1,341,997	1,113,453	0.83	886,329	864,668	0.98	409,682	474,889	1.16
URUGUAY INSURANCE	4,807,261			3,077,056	2,452,404	0.8	2,129,081	1,581,014	0.74	1,340,868	1,419,425	1.06
VENEZUELA ASSISTANCE	*	*		16,969	15,836	0.93	9,675	9,715	1	4,952	4,774	0.96
VENEZUELA INSURANCE	83,076	53,326	0.64	23,911	21,556	0.9	11,082	10,731	0.97	8,910	9,031	1.01

The countries reflected in the table correspond to 99% of the workforce.

* For data protection and confidentiality reasons, in those countries where there are two or less men or women in a given group, the information is not published.

COUNTRY	VETERANS	BABY BOOMERS	GENERATION X	GENERATION Y	GENERATION Z
GERMANY INSURANCE		51,405	52,912	49,973	32,365
ALGERIA ASSISTANCE		*	2,989,774	1,021,029	601,031
ARGENTINA ASSISTANCE	*	*	3,678,092	1,398,321	914,820
ARGENTINA INSURANCE	*	5,088,985	5,175,864	3,903,701	2,877,640
BRAZIL ASSISTANCE	*	48,548	149,763	66,636	30,401
BRAZIL INSURANCE	118,656	108,776	127,818	84,013	39,067
BANCO DO BRASIL	*	48,343	41,974	16,849	6,598
CHILE ASSISTANCE	*	24,762,242	16,512,350	12,669,129	9,888,246
CHILE INSURANCE		46,640,681	31,988,298	26,481,128	15,931,389
CHINA ASSISTANCE			511,914	323,225	
COLOMBIA ASSISTANCE		38,390,207	45,262,421	25,703,452	17,000,160
COLOMBIA INSURANCE		69,511,245	59,797,002	37,324,871	22,478,968
COSTA RICA INSURANCE		*	20,893,465	9,504,155	7,303,407
ECUADOR ASSISTANCE		6,331	23,510	8,223	6,587
ECUADOR INSURANCE		*	27,327	14,417	22,649
EL SALVADOR ASSISTANCE			13,817	13,048	8,250
EL SALVADOR INSURANCE		31,410	33,888	15,761	8,825
SPAIN	*	55,839	41,808	31,779	23,138
UNITED STATES OF AMERICA INSURANCE	64,892	89,098	83,215	63,420	49,675
GREECE ASSISTANCE		15,817	23,691	17,072	
GUATEMALA ASSISTANCE			*	97,235	53,404
GUATEMALA INSURANCE		270,823	299,554	124,962	62,995
HONDURAS ASSISTANCE			*	208,960	174,642
HONDURAS INSURANCE		713,756	725,365	374,834	308,310
HUNGARY ASSISTANCE			9,833,200	4,380,000	
IRELAND ASSISTANCE		46,712	36,089	32,189	23,523
ITALY ASSISTANCE		52,237	33,335	26,191	22,587
ITALY INSURANCE		61,763	47,651	44,356	32,605
MALTA ASSISTANCE		*	17,784	28,028	17,172
MALTA INSURANCE	*	54,921	49,237	32,285	21,915
MEXICO ASSISTANCE		128,718	201,708	170,500	116,030
MEXICO INSURANCE	*	1,170,140	551,239	385,624	266,081
NICARAGUA ASSISTANCE		*	567,866	356,224	172,883
NICARAGUA INSURANCE		940,785	947,189	377,786	208,066
PANAMA ASSISTANCE		*	23,879	14,630	9,812
PANAMA INSURANCE		58,529	35,640	22,391	13,707
PARAGUAY ASSISTANCE				*	*
PARAGUAY INSURANCE		*	250,121,286	90,695,536	48,011,508
PERU INSURANCE	129,695	95,904	80,389	47,702	32,586
PORTUGAL ASSISTANCE		32,449	25,985	17,406	16,436
PORTUGAL INSURANCE		39,719	29,340	20,874	19,268
PUERTO RICO INSURANCE	35,816	56,748	43,986	33,025	25,230
DOMINICAN REPUBLIC ASSISTANCE		2,652,952	858,713	420,774	275,072

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DOMINICAN REPUBLIC INSURANCE		1,928,045	1,835,906	737,976	505,189
MAPFRE SALUD ARS		4,148,631	1,458,112	650,988	413,718
TUNISIA ASSISTANCE		114,323	22,929	12,524	10,912
TURKEY INSURANCE		482,997	306,366	236,475	188,807
URUGUAY ASSISTANCE			1,928,212	837,013	564,195
URUGUAY INSURANCE		3,245,842	2,291,293	2,032,873	1,160,330
VENEZUELA ASSISTANCE		*	17,182	12,536	6,210
VENEZUELA INSURANCE	19,117	25,383	27,582	13,062	9,765

Average remuneration of board directors and managers, including fixed and variable remuneration, payments from long-term retirement savings systems, by gender

Management in Spain by gender and age (figures in euros):

2022*				
AGE GROUP	NO. OF PEOPLE		AVERAGE REMUNERATION	
	MEN	WOMEN	MEN	WOMEN
VETERANS	1		*	
BABY BOOMERS	198	45	225,822	166,891
GENERATION X	270	122	158,932	150,334
GENERATION Y	28	13	106,147	90,463

*This table includes the information related to the main executives of the Group worldwide with headquarters in Spain. Includes all persons with a management position level, excluding directors of MAPFRE S.A. whose information is presented in the Annual Report on Directors' Remuneration of Listed Companies, published on the corporate website at www.mapfre.com and as Note 6.25 of the Consolidated Annual Accounts.

Management by gender and country (figures in local currency):

2022				
COUNTRY	MEN	WOMEN	AVERAGE MEN'S REMUNERATION	AVERAGE WOMEN'S REMUNERATION
GERMANY INSURANCE	11	4	182,114	149,068
ALGERIA ASSISTANCE	6		6,311,562	
ARGENTINA ASSISTANCE	3	3	10,747,971	10,266,481
ARGENTINA INSURANCE	23	13	13,912,980	14,700,912
BRAZIL ASSISTANCE	2	2	*	*
BRAZIL INSURANCE	47	29	799,912	598,411
BANCO DO BRASIL	6	1	998,377	*
CHILE ASSISTANCE	3	1	69,918,637	*
CHILE INSURANCE	19	11	94,604,265	103,033,610
CHINA ASSISTANCE	2	2	*	*
COLOMBIA ASSISTANCE	2	1	*	*
COLOMBIA INSURANCE	16	10	231,872,654	243,573,839
COSTA RICA INSURANCE	1	6	*	34,428,471
ECUADOR ASSISTANCE	3	1	106,133	*
ECUADOR INSURANCE	4	3	120,265	93,240
EL SALVADOR ASSISTANCE	1	1	*	*
EL SALVADOR INSURANCE	8	4	76,058	98,931
UNITED STATES OF AMERICA INSURANCE	63	40	284,568	239,165
GREECE ASSISTANCE	4	1	108,266	*
GUATEMALA ASSISTANCE	1		*	

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GUATEMALA INSURANCE	6	2	1,286,441	*
HONDURAS ASSISTANCE	1		*	
HONDURAS INSURANCE	7	10	1,950,659	1,471,389
HUNGARY ASSISTANCE	1		*	
IRELAND ASSISTANCE	3	2	135,671	*
ITALY ASSISTANCE	3	2	143,701	*
ITALY INSURANCE	4	7	188,075	125,876
MALTA ASSISTANCE	2		*	
MALTA INSURANCE	16	8	113,660	110,833
MEXICO ASSISTANCE	2		*	
MEXICO INSURANCE	31	16	3,250,326	2,303,986
NICARAGUA ASSISTANCE	2	2	*	*
NICARAGUA INSURANCE	3	6	1,678,310	4,686,035
PANAMA ASSISTANCE	1	2	*	*
PANAMA INSURANCE	17	10	150,962	116,464
PARAGUAY INSURANCE	9	13	323,704,982	466,583,717
PERU INSURANCE	62	21	470,007	270,307
PORTUGAL ASSISTANCE	4	2	94,921	*
PORTUGAL INSURANCE	13	3	114,137	101,484
PUERTO RICO INSURANCE	24	17	197,470	136,298
DOMINICAN REPUBLIC ASSISTANCE		4		3,789,709
DOMINICAN REPUBLIC INSURANCE	11	8	5,196,840	8,411,256
MAPFRE SALUD ARS	5	5	9,467,575	4,740,285
TUNISIA ASSISTANCE	5	7	115,852	49,866
TURKEY INSURANCE	35	31	1,048,959	858,781
URUGUAY ASSISTANCE	3	1	4,413,491	*
URUGUAY INSURANCE	7		6,188,769	
VENEZUELA ASSISTANCE	1	1	*	*
VENEZUELA INSURANCE	12	7	330,438	77,514

Ratio of the standard entry-level salary by gender compared to the local minimum salary

MAPFRE applies the principle of equal opportunity and non-discrimination to all selection, promotion and mobility processes, with the aptitudes, merits, worth and professional capacity of the candidates being the criteria that are taken into account in order to make choices in an objective manner.

At MAPFRE, the salary ratio for the standard entry-level category is established by level and the nature of the job function to be performed and does not vary by gender.

Normally, the ratio of the standard initial category is determined by a collective agreement (sector or company). In general, in those countries where there is a local minimum wage, MAPFRE's entry level is higher. For example, in Spain, the headquarters of the Group, the ratio is 1.18.

Annual Total Compensation Ratio

This ratio is calculated for the employees of the Iberia Regional Area located in Spain, being the location of the company's headquarters, excluding the Corporate Areas or Business Units (MAPFRE RE, MAPFRE GLOBAL RISKS and MAPFRE ASISTENCIA), as the relationship between the total annual compensation (fixed compensation plus target variable compensation) of the highest paid person in the company and the median total annual compensation (fixed compensation plus target variable compensation) of all employees, taking full-time annualized compensation, excluding the highest paid person. The resulting data is reasonable considering the current structure of the workforce.

The annual total compensation ratio in Spain is 20.47. The Iberia Regional Area in Spain represents 30.8 percent of the Group's workforce.

Ratio of the percentage increase of the annual total compensation

The ratio of the percentage increase in total annual compensation in Spain is 0.9. The variation in the ratio on the increase in annual compensation responds to the salary composition of the profiles incorporated in relation to staff turnover and not to changes in the remuneration policy. The data for a homogeneous workforce is 0.65%.

This ratio is calculated for the employees of the Iberia territorial area located in Spain, being the location of the company's headquarters, excluding the Corporate Areas or Business Units (MAPFRE RE, MAPFRE GLOBAL RISKS and MAPFRE ASISTENCIA), as the relationship between the increase in the total annual compensation (fixed remuneration plus target variable remuneration) of the highest paid person in the company and the percentage increase in the median total annual compensation (fixed remuneration plus target variable remuneration) of all employees taking the full-time annualized salary, excluding the highest paid person. The Iberia Regional Area in Spain represents 30.8 percent of the Group's workforce.

Note 11 Occupational accident data: calculation method

In 2022, work was carried out to homogenize accident data on a global level, strictly adhering to GRI 403.

The formulas used to calculate these indices were:

- **OCCUPATIONAL ACCIDENT FREQUENCY RATE:** Represents the number of accidents with leave occurring during the workday for every one million hours worked.
- **OCCUPATIONAL ILLNESSES FREQUENCY RATE:** Represents the number of occupational illnesses with leave occurring for every one million hours worked.

- **OCCUPATIONAL ILLNESS INCIDENCE RATE:** Represents the number of occupational illnesses resulting in an absence per 100,000 workers.
- **OCCUPATIONAL ACCIDENT INCIDENCE RATE:** Represents the number of work-related accidents resulting in an absence per 100,000 workers.
- **LOST WORKDAY RATE:** Represents the number of days lost for every 1,000 hours worked.
- **EMPLOYMENT ABSENTEEISM RATE:** Refers to the number of days lost in the period in question in relation to the total days listed by the workforce in the same period, indicating how many days have been lost in every 100.
- **FREQUENCY INDEX:** Represents the number of accidents for every one million hours worked.
- **SEVERITY INDEX:** Represents the number of days lost for every 1,000 hours worked.
- **OCCUPATIONAL ACCIDENT FATALITIES:** Represents the number of deaths resulting from a work-related accident for every one million hours worked.
- **OCCUPATIONAL ILLNESS FATALITIES:** Represents the number of deaths resulting from an occupational illness for every one million hours worked.

Note 12 Framework to identify MAPFRE's contribution to the Sustainable Development Objectives

Environmental	11. Sustainable Cities and Communities	MAPFRE protects its clients, and by extension society as a whole, through the design, insurance, use, maintenance, repair and recycling of vehicles and other mobility solutions for goods and people. Section 4.1. Protecting the client details innovation progress made in products and services, and makes reference to the work of CESVIMAP, a globally renowned technological center that focuses its technological research toward, among other things, reducing road traffic accident levels and the definition of more efficient repair processes. (Goal 11.2) Action in the event of catastrophes and mitigation of the impact they produce on people (Goal 11.5) is inherent to the insurance activity. MAPFRE has a catastrophic risk management framework in place (see chapter 3.3.2 Sustainability in the Business / Natural catastrophes). Examples of this are the catastrophic claims associated with the droughts in Brazil and Paraguay in the Agricultural sector or the passage of Hurricane Fiona through Puerto Rico. The impact of both exceeded 737 million euros.
	13. Climate Action	MAPFRE is working on adapting financial planning to climate change, both from a risk and an opportunity approach (Goal 13.2). Chapter 5 Committed to the environment describes the levers to be used in the transformation into a low-carbon company and its performance. (For more information, please see 6.3 Notes on additional information Note 13 Environmental indicators.) Given the nature of the insurance business, MAPFRE contributes to reinforcing resilience and adaptation capacity in the face of climate risks and climate-related natural catastrophes (Goal 13.1). The information related to economic activities eligible by the taxonomy can be consulted in section 3.3.2.2. Integration of ESG aspects into MAPFRE's underwriting processes. As an expert in providing risk coverage, MAPFRE works to improve education, awareness and individual institutional capacities in relation to adaptation to climate change, mitigation and early warning systems (Goal 13.3). It does so not only directly, through participation in the Spanish Green Growth Group, but also by promoting environmental products and services. (For more information, please see 6.3 Notes on additional information Note 8 Sustainable products.)

Social	01. No Poverty	MAPFRE actively promotes everyone, particularly the most vulnerable, having access to economic services, including microfinance (Goal 1.4). Given the nature of its insurance activity, the company contributes to fostering the resilience of these people, reducing their exposure and vulnerability to extreme events (Goal 1.5). In particular, MAPFRE makes available products with a high social content offering basic coverage (Burial, Homeowners, Life etc.) adapted to very specific local needs and with reduced premiums, which contribute to preventing and covering personal risks of different groups and which encourage insurance culture. (For more information, please see 6.3. Notes on additional information Note 8 Sustainable products.) MAPFRE volunteers and the donation program linked to it (see section 4.5.1 Creation and distribution of value) provide assistance to people living in extreme poverty, thereby contributing to eradicating same (Goals 1.1 and 1.2).
	03. Good Health and Well-being	MAPFRE has a healthy business model in place that facilitates the systematization of actions in terms of promoting both physical and mental health (see section 4.3.5 Health and Well-being). The Group's health promotion strategy involves working on the main causes of death and disease in the world, which according to the WHO consist of interventions in the prevention of non-communicable diseases and psycho-emotional well-being (Goal 3.4). Through the promotion of microinsurance (see 6.3. Notes on additional information Note 8 Sustainable products), the Group contributes to universal health coverage, protection against financial risks and access to quality essential health services (Goal 3.8). Also, among the lines of action of CESVIMAP (see section 4.1. Protecting the client) is technological research aimed at reducing road traffic accident levels and injuries and fatalities caused by traffic accidents around the world (Goal 3.6).
	08. Decent Work and Economic Growth	MAPFRE, within the framework of the circular economy, provides SMEs with advice, training, technological support and information, with the aim of improving the competitiveness and sustainability of Spanish industry (Goals 8.3 and 8.4). The Group has a global Diversity and Equal Opportunities Policy in place (see section 4.3.6. Diversity, equality and inclusion) that is aimed at contributing to the achievement of full and productive employment and decent work for all women and men, including young people and people with disabilities, as well as equal pay for work of equal value (see 6.3. Notes on additional information Note 10 Information on remuneration) (Goal 8.5); employing 32,183 people in 2022. Regarding indirect employment, MAPFRE promotes responsible and sustainable management in terms of occupational health and safety of its contracted personnel (Goal 8.8) and human rights among its almost 145,000 providers (see section 4.4. Generating business for providers). MAPFRE is firmly opposed to child and forced labor and supports basic labor rights etc. (Goal 8.7) as a company priority. This management extends to the sales network too, comprising 83,332 intermediaries. (For more information, please see 4.1. Protecting the client.)

Governance	17. Partnerships for the Goals 16. Peace, Justice and Strong Institutions	
		MAPFRE recognizes the importance of human rights, which is why protection of same is enshrined in the Group's internal regulations. In order to significantly reduce all forms of violence (Goal 16.1) and promote the protection of fundamental rights, 454 security providers have been trained in this area. MAPFRE also maintains a policy of zero tolerance toward corruption and bribery (Goal 16.5). To ensure compliance, MAPFRE has an internal control policy in place, which, among other objectives, seeks to safeguard the reliability of information (financial and non-financial and both internal and external) regarding its reliability, timeliness or transparency (Goal 16.6). Ultimately, establishing channels that facilitate reporting and access to claim and repair damage caused (Goal 16.3) (For more information, please see section 2.4.3 Ethical behavior: main compliance and prevention measures.) MAPFRE collaborates and participates in business and industry organizations that help it form a more comprehensive and global vision of the environment in which the insurance industry operates, its impacts, risks and opportunities, while allowing it to stay up to date with the key aspects of an increasingly complex and interconnected social and economic reality. (Goal 17.6 and 17.7) (See 6.3. Note 1 – Stakeholders.) MAPFRE's international and local commitment to sustainable development and the 2030 Agenda is solid and is reflected in its voluntary adherence to the main international and local benchmark initiatives, in which it actively participates. (See: https://www.mapfre.com/global-commitments/)

There follows an explanation of the underlying theory of change that guides these contributions and the financial and social or environmental impact information related to same.

Contribution and Theory of Change	Financial KPIs	Environmental KPI
Goal 11.2 MAPFRE protects its customers and, by extension, society as a whole through the design, insurance, use, maintenance, repair and recycling of vehicles and other solutions for the mobility of goods and people. Theory of change The promotion of increasingly effective and efficient accident prevention systems is key to reducing the number of accidents on the roads and in cities. A lower accident rate not only improves the health and well-being of citizens, but also frees up resources that would otherwise be used by insurers to repair damage caused to public spaces and real estate, directing them towards research aimed at further reducing accident rates or developing repair techniques with a lower environmental impact. In this sense, traffic accidents, in addition to having a high social impact, leave a significant footprint on the planet. The treatment of the waste generated in the accident itself, as well as in the subsequent repair of the vehicles involved, can be an opportunity to contribute to the circular economy and safeguard natural capital.	6.3. Notes on additional information Note 8 on Sustainable Products gives details of those products and services that respond to challenges of sustainable mobility.	In 2022, 1,847 vehicles were processed, from which a total of 54,485 parts were recovered for reuse in different markets.

Contribution and Theory of Change	Financial KPIs	Environmental KPIs
Goal 11.5 Action in the event of catastrophes and mitigation of their impact on people is inherent to MAPFRE's insurance activity. Theory of change The World Meteorological Organization (WMO) and the United Nations Office for Disaster Risk Reduction (UNDRR) explain a dangerous trend has been observed, especially in recent years, involving a steady rise in natural disasters. Preventing and repairing the damage caused to the environment helps to reduce the danger of these phenomena for people and the planet. According to data collected by both entities in the Atlas of Mortality and Economic Losses from Weather, Climate and Water Extremes, from 1970 to 2019 natural hazards accounted for half of the disasters that occurred, causing 45% of the deaths reported and 74% of the economic losses. There were more than 11,000 natural disasters, just over 2 million deaths, and 3.46 trillion dollars in losses. According to the study “The impact of disasters and crises on agriculture and food security: 2021,” of the United Nations Food and Agricultural Organization (FAO), natural hazards (large fires), extreme weather events and even the coronavirus pandemic have caused considerable damage that is particularly affecting the agricultural sector, so much so that up to 63% of the impact of these disasters is on agriculture. This severely affects local communities in particular—which are put under strain by major economic losses—and it also has a big impact at the national and international level more generally. MAPFRE helps people and communities adapt to the risks derived from climate change and different catastrophes by underwriting insurance to cover damages derived from fires, rain, etc. and, where appropriate, agricultural insurance.	6.3. Notes on additional information Note 8 Sustainable Products includes information on those insurance products that prevent and/or repair damage caused to the environment.	6.3. Notes on additional information Note 8 Sustainable Products includes information on those insurance products that prevent and/or repair damage caused to the environment.

Contribution and Theory of Change	Financial KPIs	Environmental KPIs
Goal 13.1 MAPFRE contributes to strengthening resilience and adaptive capacity in the face of climate risks and climate-related natural disasters. Theory of change The climate crisis compels us to act to cut carbon dioxide emissions in half by 2030 and achieving neutrality by 2050 if the Paris Agreement targets are to be met. To achieve this, it is necessary to promote investments, products and services that truly meet the needs of the sustainable agenda and build a recovery and development model that, as part of the Green Recovery, gives way to a decarbonized, sustainable and resilient economy. Along these lines, the European sustainability goals are one of the reference frameworks guiding the Group's activity.	The exposure of Non-Life insurance premiums to economic activities eligible by the Taxonomy is 46,19%	N/R / N/A
Goal 13.2 and 13.3 MAPFRE undertakes to incorporate environmental protection policies and measures in its activity, in the policyholder and customer portfolio and in the supply chain, working to improve education, awareness and individual institutional capacities in relation to climate change adaptation, mitigation and early warning systems. Theory of change Global CO2 emissions have increased by almost 50% since 1990. In light of this situation, the United Nations urges action to address the climate emergency in order to save lives and livelihoods. To accelerate the decarbonization of all aspects of the company, a wide range of technological measures and behavioral changes have been put in place to help limit the increase in the average global temperature.	During 2022, energy consumption was reduced by 19,339,218 kWh compared to 2019, which represents a 12% reduction, which exceeds the planned reduction target of 3,5% and 5,434,303 kWh for 2022. The consumption of 191 tons of paper has been avoided thanks to the biometric electronic signature, avoiding the emission of 166.75 metric tons of CO_{2e} in Spain and Portugal.	The total photovoltaic generation in 2022 was 3,543,038 kWh, which is equivalent to 10.3% of electricity consumed from own generation. Awareness campaigns to achieve a more efficient and responsible use of sanitary water in offices and buildings by employees in Argentina, Chile, Costa Rica, Honduras and Uruguay.

Contribution and Theory of Change	Financial KPIs	Social KPIs
Goals 1.1 and 1.2 MAPFRE volunteers and the related donation program assist people living in extreme poverty and help to eradicate this phenomenon. Theory of Change Volunteering from its community and corporate dimension creates links between excluded groups, the community and the companies present in it, thus fostering dialogue and social improvement. Through the voluntary service of the people who work at MAPFRE, the company multiplies the impact of its social purpose as an insurer and the activity of Fundación MAPFRE, its main shareholder. The Global Corporate Volunteering Program run through Fundación MAPFRE sets the basic lines of action for volunteer development in the various countries. Its lines of action (nutrition, health, education, environment, emergency aid and social action) contribute both directly to ending poverty and indirectly by establishing the minimum conditions necessary to promote the growth of communities and the individual development of their members.	In 2022, resources amounting to 332,987 euros were earmarked for the development of the volunteering program.	A total of 4,109 volunteers and the ir family members participated in 1,488 activities worldwide in 2022, directly impacting more than 124,000 people. 12.3% of the global workforce has enjoyed a volunteering experience. The global impact of volunteer actions directly aimed at ending poverty was 4.7% in 2022; representing 8.3% of the funds raised in various collections and reaching 9.3% of the direct beneficiaries of the program.
Goals 1.3; 1.4 and 1.5 MAPFRE contributes to providing a shield of economic protection to all people Theory of Change Insurance provides a safety net to all those who have access to it (goal 1.3), thus making it easier for families not to experience situations of vulnerability after an accident (goal 1.5). In this sense, insurance provides a shield of economic protection to all people (goal 1.4). In an environment of growing vulnerability, the company promotes products with a high social content with basic coverage (death, home, life, etc.) adapted to very specific local needs and with reduced premiums, which contribute to prevent and cover the personal risks of different groups and promote the culture of insurance. (See Note 6 Sustainable Products.)	6.3. Notes on additional information Note 8 Sustainable Products includes those products and services that respond to social challenges and the problems faced by socially disadvantaged groups.	6.3. Notes on additional information Note 8 Sustainable Products includes those products and services that respond to social challenges and the problems faced by socially disadvantaged groups.

Contribution and Theory of Change	Financial KPIs	Social KPIs
Goal 3.4 The Group's health promotion strategy involves working on the main causes of death and disease in the world which, according to the WHO consist of intervention in the prevention of non-communicable diseases and psychological and emotional well-being. Theory of Change The World Health Organization has defined health as the capacity of people to develop harmoniously in all areas of their lives: In its People Space, MAPFRE is developing coverages that complete the protection of our policyholders against contingencies that occur in everyday family life, added-value services linked to healthy habits and health care and personalized counseling, proactively adapting products and solutions to the family life cycle. In the workplace, one of the central tools for the continuous improvement of occupational health and safety conditions is the development and consolidation of a culture of prevention. Promoting steps in these two areas helps reduce the main causes of death and illness around the world, which, according to the WHO, means intervening for the prevention of non-communicable diseases and for psychological-emotional well-being (Goal 3.4).	In 2022, €1.5 million were invested in actions to promote physical and psychological health, both in the work and family environments of employees	MAPFRE promotes health care globally by maintaining collaboration agreements with 9,707 clinics in 15 countries. A total of 27,000 employees, 84.1% of the workforce, are represented in joint management-employee health and safety committees, which have been established to help control and advise on this matter. 218,166 million hours lost to absenteeism due to non-occupational accidents and common illnesses. Reduction of 0.11 pps in the absenteeism ratio compared to the base year (2019).

Contribution and Theory of Change	Financial KPIs	Social KPIs
Goal 3.6 MAPFRE, through CESVIMAP, is committed to technological research aimed at reducing accident rates, which will have an impact on reducing the number of deaths and injuries caused by road traffic accidents in the world. Theory of change Since 2015, CESVIMAP has been carrying out research through testing, disassembling and evaluating vehicles incorporating ADAS, such as the Autonomous Emergency Braking System (AEB), Lane Departure Warning (LDW) or its evolution, which is capable of correcting the trajectory, or the Lane Keeping System (LKS), with the aim of gaining clear and precise insight into how these systems work and the limits of same. The main objective of this evaluation is to assess the vehicle's ability to avoid accidents and, therefore, personal and material damages with a direct influence on road safety. Also, the incorporation of ADAS system sensors can influence the cost of vehicle repair, as they are located in areas of relative exposure to accidents. Likewise, the investigation of traffic accidents makes it possible to determine the conditions prior to the accident and to reconstruct the mechanics of the event. CESVIMAP conducts research in this field with the aim of offering objective data that can lead to the resolution of events and the issuance of expert reports for use in court cases. Accident reconstruction also has a positive impact on road safety since it provides significant data on the human factor, the road, weather conditions, the condition of vehicles and the functioning of safety elements.	More than €154,000 allocated to investigating road traffic accidents and reducing accident levels.	CESVIMAP has evaluated the ADAS systems of 72 different models of vehicles, extrapolating results to multiple different versions. 87.1% of the models listed in the MAPFRE Spain product catalog are covered.

Contribution and Theory of Change	Financial KPIs	Social KPIs
Goal 3.8 MAPFRE contributes to universal health coverage through facilitating access to quality essential health services. Theory of Change Health and illness insurance together with social security systems play a complementary role until effective universal coverage is achieved. Through the promotion of microinsurance and assistance services (see Note 6 Sustainable products / A. Social products and services). MAPFRE contributes to universal health coverage by facilitating access to quality essential health services (Goal 3.8). The development of this activity not only promotes a greater share of penetration in markets with growth potential for MAPFRE, but also contributes to modifying behavior related to seeking health care in these environments. Among the evidence collected by Tra T.T. Pham and Thong L. Pham, in a study developed in Vietnam and published by the Labor Organization in 2012 in relation to health care-seeking behaviors, is the observation that taking out a health microinsurance for vulnerable HCFP people increased to a great extent attendance at outpatient consultations, at 1.11 times, and visits to a public hospital, at 1.7 times. (http://www.impactinsurance.org/sites/default/files/repaper11.pdf)	6.3. Notes on additional information Note 8 Sustainable Products includes those products and services that respond to social challenges and the problems faced by socially disadvantaged groups in relation to health coverage.	6.3. Notes on additional information Note 8 Sustainable Products includes those products and services that respond to social challenges and the problems faced by socially disadvantaged groups in relation to health coverage.

Contribution and Theory of Change	Financial KPIs	Social KPI
Goal 8.5 MAPFRE contributes to the achievement of full productive employment and decent work for all women and men, including young people and people with disabilities; as well as equal pay for work of equal value. Theory of change The ILO-Gallup global survey “Towards a better future for women at work: Voices of women and men” shows how women, on a global scale, want to do paid work. However, one of the main challenges for women in the workplace is unequal pay. It is a nearly universal fact that women are paid less than men for work of equal value. In the G20 and OECD countries, the average monthly income of women is 17% lower than that of men. One of the levers to achieve full employment and decent work is to move towards equal pay for work of equal value or to establish, as a general rule, an entry-level wage higher than the local minimum wage (in those countries where it exists).	The amount paid in salaries and wages amounted to €1.442.6 billion in 2022.	The average global adjusted gap on fixed remuneration of the Group, considering 99% of the workforce, is 2.13%, a percentage equivalent to that of the previous year. For 2022, in Spain, where the Group employs 37.4% of its workforce, the starting category salary ratio is 1.18. In this financial year, 26,554 people worked under annual variable remuneration systems, which represents 86.47% of the global workforce.

Contribution and Theory of Change	Financial KPIs	Social KPIs
Goals 8.7 and 8.8 MAPFRE protects fundamental and labor rights with effective monitoring and control systems and promotes awareness and respect for same among its providers and intermediaries. Theory of change Forced labor is sometimes the result of situations of vulnerability that households go through when the main breadwinner dies or becomes seriously ill. In addition to the indirect contribution of insurance in covering the loss of income resulting from such events, it can have a direct impact by establishing approval procedures throughout its value chain to assess the human and labor rights performance of providers, intermediaries and investees.	Spending on approved providers represents 65.6% of total spending on service providers in 4 of the 5 countries where the process is implemented.	Since the start of the Provider Approval project in 2019, 4,502 providers have participated in it, and 96.5% of them have been approved.
	Promotion of indirect employment through contracts with special employment centers or companies with similar characteristics for an amount of 160,291.67 euros.	100% of the providers included in the approval process participated in programs aimed at raising awareness of human rights.

Contribution and Theory of Change	Financial KPIs	Governance KPIs
Goal 16.1 Significantly reduce all forms of violence and promote protection of fundamental rights.	N/R / N/A	454 security providers have been trained in the area of human rights, which represents 89% of all providers of this type.
Goal 17.6 and 17.7 MAPFRE collaborates and participates in business and industry organizations, helping it to obtain a more comprehensive and global view of the environment in which the insurance industry operates, its impacts, risks and opportunities, and the key factors in an increasingly complex and interconnected economic and social reality.	The expense corresponding to contributions from trade and institutional organizations that help create a more comprehensive and global vision of the environment in which the insurance industry operates, its impacts, risks and opportunities was approximately 2.6 million euros in 2022.	The MAPFRE Group carries out its institutional activity mainly through 45 business and sector associations, foundations, chambers of commerce, and other non-profit organizations.

Note 13 Environmental indicators
Table I. Environmental context

	UNITS	2022	2021	2020
Employees working under environmental reporting (Integrated Report)*	employees	30,988	31,243	31,906
	%	98.70	96.60	94.59
Employees working under environmental management certification (ISO 14001)	employees	15,332	15,140	12,351
	%	48.99	46.81	36.62
Employees working under energy management certification (ISO 50001)	employees	9,408	7,864	7,405
	%	30.06	24.32	21.95
Employees working under carbon footprint verification (ISO 14064)	employees	26,743	26,344	21,922
	%	85.46	81.46	64.99
Premium volume managed under SIGMAYEc³ in relation to total premiums	%	94.50	92.46	80.64

Table II. SIGMAYEc³ control

	UNITS	2022	2021	2020
Environmental diagnosis and inspections	Units	0	12	3
Internal environmental audits	Units	57	54	50
Environmental certification audits	Units	39	37.5	30
Assets subject to environmental controls	%	48.99%	46.81%	36.62%
Environmental compliance: In relation to environmental fines, there was no record of having received any significant fine in 2022.				
Resources devoted to environmental risk prevention: 2.8 million euros				
The MAPFRE Group (in Germany, Argentina, Brazil, Spain, USA, Italy and Peru) has public liability insurance in place, with specific coverage for the management of its environmental risks due to pollution (€300,000-10,000,000) and environmental responsibility (€300,000), as established by state legislation.				

Table III. Carbon footprint broken down by scope

The following greenhouse gases are reported: CO₂, CH₄, N₂O, HFCS, PFCS, SF₆, NF₃, for the three scopes included in the GHG Protocol, as well as in the ISO 14064 Standard. The methodology for calculating the carbon footprint of MAPFRE is carried out through financial control. For the calculation, emission factors of the generation mix of the corresponding country and the latest available information are applied: DEFRA, International Energy Agency, GHG Protocol.

	UNITS	2022	2021	2020
Carbon footprint (GHG emissions)				
Scope 1	TmCO ₂ eq	9,939.46	10,035.33	8,400.45
Scope 2 (market based)	TmCO ₂ eq	11,830.17	11,144.46	11,197.17
Scope 2 (location based)	TmCO ₂ eq	26,742.72	24,860.21	25,037.22
Scope 3	TmCO ₂ eq	39,957.48	29,276.65	24,732.78
(Scope 1+ 2 (market based) +3)	TmCO ₂ eq	21,769.63	21,179.80	19,597.62
Total GHG emissions (Scope 1+ 2 (market based) +3)	TmCO ₂ eq	61,727.10	50,456.44	44,330.40
Carbon footprint indicators				
Emissions per employee	TmCO ₂ eq/ employee	2.04	1.61	1.39
Emissions per € of premiums	TmCO ₂ eq/€ of premiums	2.22	2.28	2.19
	%	98.70	96.60	94.59

Table IV. Carbon footprint breakdown and categories included in the different scopes

	UNITS	2022	2021	2020
Scope 1	TmCO2eq	9,939.46	10,035.33	8,400.45
Natural gas	TmCO2eq	2,917.37	2,726.27	2,060.88
	m3	1,447,293.69	1,442,049.33	1,072,477.62
Fuels in fixed installations	TmCO2eq	593.04	1388.14	1,038.49
	L	293,708.41	458,673.95	477,093.71
Refrigerant gases	TmCO2eq	1,841.75	1,478.70	1742.74
	Kg	1,058.62	752.80	1016.59
Fuels in own vehicles	TmCO2eq	4587.30	4685.84	3,558.34
	l	2,038,286.37	1,969,118.07	1,475,009.22
Scope 2	TmCO2eq	11,830.17	11,144.46	11,197.17
Electricity	GWh	96.80	92.18	91.44
Scope 3	TmCO2eq	39,957.48	29,276.64	24,732.78
Business travel	TmCO2eq	3,028.42	2,494.41	2,970.87
(air, train and bus)	Km	33,178,651.96	14,506,837.52	17,263,105.00
Business travel	TmCO2eq	1,976.81	1,118.66	844.47
(vehicles)	Km	11,582,672.90	6,523,547.28	4,926,911.00
Paper consumption*	TmCO2eq	1,042.77	1,332.90	2,376.39
Paper waste	TmCO2eq	12.42	10.86	10.07
Toner use	TmCO2eq	128.10	74.73	69.43
Toner waste	TmCO2eq	120.26	94.75	86.44
Fluorescent waste	TmCO2eq	0.10	0.31	0.23
Commuting	TmCO2eq	33,648.59	24,150.04	18,374.88

	UNITS	2022	2021	2020
ENERGY				
Total energy consumption	GWh	135.93	127.99	122.44
Natural gas consumption	GWh	15.58	14.56	11.52
Fuel consumption fixed installations	GWh	2.54	1.33	4.26
Fuel consumption of mobile installations	GWh	21.01	19.93	15.22
Consumption of conventional electricity	GWh	33.86	31.79	33.92
Consumption of renewable energy	GWh	62.94	60.39	57.52
Energy consumption/employee	kWh / employee year	4,487.51	4,093.89	3,838.00
Energy consumption/premium	KWh/premium (thousand euros)	4.90	5.77	6.05
WASTE				
	UNITS	2022	2021	2020
Paper	MT	599.39	453.70	427.40
Toner and printer cartridges	MT	8.97	7.90	7.23
Electric appliances	MT	67.66	52.10	44.80
Donated electrical appliances	MT	24.75	41.10	13.49
Batteries	MT	14.65	6.20	1.57
Bulbs and fluorescent lights	MT	1.54	2.34	1.54
Organic waste	MT	150.31	N/D	N/D
Cardboard	MT	66.52	N/D	N/D
Packaging	MT	119.89	N/D	N/D
Glass	MT	42.74	N/D	N/D
Other recyclable solid waste	MT	186.94	547.84	813.60
Non-recyclable urban solid waste	MT	210.16	116.43	476.91
Sanitary waste	MT	24.91	23.02	8.98
Expired medications	MT	0.61	0.21	0.14
Recycled hazardous waste derived from repair shop activity	MT	76.50	1,800.17	1,215.00
Recycled non-hazardous waste derived from repair shop activity	MT	4,856.68	N/D	N/D
Non-recycled hazardous waste derived from repair shop activity	MT	4.07	11.80	4.00
Non-recycled non-hazardous waste	MT	3.88	N/D	N/D
Recycled hazardous waste derived from facility maintenance	MT	1.55	N/D	N/D
Recycled non-hazardous waste derived from facility maintenance	MT	2.34	N/D	N/D
Non-recycled hazardous waste derived from facility maintenance	MT	2.08	N/D	N/D
Non-recycled non-hazardous waste derived from facility maintenance	MT	0.00	N/D	N/D
TOTAL WASTE GENERATED	MT	6468.13	3062.81	3014.66
TOTAL HAZARDOUS WASTE	MT	218.31	1936.94	1289.52
TOTAL NON-HAZARDOUS WASTE	MT	6249.82	1125.87	1725.14

MAPFRE S.A.

TOTAL WASTE RECYCLED/REUSED	MT	6431.79	2911.35	2524.63
TOTAL WASTE ELIMINATED	MT	36.34	151.46	490.04
Dump	MT	31.56	128.02	476.40
**Incinerated with energy recovery	MT	131.36	137.00	0.00
Incinerated without energy recovery	MT	3.51	0.64	4.85
Other removal processes	MT	1.26	22.80	8.79
TOTAL WASTE GENERATED BY EMPLOYEES	kg / employee	0.21	0.09	0.09
**Incinerated with energy recovery: involves a waste recovery process based on the process of energy extraction from organic remains, which is why it is not considered a category to be included in the overall calculation of waste eliminated.				
WATER*				
Total water consumption	m3	680,776.78	585,781.98	660,626.00
Water consumption per employee	m3 / employee	21.97	18.73	20.71
* Consumption of water from the public network in line with local limitations.				
PAPER				
Total paper use	MT	1,136.00	1,456.83	2,583.00
Paper use with label	MT	422.24	725.94	391.00
TONER				
Toner consumption	Units	8,039	7,897	7,352

MAPFRE has identified the impact of its activity on the economy, the environment and people, including the impact on human rights. For its characterization in the "Materiality Study", the perception and expectations of MAPFRE's main stakeholders (Clients and insureds, Providers, Distributors, Intermediaries and collaborators, Shareholders, investors and partners, Society, and Regulatory bodies) were taken into account.

They are collected below:

1.- Material issue: those issues identified in the materiality matrix due to their high external and internal impact.

2.- Impact/Concern: The main impacts for MAPFRE's stakeholders. The identification of the external assessment of the impact was expressed through the concerns of the interest groups, which require MAPFRE to act in relation to matters that have an impact on them.

3.- Policies/Government/Process: The commitments or regulations related to the management of these concerns. The government of those As well as the processes or procedures linked to its management.

4.- Action plan: The lines of action (included in the different corporate plans) whose objectives and projects respond to the concerns raised, as well as KPIs that allow their monitoring.

5.- Progress: The chapters and sections of this report where the progress made in responding to and addressing the material issues in which the concerns are included is reported.

6.- Interest groups: The breakdown of potentially impacted interest groups and the channels available for their participation and the presentation of their concerns and/or suggestions.

MATERIAL TOPIC	IMPACT / CONCERN	POLICY / GOVERNANCE / PROCESS	ACTION PLAN	PROGRESS	STAKEHOLDER
Quality in service delivery and customer satisfaction	SOCIAL .-Improve the advisory service, customer service and assistance. .- Offer customers personalized attention. .- Reduce bureaucratic procedures and response times. .- Ensure customer satisfaction and loyalty. .- Innovation in products and services, improving accessibility to same. CORPORATE GOVERNANCE .- Greater transparency with the client and collaborators.	.- Customer relationship governance model that covers several areas: Customer Data, Customer Intelligence, Value Proposition, Customer Experience, Customer Interaction Management (CRM) and Voice of the Customer.	Strategic Plan 2022-2024 - Disciplined growth - Efficiency and productivity Sustainability Plan 2022-2024 - Sustainable products - Transparency Actions and transformation plans (4.1 Protecting the client)	4.1. Protecting the customer / Customer satisfaction	See Note 01 Stakeholders - Main relationship channels with stakeholders - Clients and Insureds.

Good governance and compliance	CORPORATE GOVERNANCE - Concern for possible cases of fraud and corruption. - Ensure ethical performance on the part of the company.	- Institutional, Business and Organizational Principles of the MAPFRE Group. - Code of Ethics and Conduct. - Corporate Governance Policy. - Director Selection Policy. - Policy on the management of conflicts of interest with senior representation and management positions. - Remuneration Policy for Directors of MAPFRE S.A. 2022-2024. - Compliance Policy. - MAPFRE S.A. criminal risk prevention model. - Communication policy with shareholders, institutional investors and proxy advisors and communication of financial and non-financial and corporate information. - Corporate Tax Policy. - Harassment protocol. - Action framework for a responsible institutional relationship. - Internal Audit Statute. - Ethics Committee.	Strategic Plan 2022-2024 - Transformation Sustainability Plan 2022-2024 - Transparency	2.4. Good governance	See Note 01 Stakeholders - Main relationship channels with stakeholders - Employees; Shareholders, Investors, Partners.
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Innovation and digitalization	ENVIRONMENTAL - Reduce the consumption of resources, taking advantage of digitization and teleworking. SOCIAL - Innovation in products and services, improving accessibility to them. - Reduce bureaucratic procedures and response times	- Organizational Policy and Management Bodies of the Corporate Area of Technology and Processes. - Open Innovation Model (MOi). - Regulations and procedures for proofs of concept and pilots for Strategic Innovation projects. - Group transformation and innovation committee.	Strategic Plan 2022-2024 - Disciplined growth - Efficiency and productivity Sustainability Plan 2022-2024 - Circular economy - Inclusion - Sustainable products	4.1. Protecting the client / Digital business	See Note 01 Stakeholders - Main relationship channels with stakeholders - Clients and Insureds.
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Adapt the business to climate change	ENVIRONMENTAL - Improve the energy efficiency of the facilities. - Promote the use of renewable energy. - Reduce the consumption of resources, taking advantage of digitization and teleworking. - Promote sustainable mobility (electric and/or hybrid vehicles). CORPORATE GOVERNANCE - Promote sustainable investment, not insuring or investing in companies that harm the environment. CROSS - Help raise awareness in society about ESG issues, offering sustainable products and services.	- Corporate Sustainability Policy. - Environment Policy. - Investment Policy. - Sustainability risk integration policy (https://www.mapfre.es/media/politica-integracion.pdf). - Responsible investment framework. - Underwriting Policy. - Environmental commitments on underwriting and investment (https://www.mapfre.com/media/COMPROMISOS-AMBIENTALES-INVERSION-Y-SUSCRIPCION.pdf) - Sustainability Operating Committee. - MAPFRE AM Risk Committee. - Underwriting Policy Committee. - Crisis and Business Continuity Committee.	Strategic Plan 2022-2024 - Transformation Sustainability Plan 2022-2024 - Environmental footprint management - Sustainable products - Sustainable underwriting - Sustainable investment Corporate Environmental Footprint Plan 2021-2030 Business Continuity Plans	3.3.2. Sustainability in the business 5. Committed to the environment	See Note 01 Stakeholders - Main relationship channels with stakeholders - Employees; Shareholders, Investors, Partners; Society. See TCFD Report - 3.5. Participation in the Working Groups of institutional organizations
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Cybersecurity and data privacy	GOOD GOVERNANCE .- Guarantee the ethical performance of the company. .- Investment in data protection and cybersecurity.	.- Corporate Security and Privacy Policy. https://www.mapfre.com/media/accionistas/2015/politica-corporativa-seguridad-privada.pdf .- MAPFRE Comprehensive Security Model. https://www.mapfre.com/media/seguridad-mapfre/seguridad-mapfre.pdf .- MAPFRE's Data Governance Model: reference framework that enables the organization to apply the necessary mechanisms to convert its data into a strategic asset, minimizing risks and inappropriate use thereof. Defined in the corporate Data Governance Standard. .- Corporate Security and Environment Committee. .- Corporate Committee for Privacy and Data Protection. .- Crisis and Business Continuity Committee.	Strategic Plan 2022-2024 - Efficiency and productivity Sustainability Plan 2022-2024 - Transparency Cyber Resilience Plan (PCR)	2.4.4 Cybersecurity and data privacy	See Note 01 Stakeholders - Main relationship channels with stakeholders - Employees; Clients and Insureds; Distributors, Intermediaries and Collaborators. See working groups Note 3 - Cybersecurity and data privacy
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Carbon footprint	ENVIRONMENTAL - Improve the energy efficiency of the facilities. - Promote the use of renewable energy. - Reduce the consumption of resources, taking advantage of digitization and teleworking. - Promote sustainable mobility (electric and/or hybrid vehicles). SOCIAL - Guarantee the health and well-being of employees.	- Corporate Sustainability Policy - Corporate Environmental Policy - Corporate Safety and Environment Committee - Sustainability Operating Committee - SIGMAYEc³	Strategic Plan 2022-2024 - Transformation Sustainability Plan 2022-2024 - Environmental footprint management - Circular economy - Sustainable investment - Sustainable subscription - Corporate Environmental Footprint Plan 2021-2030	3.3.2. Sustainability in the business 5. Committed to the environment	See Note 01 Stakeholders - Main relationship channels with stakeholders - Employees; Shareholders, Investors, Partners; Society. See TCFD Report - 3.5. Participation in the Working Groups of institutional organizations
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ESG investment	CORPORATE GOVERNANCE - Promote sustainable investment, not insuring or investing in companies that harm the environment. CROSS - Increase the dissemination of MAPFRE's performance and involvement in ESG matters. - Help raise awareness in society about ESG issues, offering sustainable products and services.	- Corporate Sustainability Policy. - Investment Policy. - Sustainability risk integration policy. (https://www.mapfre.es/media/politica-integracion.pdf) - Responsible investment framework. - Environmental commitments on underwriting and investment. (https://www.mapfre.com/media/COMPROMISOS-AMBIENTALES-INVERSION-Y-SUSCRIPCION.pdf) - MAPFRE AM Risk Committee.	Strategic Plan 2022-2024 - Transformation Sustainability Plan 2022-2024 - Sustainable products - Sustainable investment Annual investment plan	3.3.2. Sustainability in the business	See Note 01 Stakeholders - Main relationship channels with stakeholders - Clients and Insureds; Shareholders, Investors, Partners.
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Sustainable products and services	ENVIRONMENTAL - Promote sustainable mobility (electric and/or hybrid vehicles). SOCIAL - Innovation in products and services, improving accessibility to them. TRANSVERSAL - Increase the dissemination of MAPFRE's performance and involvement in ESG matters. - Help raise awareness in society about ESG issues, offering sustainable products and services.	- Corporate Sustainability Policy - Responsible investment framework - Open Innovation Model (MOI) - Sustainability Operating Committee - Global business committee - MAPFRE AM Risk Committee - M&A Committee - Group Transformation and Innovation Committee	Strategic Plan 2022-2024 - Transformation Sustainability Plan 2022-2024 - Sustainable products - Sustainable subscription - Sustainable investment	3.3.2. Sustainability in the business	See Note 01 Stakeholders - Main relationship channels with stakeholders - Clients and Insureds; Society.
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Occupational health and well-being	ENVIRONMENTAL - Reduce the consumption of resources, taking advantage of digitization and teleworking. SOCIAL - Promotion of equality and diversity. - Training measures for employees. - Promotion of reconciliation - Guarantee the health and well-being of employees.	- Health, well-being and occupational risk prevention policy. - Corporate sustainability policy. - Diversity and equal opportunities policy. - Internal policy regulating the right to digital disconnection for MAPFRE employees. - Healthy business management model. - Health and Safety Committee.	Strategic Plan 2022-2024 - Transformation Sustainability Plan 2022-2024 - Employment - Inclusion	4.3. Developing people	See Note 01 Stakeholders - Main relationship channels with stakeholders - Employees. See page 98 - 4.3.7 The voice of employees
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6.4. Table of contents GRI

Data responding to GRI Indicators and the requirements established by Directive 2014/95/EU on the disclosure of non-financial and diversity information, as well as its respective transpositions in Spain (Law 11/2018 of December 28) and in Italy (Legislative Decree 254/16 NFI) was obtained through Sygris, the Group's social responsibility data-management tool.

Statement of use	MAPFRE S.A. prepared this report in line with GRI Standards for the period 1 January, 2022 to 31 December, 2022.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI STANDARD	DISCLOSURE	LOCATION	Other references
GRI 2: General Disclosures 2021	2-1 Organizational details	a) Page 1 - Cover b) Page 16 - 2.3. Shareholder and functional structure c) Page 40 - 3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes d) Page 7 - 2.1.1. Main activity d) Page 8 - 2.1.3. Geographic footprint (deployment)	
	2-2 Entities included in the organization's sustainability reporting	a) Page 17 - 2.3.2. Functional structure b) Page 51;53;121 - 3.2.3. Relevant facts occurring in the period and impacting key figures / 3.3.1. Risk management / 6.1. Bases of preparation and presentation of the report c) i) Page 40 - 3.2.1. MAPFRE key figures c) ii) Page 36 - 2.4.5 Fiscal transparency c) ii) Page 122 - 6.2. Materiality c) Appendix I of the Consolidated Annual Accounts and Consolidated Management Report reflects the participation and the consolidation method used for each entity (global integration, equity-accounted method). Likewise, in the Consolidated Statement of Income and Comprehensive Income of MAPFRE S.A., the result attributable to the controlling company and the result attributable to non-controlling interests are separated.	
	2-3 Reporting period, frequency and contact point	a) Page 192 - 6.4. Table of contents GRI b) Page 121 - 6.1. Bases of preparation and presentation of the report c) Page 121 - 6.1. Bases of preparation and presentation of the report d) Page 121 - 6.1. Bases of preparation and presentation of the report	
	2-4 Restatements of information	Page 121 - 6.1. Bases of preparation and presentation of the report	
	2-5 External assurance	a) Page 121 - 6.1. Bases of preparation and presentation of the report and page 18 - 2.4.1. Corporate Governance system b) i) Page 121 - 6.1. Bases of preparation and presentation of the report b) ii) Page 121 - 6.1. Bases of preparation and presentation of the report b) iii) Page 121 - 6.1. Bases of preparation and presentation of the report	

	2-6 Activities, value chain and other business relationships	a) Page 7 - 2.1. About us b) i) Page 7 - 2.1. About us b) ii) Page 102 - 4.4. Generating business for providers b) Page 69 - 4.1 Protecting the client c) Page 102 - 4.4. Generating business for providers / Page 106 - 4.5. Our footprint, shared value d) Page 51 - 3.2.3. Relevant facts occurring in the period and impacting key figures	SDG 12
	2-7 Employees	a) Page 81 - 4.3. Developing people / Page 40 - 3.2.1. MAPFRE key figures b) i) Page 81 - 4.3. Developing people b) ii) Page 81 - 4.3. Developing people b) iii) There are no employees without guaranteed hours b) iv) Page 153 - Total workforce by job position level, contract type, working day, gender and generation b) iv) Page 153 - Total workforce by job position level, contract type, working day, gender and generation b) v) Page 153 - Total workforce by job position level, contract type, working day, gender and generation v) Page 94 - 4.3.5 Health and Well-being c) i) Page 153 - Total workforce by job position level, contract type, working day, gender and generation c) i) Page 153 - Total workforce by job position level, contract type, working day, gender and generation c) ii) Page 81 - 4.3. Developing people d) Page 81 - 4.3. Developing people e) Page 81 - 4.3. Developing people	SDG 8,17
	2-8 Workers who are not employees	a) i) Page 83 - 4.3.1. Talent a) ii) Page 83 - 4.3.1. Talent b) i) Page 79 - 4.1. Protecting the client b) ii) Page 79 - 4.1. Protecting the client c) iii) Page 79 - 4.1. Protecting the client	SDG 8,17
	2-9 Governance structure and composition	a) Page 18 - 2.4. Good governance b) Page 18 - 2.4. Good governance c) i) Page 18 - 2.4.1. Corporate Governance system c) ii) Page 18 - 2.4.1. Corporate Governance system c) iii) The seniority of the members of the Board of Directors can be consulted at https://www.mapfre.com/en/board-of-directors/ c) iv) Page 18 - 2.4.1. Corporate Governance system c) v) Page 18 - 2.4.1. Corporate Governance system c) vi) Page 18 - 2.4.1. Corporate Governance system c) vii) Page 18 - 2.4.1. Corporate Governance system c) viii) Page 18 - 2.4.1. Corporate Governance system	SDG 5,16
	2-10 Nomination and selection of the highest governance body	a) Page 18 - 2.4.1. Corporate Governance system b) i) Page 18 - 2.4.1. Corporate Governance system b) ii) Page 18 - 2.4.1. Corporate Governance system b) iii) Page 18 - 2.4.1. Corporate Governance system b) iv) Page 18 - 2.4.1. Corporate Governance system	SDG 5,16
	2-11 Chair of the highest governance body	a) Page 18 - 2.4.1. Corporate Governance system b) Page 18 - 2.4.1. Corporate Governance system	SDG 16
	2-12 Role of the highest governance body in overseeing the management of impacts	a) Page 53 - 3.3.1. Risk management b) i) Page 18 - 2.4.1. Corporate Governance system b) ii) Page 53 - 3.3.1. Risk management c) Page 53 - 3.3.1. Risk management	Principles 1-10 of the Global Compact SDG 16
	2-13 Delegation of responsibility for managing impacts	a) i) Page 18 - 2.4.1. Corporate Governance system a) ii) Page 18 - 2.4.1. Corporate Governance system b) Page 18 - 2.4.1. Corporate Governance system	Principles 1-10 of the Global Compact

GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	a) Page 121 - 6.1. Bases of preparation and presentation of the report b) Page 121 - 6.1. Bases of preparation and presentation of the report	Principles 1-10 of the Global Compact
	2-15 Conflicts of interest	a) Page 18 - 2.4.1. Corporate Governance system Listed in the Conflict of Interest Management Policy (https://www.mapfre.com/media/politica-de-gestion-de-conflictos-de-interes-enu.pdf) and in section D .6 of the Annual Corporate Governance Report. b) i) Page 16 - 2.4.1. Corporate Governance system Listed in the CVs of the Board Directors (https://www.mapfre.com/en/board-of-directors/) and in sections A.6, C.1.10, C.1.11 and C.1.12 of the Annual Corporate Governance Report. b) ii) For more information on board directors' shareholdings in MAPFRE, please see https://www.mapfre.com/media/shareholders/2022/2023-01-12-acciones-consejeros-en.pdf b) iii) Significant shareholdings are detailed on the website at https://www.mapfre.com/media/shareholders/2021-10-18-accionistas-comparticiones-significativas-english.pdf b) iv) Listed in the Report on Related-Party Transactions for the year, published on the occasion of the Annual General Meeting, in section D of the Annual Corporate Governance Report and in note 6.20 of the Consolidated Annual Accounts.	SDG 16
	2-16 Communication of critical concerns	a) Page 36 - 2.4.5. Fiscal transparency and page 77 - 4.1.1. Grievances and complaints b) Page 192 - 6.4. Table of contents GRI	SDG 16 Principles 1-10 of the Global Compact
	2-17 Collective knowledge of the highest governance body	a) Information on the knowledge the Board of Directors must possess is detailed in section C.1.5 of the Annual Corporate Governance Report.	
	2-18 Evaluation of the performance of the highest governance body	a) Page 83 - 4.3.1. Talent and page 192 - 6.4. Table of contents GRI b) Page 83 - 4.3.1. Talent c) Listed in sections C.1.17 and C.1.18 and in recommendation 36 of the Annual Corporate Governance Report and in Title I. Board of Director and Title II. Steering and Delegate Committees of the MAPFRE Board of Directors regulations.	SDG 16
	2-19 Remuneration policies	a) i) Page 18 - 2.4.1. Corporate Governance system a) ii) Page 91 - 4.3.4. Remuneration, benefits and recognition and page 18 - 2.4.1. Corporate Governance system a) iii) Information contained in the Remuneration Policy for Board Directors 2022-2024 and in the Annual Report on Directors' Remuneration a) iv) Information contained in the Remuneration Policy for Board Directors 2022-2024 and in the Annual Report on Directors' Remuneration a) v) Information contained in the Remuneration Policy for Board Directors 2022-2024 and in the Annual Report on Directors' Remuneration b) Page 25 - 2.4.2. Control measures: the internal control model	Principles 1,2,3,4,6 and 10 of the Global Compact

GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	a) i) Page 18 - 2.4.1. Corporate Governance system Detailed in section 1. Introduction of the Remuneration Policy for Board Directors (https://www.mapfre.com/media/12-politica-de-remuneraciones-de-los-consejeros-2022-2024-v-final-enu.pdf) and in section A.1.1. of the Annual report on directors' remuneration (https://www.mapfre.com/media/shareholders/2022/14-annual-report-directors-remuneration-2021.pdf). a) ii) Page 18 - 2.4.1. Corporate Governance system Detailed in sections 1. Introduction and 2. General Principles of the Remuneration Policy for Board Directors, as well as in section A.4 of the Annual report on directors' remuneration (https://www.mapfre.com/media/shareholders/2022/14-annual-report-directors-remuneration-2021.pdf) a) iii) Page 18 - 2.4.1. Corporate Governance system and page 18 - 2.4.1. Corporate Governance system External advice has not been used for this purpose, but external reports have been taken into account. This information and the participation, where appropriate, of external advisers is detailed in section A.1.1. of the Annual report on directors' remuneration. b) Information detailed in section B.4 of the Annual report on directors' remuneration. In addition, the Annual General Meeting section publishes the results of the voting on the proposals of the Meeting (https://www.mapfre.com/media/datos-de-asistencia-y-resultado-votaciones.pdf)	SDG 16
	2-21 Annual total compensation ratio	a) Page 158 - 6.3. Notes on additional information Note 10 Information on remuneration b) Page 158 - 6.3. Notes on additional information Note 10 Information on remuneration c) Page 158 - 6.3. Notes on additional information Note 10 Information on remuneration	Principles 1,2,3,4,6 and 10 of the Global Compact
	2-22 Statement on sustainable development strategy	a) Page 4-6 - 1. CEO letter and page 18 - 2.4.1. Corporate Governance system	
	2-23 Policy commitments	a) i) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures a) ii) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures a) iii) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures a) iv) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures b) i) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures b) ii) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures c) Page 121 - 6.1. Bases of preparation and presentation of the report d) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures e) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures f) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures	SDG 13,16

GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	a) i) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures a) ii) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures a) iii) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures a) iv) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures	SDG 16,17
	2-25 Processes to remediate negative impacts	a) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures b) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures c) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures d) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures e) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures	SDG 16
	2-26 Mechanisms for seeking advice and raising concerns	a) i) No response given a) ii) Page 36 - 2.4.5. Fiscal transparency	Principles 1-10 of the Global Compact
	2-27 Compliance with laws and regulations	a) i) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures a) ii) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures b) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures b) Page 25 - 2.4.3. Ethical behavior: main prevention and compliance measures c) Page 29 - Cases of significant non-compliance d) Page 138 - Prevention measures	SDG 16 Principles 7,8,9 and 10 of the Global Compact
	2-28 Membership associations	a) Page 131 - 6.3. Notes on additional information	SDG 17
	2-29 Approach to stakeholder engagement	a) i) Page 128 - 6.3. Notes on additional information Note 1 Stakeholders a) ii) Page 128 - 6.3. Notes on additional information Note 1 Stakeholders a) iii) Page 128 - 6.3. Notes on additional information Note 1 Stakeholders	SDG 17 Principles 1-10 of the Global Compact
	2-30 Collective bargaining agreements	a) Page 91 - 4.3.4 Remuneration, benefits and recognition b) Page 91 - 4.3.4 Remuneration, benefits and recognition	Principles 1,2,3,4 and 6 of the Global Compact SDG 8

GRI STANDARD	DISCLOSURE	LOCATION	Other references
GRI 3: Material Topics 2021	3-1 Process to determine material topics	a) Page 122 - 6.2. Materiality b) Page 122 - 6.2. Materiality	
	3-2 List of material topics	a) Page 122 - 6.2. Materiality b) Page 122 - 6.2. Materiality	

SERVICE QUALITY AND CUSTOMER SATISFACTION

GRI 3: Material Topics 2021	3-3 Management of material topics	a) Page 182 - 6.3. Notes on additional information Note 14 Material topics b) Page 77 - 4.1.1. Grievances and complaints c) Page 182 - 6.3. Notes on additional information Note 14 Material topics d) i) Page 182 - 6.3. Notes on additional information Note 14 Material topics and page 69 - 4.1. Protecting the client d) ii) Page 182 - 6.3. Notes on additional information Note 14 Material topics and page 73 - Protecting the client / Distribution channels d) iii) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 74 - 4.1. Protecting the client / Omnichannel capacity in the relationship with customers and page 77 - 4.2.1. Grievances and complaints e) i) Page 182 - 6.3. Notes on additional information Note 14 Material topics e) ii) and e) iii) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 74 - 4.1. Protecting the client / Omnichannel capacity in the relationship with customers and page 77 - 4.2.1. Grievances and complaints e) iv) Page 25 - 2.4.2. Control measures: the internal control model f) Page 182 - 6.3. Notes on additional information Note 14 Material topics	
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INNOVATION AND DIGITALIZATION

GRI 3: Material Topics 2021	3-3 Management of material topics	a) Page 182 - 6.3. Notes on additional information Note 14 Material topics b) Page 71 - 4.1. Protecting the client / Innovation in products and services c) Page 108 - 4.5.2. Contribution to Agenda 2030. More information can be found at https://www.mapfre.com/en/sustainability/international-commitments/ d) i) Page 71 - 4.1. Protecting the client / Innovation in products and services d) ii) Page 71 - 4.1. Protecting the client / Innovation in products and services d) iii) Page 71 - 4.1. Protecting the client / Innovation in products and services e) i) Page 71 - 4.1. Protecting the client / Innovation in products and services e) ii) Page 71 - 4.1. Protecting the client / Innovation in products and services e) iii) Page 71 - 4.1. Protecting the client / Innovation in products and services e) iv) Page 25 - 2.4.2. Control measures: the internal control model f) Page 182 - 6.3. Notes on additional information Note 14 Material topics	
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GOOD GOVERNANCE AND COMPLIANCE

GRI 3: Material Topics 2021	3-3 Management of material topics	a) Page 182 - 6.3. Notes on additional information Note 14 Material topics b) Page 27-29 2.4.3. Ethical behavior: main prevention and compliance measures / Consultation and whistleblower channels c) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 30 - 2.4.3 Ethical behavior: main prevention and compliance measures d) i) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 30 - 2.4.3. Ethical behavior: main prevention and compliance measures / Prevention measures, page 32 - 2.4.3. Ethical behavior: main prevention and compliance measures - Compliance measures d) ii) Page 182 - 6.3. Notes on additional information Note 14 Material topics and page 30 - 2.4.3. Ethical behavior: main prevention and compliance measures / Consultation and whistleblower channels d) iii) Page 182 - 6.3. Notes on additional information Note 14 Material topics and page 30- 2.4.3. Ethical behavior: main prevention and compliance measures / Consultation and whistleblower channels e) i) Page 182 - 6.3. Notes on additional information Note 14 Material topics and page 26 - 2.4.3. Ethical behavior: main prevention and compliance measures / Code of ethics and conduct e) ii) Page 182 - 6.3. Notes on additional information Note 14 Material topics e) iii) Page 182 - 6.3. Notes on additional information Note 14 Material topics e) iv) Page 25 - 2.4.2. Control measures: the internal control model f) Page 182 - 6.3. Notes on additional information Note 14 Material topics	
OCCUPATIONAL HEALTH AND WELL-BEING			

GRI 3: Material Topics 2021	3-3 Management of material topics	a) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report) b) Page 104 - ESG approval process, page 94 - 4.3.5. Health and Well-being, page 43 Safety, health and well-being (People and Organization 2022 report) and 6.3. Notes on additional information Note 8 Sustainable Products c) Page 110 - 4.5.2. Contribution to Agenda 2030 and information available at https://www.mapfre.com/en/sustainability/international-commitments/ d) i) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report) d) ii) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report) d) iii) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report) e) i) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report) e) ii) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report) e) iii) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report) e) iv) Page 25 - 2.4.2. Control measures: the internal control model f) Page 182 - 6.3. Notes on additional information Note 14 Material topics	
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GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	a) Page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report)	Principles 1,2,3 and 6 of the Global Compact SDG 3 8
	403-2 Hazard identification, risk assessment, and incident investigation	a) Page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report)	
	403-3 Occupational health services	a) Page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report)	
	403-4 Worker participation, consultation, and communication on occupational health and safety	a) Page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report)	
	403-5 Worker training on occupational health and safety	Page 42 Safety, health and well-being (People and Organization 2022 report)	
	403-6 Promotion of worker health	a) Page 42 Safety, health and well-being (People and Organization 2022 report) b) Page 42 Safety, health and well-being (People and Organization 2022 report)	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022 report)	
	403-8 Workers covered by an occupational health and safety management system	a) Page 94 - 4.3.5. Health and Well-being	
	403-9 Work-related injuries	a) i, ii, iii, iv, v Page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022) b) i, ii, iii, iv, v Page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022) c), d), e), f), g) Page 42 - Safety, health and well-being (People and Organization 2022)	
	403-10 Work-related ill health	a) i, ii, iii, iv, v Page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022) b) i, ii, iii, iv, v Page 94 - 4.3.5. Health and Well-being and page 42 Safety, health and well-being (People and Organization 2022) c),d), e) Page 42 - Safety, health and well-being (People and Organization 2022)	
ADAPTATION OF THE BUSINESS TO CLIMATE CHANGE			

GRI 3: Material Topics 2021	3-3 Management of material topics	a) Page 182 - 6.3. Notes on additional information Note 14 Material topics b) Page 58 - 3.3.2.3 Risks and opportunities arising from climate change in the business and page 141 - Note 6 Emerging risks; MAPFRE Group TCFD Report c) Page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report d) i) Page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report d) ii) Page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report d) iii) Page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) i) Page 58 - 3.3.2.3. Risks and opportunities arising from climate change in the business, page 116 - 5.1. Action strategy against climate change and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) ii) Page 58 - 3.3.2. Sustainability in the business, page 113 - 5.2. Corporate Environmental Footprint Plan and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) iii) Page 58 - 3.3.2. Sustainability in the business, page 113 - 5.2. Corporate Environmental Footprint Plan and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) iv) Page 25 - 2.4.2. Control measures: the internal control model f) Page 182 - 6.3. Notes on additional information Note 14 Material topics	
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	a) i) Page 58 - 3.3.2.3 Risks and opportunities arising from climate change in the business; MAPFRE Group TCFD Report a) ii) Page 58 - 3.3.2.3 Risks and opportunities arising from climate change in the business; MAPFRE Group TCFD Report a) iii) Page 58 - 3.3.2.3 Risks and opportunities arising from climate change in the business; MAPFRE Group TCFD Report a) iv) Page 58 - 3.3.2.3 Risks and opportunities arising from climate change in the business; MAPFRE Group TCFD Report a) v) Page 58 - 3.3.2.3 Risks and opportunities arising from climate change in the business; MAPFRE Group TCFD Report	Principles 7,8 and 9 of the Global Compact SDG 13
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	a) Page 116 - 5.2.3. Carbon footprint b) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope c) Page 116 - 5.2.3. Carbon footprint d) Page 116 - 5.2.3. Carbon footprint e) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope	Principles 7,8 and 9 of the Global Compact SDG 13 14 15
CYBERSECURITY AND PRIVACY			

GRI 3: Material Topics 2021	3-3 Management of material topics	a) Page 182 - 6.3. Notes on additional information Note 14 Material topics b) Page 31 - 2.4.4. Cybersecurity and data privacy / Data privacy c) Page 182 - 6.3. Notes on additional information Note 14 Material topics d) i) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 136 6.3. Notes on additional information Note 3 Cybersecurity and business continuity d) ii) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 136 6.3. Notes on additional information Note 3 Cybersecurity and business continuity d) iii) Page 182 - 6.3. Notes on additional information Note 14 Material topics, page 136 6.3. Notes on additional information Note 3 Cybersecurity and business continuity e) i) Page 32 - 2.4.4. Cybersecurity and data privacy / Cybersecurity e) ii) Page 32 - 2.4.4. Cybersecurity and data privacy / Cybersecurity e) iii) Page 32 - 2.4.4. Cybersecurity and data privacy / Cybersecurity e) iv) Page 25 - 2.4.2. Control measures: the internal control model f) Page 182 - 6.3. Notes on additional information Note 14 Material topics	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	a) b) c) 2.4.4 Cybersecurity and data privacy; 6.3. Notes on additional Information Note 4 Prevention and compliance measures in Data privacy	Principles 1,2,3 and 10 of the Global Compact SDG 16
SUSTAINABLE PRODUCTS AND SERVICES			

GRI 3: Material Topics 2021	3-3 Management of material topics	a) Page 182 - 6.3. Notes on additional information Note 14 Material topics b) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1. Protecting the client; MAPFRE Group TCFD Report c) Page 182 - 6.3. Notes on additional information Note 14 Material topics d) i) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1. Protecting the client and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report d) ii) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1. Protecting the client and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report d) iii) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1. Protecting the client and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) i) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1. Protecting the client and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) ii) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1. Protecting the client and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) iii) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1. Protecting the client and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) iv) Page 25 - 2.4.2. Control measures: the internal control model f) Page 182 - 6.3. Notes on additional information Note 14 Material topics	
GRI 101: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	a) i) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1 Protecting the client; MAPFRE Group TCFD Report a) ii) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1 Protecting the client; MAPFRE Group TCFD Report a) iii) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1 Protecting the client; MAPFRE Group TCFD Report a) iv) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1 Protecting the client; MAPFRE Group TCFD Report a) v) Page 58 - 3.3.2. Sustainability in the business and page 69 - 4.1 Protecting the client; MAPFRE Group TCFD Report	Principles 7,8 and 9 of the Global Compact SDG 13
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	a) Page 58 - 3.3.2. Sustainability in the business and page 148 6.3. Notes on additional information Note 8 Sustainable Products b) Page 58 - 3.3.2. Sustainability in the business and page 148 6.3. Notes on additional information Note 8 Sustainable Products	SDG 1, 8

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GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	a) i) Page 69 - 4.1 Protecting the client a) ii) Page 69 - 4.1 Protecting the client a) iii) Page 69 - 4.1 Protecting the client b) Page 69 - 4.1 Protecting the client The product description document is itself the policy contract and complies with current local regulations.	SDG 12
	417-2 Incidents of non-compliance concerning product and service information and labeling	a) i) ii) iii) Page 25 - 2.4.3. Ethical behavior: main compliance and prevention measures / Grievances and complaints The product description document is itself the policy contract and complies with current local regulations.	Principle 10 of the Global Compact SDG 16
	417-3 Incidents of non-compliance concerning marketing communications	b) During the 2022 fiscal year, there were no significant cases of non-compliance with the regulations or voluntary codes assumed by the company.	Principle 10 of the Global Compact SDG 16
ESG INVESTMENT			
GRI 3: Material Topics 2021	3-3 Management of material topics	a) Page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report b) Page 58 - 3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes and page 148 6.3. Notes on additional information Note 8 Sustainable Products; MAPFRE Group TCFD Report c) Page 58 - 3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes and page 182 - 6.3. Notes on additional information Note 14 Material topics d) i) Page 58 - 3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report d) ii) Page 58 - 3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report d) iii) Page 58 - 3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) i) Page 58 - 3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) ii) Page 58 - 3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) iii) Page 58 - 3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes and page 182 - 6.3. Notes on additional information Note 14 Material topics; MAPFRE Group TCFD Report e) iv) Page 25 - 2.4.2. Control measures: the internal control model; MAPFRE Group TCFD Report f) Page 182 - 6.3. Notes on additional information Note 14 Material topics	
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	a) i, ii, iii, iv, v MAPFRE Group TCFD Report; Page 58 - 3.3.2.1. Integration of ESG aspects into MAPFRE's investment processes	Principles 7,8, and 9 of the Global Compact SDG 13
CARBON FOOTPRINT			

GRI 3: Material Topics 2021	3-3 Management of material topics	a) Page 182 - 6.3. Notes on additional information Note 14 Material topics b) Page 112 - 5.1. Action strategy against climate change; MAPFRE Group TCFD Report c) Page 182 - 6.3. Notes on additional information Note 14 Material topics d) i) Page 182 - 6.3. Notes on additional information Note 14 Material topics; Page 116 - 5.2.3. Carbon footprint d) ii) Page 182 - 6.3. Notes on additional information Note 14 Material topics; Page 116 - 5.2.3. Carbon footprint d) iii) Page 182 - 6.3. Notes on additional information Note 14 Material topics; Page 116 - 5.2.3. Carbon footprint e) i) Page 182 - 6.3. Notes on additional information Note 14 Material topics; Page 116 - 5.2.3. Carbon footprint e) ii) Page 182 - 6.3. Notes on additional information Note 14 Material topics; Page 116 - 5.2.3. Carbon footprint e) iii) Page 182 - 6.3. Notes on additional information Note 14 Material topics; Page 116 - 5.2.3 Carbon footprint e) iv) Page 25 - 2.4.2. Control measures: the internal control model f) Page 182 - 6.3. Notes on additional information Note 14 Material topics	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	a) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope b) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope d) i) Page 178 - 6.3 Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope d) ii) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope d) iii) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope e) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope f) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope g) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope	Principles 7, 8 and 9 of the Global Compact SDG 2 3 12 13 14 15

GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	a) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope b) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope c) Page 178 - 6.3. Notes on additional information Note 12 Environmental indicators: Table III. Carbon footprint broken down by scope d) i) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope d) ii) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope d) iii) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope e) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope f) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope g) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope	Principles 7, 8 and 9 of the Global Compact SDG 2 3 12 13 14 15
	305-3 Other indirect (Scope 3) GHG emissions	a) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope b) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope d) Page 179 - 6.3. Notes on additional information Note 13 Environmental indicators: Table IV. Carbon footprint breakdown and categories included in the different scopes e) i) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope e) ii) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope e) iii) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope f) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope g) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope	Principles 7, 8 and 9 of the Global Compact SDG 2 3 12 13 14 15
	305-4 GHG emissions intensity	a) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope b) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope c) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope d) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope	Principles 7, 8 and 9 of the Global Compact SDG 2 3 12 13 14 15

GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	a) Page 116 - 5.2.3. Carbon footprint b) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope c) Page 116 - 5.2.3. Carbon footprint d) Page 116 - 5.2.3. Carbon footprint e) Page 178 - 6.3. Notes on additional information Note 13 Environmental indicators: Table III. Carbon footprint broken down by scope	Principles 7, 8 and 9 of the Global Compact SDG 2 3 12 13 14 15
	305-6 Emissions of ozone-depleting substances (ODS)	a) b) c) d) The organization does not produce, import or export ozone-depleting substances (ODS) in its processes, products and services that are subject to phase-out commitments in markets affected by ODS regulations.	Principles 7, 8 and 9 of the Global Compact SDG 2 3 12 13 14 15
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	a) b) c) Due to the nature of its activity, the organization does not produce nitrogen oxide (NOX) or sulfur oxide (SOX) emissions or release other significant emissions into the air.	Principles 7, 8 and 9 of the Global Compact SDG 2 3 12 13 14 15

Thematic standard (Non-material topics)			
GRI STANDARD	DISCLOSURE	LOCATION	Other references
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	3.2. MAPFRE key figures 4.5. Our footprint, shared value Consolidated Annual Accounts and Consolidated Management Report 2022 https://www.mapfre.com/en/general-meeting/	Principles 1-10 of the Global Compact SDG 1,2,5,7,8 and 9
	201-2 Financial implications and other risks and opportunities due to climate change	3.3. Risk management and sustainability in the business 5. Committed to the environment 6.3. Notes on additional information Note 8 Sustainable Products Consolidated Annual Accounts and Consolidated Management Report 2022 https://www.mapfre.com/en/general-meeting/	Principles 7,8 and 9 of the Global Compact SDG 13
	201-3 Defined benefit plan obligations and other retirement plans	4.3.4. Remuneration, benefits and recognition MAPFRE has a social welfare plan in place for employees that includes a pension plan, the assets of which in 2022 stood at XX million euros. For more information, please see articles 30 and 40 of the MAPFRE Insurance Group Collective Agreement.	Principles 1,6 and 10 of the Global Compact
	201-4 Financial assistance received from government	The public subsidies received do not represent a significant proportion of the Group's total revenue.	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	6.3. Notes on additional information Note 10 Information on remuneration	SDG 8
	202-2 Proportion of senior management hired from the local community	4.3.6. Diversity, equality and inclusion	SDG 8
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	3.3. Risk management and sustainability in the business 5. Committed to the environment	
	203-2 Significant indirect economic impacts	3.2.3. Relevant facts occurring in the period and impacting key figures 3.3. Risk management and sustainability in the business 6.3. Notes on additional information Note 7 Integration of ESG aspects in the business 6.3. Notes on additional information Note 8 Sustainable Products	SDG 1,8
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	4.4.3. Sustainable provider management	Principle 10 of the Global Compact

GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	2.4.3. Ethical behavior: main compliance and prevention measures 3.3. Risk management and sustainability in the business	Principle 10 of the Global Compact SDG 16
	205-2 Communication and training about anti-corruption policies and procedures	6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights	
	205-3 Confirmed incidents of corruption and actions taken	In 2022, there were no significant cases of corruption in the Group and, in those cases detected, all of minor relevance, the internal control mechanisms worked correctly, facilitating detection of same and the application of the corresponding measures.	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	In 2022, there were no lawsuits related to unfair competition, monopolistic practices or free competition.	Principle 10 of the Global Compact SDG 16
GRI 207: Tax 2019	207-1 Approach to tax (Version 2019)	4.5. Our footprint, shared value / Economic footprint Annual Corporate Governance Report 2022 / Section E Control systems and risk management https://www.mapfre.com/media/shareholders/2015/corporate-tax-policy.pdf For reasons of confidentiality, the company's strategy is not made public	Principle 10 of the Global Compact SDG 8,10,16
	207-2 Tax governance, control, and risk management (Version 2019)	2.4.3. Ethical behavior: main compliance and prevention measures / Consultation and whistleblower channels for the Code of Ethics and Conduct 3.3. Risk management and sustainability in the business Annual Corporate Governance Report 2022 / Section E Control systems and risk management	
	207-3 Stakeholder engagement and management of concerns related to tax (Version 2019)	6.2. Materiality politica-fiscal-corporativa.pdf (mapfre.com)	
	207-4- Presentation of country-by-country reports (2019 version): except in relation to the following sections: b.v, b.vii b.x,	2.4.5 Fiscal transparency 3.2.2. Business Units Information 6.3. Notes on additional information Note 5 Main tax information by country Consolidated Annual Accounts and Consolidated Management Report 2022 - Financial Statements F) Supplementary financial information by product and geographical area. 1) Consolidated ordinary revenues from external clients in financial years ending December 31, 2022 and 2021 Appendix 1 - Subsidiaries, associated undertakings and joint ventures Appendix 2 - Financial information for main companies at December 31, 2022 About b. v) and b. x) Information not available broken down by jurisdiction. MAPFRE is making progress in preparing a tax report under the Global Tax Contribution approach with which to report its performance in tax matters. About b. vii) Incomplete information. MAPFRE reports consolidated statements of tangible assets other than cash in the Consolidated Annual Accounts and Consolidated Management Report FINANCIAL STATEMENTS F) Supplementary financial information by product and geographical area. 2. Non-current assets at December 31, 2022 and 2021. 6. BREAKDOWN OF FINANCIAL STATEMENTS 6.2. Property, plant and equipment and real estate investments. 6.3. Leases 6.4. Financial investments. Section 6.3. Notes on additional information Note 5 Main tax information by country includes assets by country	

GRI 301: Materials 2016	301-1 Materials used by weight or volume	6.3. Notes on additional information Note 13 Environmental indicators / Table V. Resource consumption	Principles 7,8 and 9 of the Global Compact SDG 8,12
GRI 302: Energy 2016	302-1 Energy consumption within the organization	5.2.1. Energy efficiency and 6.3. Notes on additional information Note 13 Environmental indicators	Principle 7,8 and 9 of the Global Compact SDG 7,8,12,13
	302-2 Energy consumption outside of the organization	5.2.1. Energy efficiency and 6.3. Notes on additional information Note 13 Environmental indicators	Principle 7,8 and 9 of the Global Compact SDG 7,8,12,13
	302-3 Energy intensity	5.2.1. Energy efficiency and 6.3. Notes on additional information Note 13 Environmental indicators	Principles 7,8 and 9 of the Global Compact SDG 7,8,12,13
	302-4 Reduction of energy consumption	5.2.1. Energy efficiency and 6.3. Notes on additional information Note 13 Environmental indicators	Principles 7,8 and 9 of the Global Compact SDG 7,8,12,13
	302-5 Reductions in energy requirements of products and services	5.2.1. Energy efficiency and 6.3. Notes on additional information Note 13 Environmental indicators	Principles 7,8 and 9 of the Global Compact SDG 7,8,12,13
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Due to the nature of the business activity of a finance company like MAPFRE, water consumption is not intensive, being only for employee use, and for vegetation and air conditioning in some buildings.	
	303-2 Management of water discharge-related impacts	Due to the fact that the business activity of a finance company like MAPFRE, whose effluents are those of the activity of its offices and the food preparation linked to them, this metric and its different breakdowns are considered immaterial due to their low impact, considering non-significant spills and compliance with the regulations of the areas in which they are carried out.	
	303-3 Water withdrawal	Due to the nature of the business activity of a finance company like MAPFRE, no type of water extraction is carried out in any of its buildings.	
	303-4 Water discharge	Due to the nature of the business activity of a finance company like MAPFRE, it is considered that the discharge of water is equal to the water consumed.	
	303-5 Water consumption	5.2.5. Water management and 6.3. Notes on additional information Note 13 Environmental indicators	Principles 7,8 and 9 of the Global Compact SDG 6
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Page 120 5.2.8. Natural capital management and biodiversity preservation	Principles 7,8 and 9 of the Global Compact

GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	See 6.3. Notes on additional information Note 14 Material topic: Carbon footprint	Principles 7,8 and 9 of the Global Compact SDG 2,3,12,13,14,15
	305-2 Energy indirect (Scope 2) GHG emissions	See 6.3. Notes on additional information Note 14 Material topic: Carbon footprint	
	305-3 Other indirect (Scope 3) GHG emissions	See 6.3. Notes on additional information Note 14 Material topic: Carbon footprint	
	305-4 GHG emissions intensity	See 6.3. Notes on additional information Note 14 Material topic: Carbon footprint	
	305-5 Reduction of GHG emissions	See 6.3. Notes on additional information Note 14 Material topic: Carbon footprint	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	6.3. Notes on additional information Note 13 Environmental indicators / Table V. Resource consumption	Principles 7,8 and 9 of the Global Compact
	306-2 Management of significant waste-related impacts	5.2.6. Circular economy 6.3. Notes on additional information Note 13 Environmental indicators Table V. Resource consumption	Principles 7,8 and 9 of the Global Compact
	306-3 Waste generated	6.3. Notes on additional information Note 13 Environmental indicators Table V. Resource consumption	Principles 7,8 and 9 of the Global Compact
	306-4 Waste diverted from disposal	6.3. Notes on additional information Note 13 Environmental indicators / Table V. Resource consumption	Principles 7,8 and 9 of the Global Compact
	306-5 Waste directed to disposal	6.3. Notes on additional information Note 13 Environmental indicators / Table V. Resource consumption	Principles 7,8 and 9 of the Global Compact
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Page 104 4.4.3. Sustainable provider management	Principles 7,8, 9 and 10 of the Global Compact
	308-2 Negative environmental impacts in the supply chain and actions taken	Page 104 4.4.3. Sustainable provider management	Principles 7,8, 9 and 10 of the Global Compact
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 81 4.3. Developing people 6.3. Notes on additional information Note 9 New hires and employee departures in 2022 by job position level For more information, please see the People and Organization 2022 report	Principles 1,2,3,6 and 10 of the Global Compact SDG 5,8,10
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.3.4. Remuneration, benefits and recognition For more information, please see the People and Organization 2022 report	SDG 3,5,8
	401-3 Parental leave	Page 94 4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	Principles 1,2,3,6 and 10 of the Global Compact SDG 5,8
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	In processes that imply operational changes related to the workforce, the average period of notice to the Legal Representation of the Workers and to the people involved is generally 15 days, as is the case in Spain. However, the term is subject to the local legislation of each country.	Principles 1,2,3 and 6 of the Global Compact

GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	Principles 1,2,3 and 6 of the Global Compact
	403-2 Hazard identification, risk assessment, and incident investigation	4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	
	403-3 Occupational health services	4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	
	403-4 Worker participation, consultation, and communication on occupational health and safety	4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	
	403-5 Worker training on occupational health and safety	4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	
	403-6 Promotion of worker health	4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	
	403-8 Workers covered by an occupational health and safety management system	4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	
	403-9 Work-related injuries	4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	
	403-10 Work-related ill health	4.3.5. Health and Well-being For more information, please see the People and Organization 2022 report	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per	4.3.1. Talent For more information, please see the People and Organization 2022 report	Principles 1,2,3,4,6 and 8 of the Global Compact SDG 4,5,8
	404-2 Programs for upgrading employee skills and transition	4.3.1. Talent For more information, please see the People and Organization 2022 report	Principles 1,2,3,4,6 and 8 of the Global Compact SDG 8
	404-3 Percentage of employees receiving regular performance and career	4.3.1. Talent For more information, please see the People and Organization 2022 report	Principles 1,2,3,4,6 and 8 of the Global Compact SDG 5,8,10
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	2.4.1. Corporate Governance system 4.3.6. Diversity, equality and inclusion For more information, please see the People and Organization 2022 report	Principles 1,2,3,4,6 and 8 of the Global Compact SDG 5,8
	405-2 Ratio of basic salary and remuneration of women to men	4.3.4. Remuneration, benefits and recognition 6.3. Notes on additional information Note 10 Information on remuneration For more information, please see the People and Organization 2022 report	Principles 1,2,3,4 and 6 of the Global Compact SDG 5,8,10

GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	2.4.3. Ethical behavior: main compliance and prevention measures / Consultation and whistleblower channels for the Code of Ethics and Conduct 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights	Principles 1,2,3,4,6 and 10 of the Global Compact SDG 5,8,16
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	2.4.3. Ethical behavior: main compliance and prevention measures 4.3.7. The voice of MAPFRE people / Legal representation of workers 4.4.3. Sustainable provider management 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights	Principles 1,2,3,4,6 and 10 of the Global Compact SDG 8
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	2.4.3. Ethical behavior: main compliance and prevention measures 4.3.1. Talent 4.4.3. Sustainable provider management 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights	Principles 1,2,3,5,6 and 10 of the Global Compact SDG 8,16
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	2.4.3. Ethical behavior: main compliance and prevention measures / Consultation and whistleblower channels for the Code of Ethics and Conduct 4.3.1. Talent 4.4.3. Sustainable provider management 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights	Principles 1,2,3,4,6 and 10 of the Global Compact SDG 8,16
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	2.4.3. Ethical behavior: main compliance and prevention measures / Consultation and whistleblower channels for the Code of Ethics and Conduct 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights	Principles 1,2,3 and 10 of the Global Compact SDG 16
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	2.4.3. Ethical behavior: main compliance and prevention measures / Consultation and whistleblower channels for the Code of Ethics and Conduct 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights There is no record of having received any complaint for violation of the rights of indigenous peoples.	Principles 1,2,3 and 10 of the Global Compact SDG 2,15,16

GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	2.4.3. Ethical behavior: main compliance and prevention measures / Consultation and whistleblower channels for the Code of Ethics and Conduct 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights https://www.mapfre.com/gobierno-corporativo/-Políticas y Normas Corporativas	Principles 1-10 of the Global Compact SDG 16
	412-2 Employee training on human rights policies or procedures	2.4.3. Ethical behavior: main compliance and prevention measures 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights https://www.mapfre.com/gobierno-corporativo/-Políticas y Normas Corporativas	Principles 1-10 of the Global Compact SDG 16
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	2.4.3. Ethical behavior: main compliance and prevention measures 4.4.3. Sustainable provider management 6.2. Materiality 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights During the fiscal year 2022, no transaction was carried out that could be considered relevant for the purposes indicated. For more information, please consult MAPFRE's Human Rights Policy: https://www.mapfre.com/media/shareholders/2021/politica-derechos-humanos-mapfre-2020-en-CE.pdf	Principles 1,2,3,4,5,6,7 and 10 of the Global Compact SDG 16
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	4.3.1. Talent 4.5. Our footprint, shared value 6.3. Notes on additional information Note 12 Framework to identify MAPFRE's contribution to the Sustainable Development Objectives People and Organization 2022 report www.fundacionmapfre.org	Principles 1,2,3,4,5,6,7 and 10 of the Global Compact SDG 1,10
	413-2 Operations with significant actual and potential negative impacts on local communities	4.3.1. Talent 4.5. Our footprint, shared value 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights 6.3. Notes on additional information Note 12 Framework to identify MAPFRE's contribution to the Sustainable Development Objectives www.fundacionmapfre.org	Principles 1,2,3,4,5,6,7 and 10 of the Global Compact SDG 1,10
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	4.4.3. Sustainable provider management	Principles 1-10 of the Global Compact SDG 5,8,16
	414-2 Negative social impacts in the supply chain and actions taken	2.4.3. Ethical behavior: main compliance and prevention measures 4.4.3. Sustainable provider management	Principles 1-10 of the Global Compact SDG 5,8,16
GRI 415: Public Policy 2016	415-1 Political contributions	2.4.3. Ethical behavior: main compliance and prevention measures 6.3. Notes on additional information Note 1 Stakeholders Code of Ethics and Conduct https://www.mapfre.com/en/sustainability/corporate-governance/good-governance/ Institutional, Business and Organizational Principles of the MAPFRE Group https://www.mapfre.com/en/corporate-governance/	Principle 10 of the Global Compact SDG 16

GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	4.1. Protecting the client The product description document is itself the policy contract and complies with current local regulations.	SDG 12
	417-2 Incidents of non-compliance concerning product and service information and labeling	2.4.3. Ethical behavior: main compliance and prevention measures - Grievances and complaints The product description document is itself the policy contract and complies with current local regulations.	Principle 10 of the Global Compact SDG 16
	417-3 Incidents of non-compliance concerning marketing communications	During the 2022 fiscal year, there were no significant cases of non-compliance with the regulations or the voluntary codes assumed by the company.	Principle 10 of the Global Compact SDG 16
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	6.3 Note 4 Prevention and compliance measures in Data privacy	Principle 1,2,3 and 10 of the Global Compact SDG 16
GRI 419: Socioeconomic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	2.4.3. Ethical behavior: main compliance and prevention measures	Principle 1,2,3 and 10 of the Global Compact SDG 16

6.5. Correspondence of GRI content and non-financial information status (Law 11/2018 of December 28)

INDEX OF CONTENTS OF LAW 11/2018		
Information requested by the Law 11/2018	Reporting criterion	Page or section of the report where the requirement of Law 11/2018 is met
GENERAL DISCLOSURES		
A brief description of the business model that includes its operating environment, organization, and structure	GRI 2-6 Activities, value chain and other business relationships	2.1. About us 2.3. Shareholder structure 2.4.1. Corporate Governance system 3.2. MAPFRE key data
Markets in which the organization operates	GRI 2-1 Organizational details GRI 2-6 Activities, value chain and other business relationships	2.1.3. Geographic footprint (deployment) 3.2.2. Business Units information
Organizational objectives and strategies	GRI 2-22 Statement on sustainable development strategy GRI 3-3 Management of material topics	2.2. Strategy
Major factors and trends that may affect future evolution	GRI 2-22 Statement on sustainable development strategy	3.1. Regulatory framework and global context 3.2. MAPFRE key data 3.3. Risk management and sustainability in the business
Reporting framework used	GRI 1-3 Reporting in accordance with the GRI Standards	6.1. Bases of preparation and presentation of the report
Materiality principle	GRI 3-1 Process to determine material topics GRI 3-2 List of material issues	6.1. Bases of preparation and presentation of the report 6.2. Materiality
ISSUES RELATING TO THE ENVIRONMENT		
Management focus: Description and results of policies relating to these topics as well as the main risks related to these topics associated with the activities of the group	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics	3.3. Risk management and sustainability in the business 5. Committed to the environment
DETAILED GENERAL INFORMATION		
Detailed information on the current and foreseeable effects of the company's activities on the environment and, where appropriate, health and safety	GRI 3-3 Management of material topics	3.3.1. Risk management 5. Committed to the environment
Environmental assessment or certification procedures	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 2-23 Policy commitments GRI 3-3 Management of material topics	5.1. Action strategy against climate change 6.3. Notes on additional information Note 13 Environmental indicators Table I. Environmental context Table II. SIGMAYEc ³ control
Resources dedicated to the prevention of environmental risks	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics	3.3. Risk management 5. Committed to the environment 6.3. Notes on additional information Note 13 Environmental indicators / Table II. SIGMAYEc ³ control
Application of the precautionary principle	GRI 2-23 Policy commitments GRI 3-3 Management of material topics	5.1. Action strategy against climate change
Quantity of provisions and guarantees against environmental risks	GRI 3-3 Management of material topics GRI 307-1	3.3 Risk management 5.1. Action strategy against climate change 6.3. Notes on additional information Note 13 Environmental indicators / Table II. SIGMAYEc ³ control
POLLUTION		

MAPFRE S.A.

Measures to prevent, reduce or repair emissions that seriously affect the environment; taking into account any form of activity-specific air pollution, including noise and light pollution	GRI 3-3 Management of material topics GRI 302-4 GRI 305-1, 305-2, 305-3, 305-5	5.1. Action strategy against climate change
CIRCULAR ECONOMY AND WASTE PREVENTION AND MANAGEMENT		
Measures for prevention, recycling, reuse, other forms of recovery and disposal of waste. Action taken to prevent food waste	GRI 301-1 GRI 306-2 (2020), 306-3 (2020)	5.2. Corporate Environmental Footprint Plan 6.3. Notes on additional information Note 13 Environmental indicators / Table V. Resource consumption
SUSTAINABLE USE OF RESOURCES		
Water consumption and water supply in accordance with local limitations	GRI 303-3, 303-5	5.2. Corporate Environmental Footprint Plan 6.3. Notes on additional information Note 13 Environmental indicators / Table V. Resource consumption
	GRI 301-1, 301-2	5.2. Corporate Environmental Footprint Plan 6.3. Note 13 Environmental indicators / Table V. Resource consumption
Energy: direct and indirect energy consumption. Consumption of raw materials and measures taken to improve the efficiency of use. Use of renewable energy	GRI 3-3 Management of material topics GRI 302-1, 302-2, 302-3, 302-4, 302-5	5.2. Corporate Environmental Footprint Plan 6.3. Notes on additional information Note 13 Environmental indicators / Table V. Resource consumption
CLIMATE CHANGE		
Greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	GRI 301-1 GRI 305-1 305-2 305-3 305-4	5.2. Corporate Environmental Footprint Plan 6.3. Notes on additional information Note 13 Environmental indicators / Table IV. Carbon footprint breakdown and categories included in the different scopes
Measures taken to adapt to the consequences of climate change	GRI 3-3 Management of material topics GRI 201-2 GRI 305-5	5.2. Corporate Environmental Footprint Plan 6.3. Notes on additional information Note 13 Environmental indicators / Table IV. Carbon footprint breakdown and categories included in the different scopes
Voluntarily established reduction targets in the medium and long term to reduce greenhouse gas emissions and the means implemented for this purpose	GRI 3-3 Management of material topics GRI 302-4 GRI 305-5	5.2. Corporate Environmental Footprint Plan 6.3. Notes on additional information Note 13 Environmental indicators / Table IV. Carbon footprint breakdown and categories included in the different scopes
BIODIVERSITY PROTECTION		
Measures taken to preserve or restore biodiversity	GRI 3-3 Management of material topics	5.2. Corporate Environmental Footprint Plan
Impacts caused by activities or operations in protected areas	GRI 304-1	5. Committed to the environment 6.3 Notes on additional information Note 13 Environmental indicators
ISSUES RELATING TO SOCIETY AND EMPLOYEES		
Management focus: Description and results of policies relating to these issues as well as the main risks related to these topics associated with the activities of the group	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 2-19 Remuneration policies GRI 3-3 Management of material topics	4.3 Developing people
EMPLOYMENT		
Total number and distribution of employees by country, sex, age and professional classification	GRI 2-6 Activities, value chain and other business relationships GRI 2-7 Employees GRI 3-3 Management of material topics GRI 405-1	4.3 Developing people

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Total number and distribution of labor contract modalities and annual average of indefinite contracts, temporary contracts and part-time contracts by sex, age and professional classification	GRI 2-7 Employees GRI 2-8 Workers who are not employees	4.3 Developing people 6.3 Notes on additional information Note 9 New hires and employee departures in 2022 by job position level
Number of layoffs by sex, age and professional classification	GRI 401-1	4.3 Developing people 6.3 Notes on additional information Note 9 New hires and employee departures in 2022 by job position level
Average remuneration and trends by sex, age and professional classification or similar value	GRI 405-2	4.3.4. Remuneration, benefits and recognition 6.3. Notes on additional information Note 10 Information on remuneration
Pay gap, remuneration paid for job positions performing equal work or average of the company	GRI 405-2	4.3.4. Remuneration, benefits and recognition 6.3. Notes on additional information Note 10 Information on remuneration
Average remuneration of board directors and managers, including variable remuneration, allowances, compensation, payments made into long-term savings systems and any other earnings, by sex	GRI 2-19 Remuneration policies GRI 2-20 Process to determine remuneration	4.3.4. Remuneration, benefits and recognition 6.3. Notes on additional information Note 10 Information on remuneration
Implementation of disconnection from work policies	GRI 3-3 Management of material topics	4.3.2. Flexibility and agility
Number of employees with disabilities	GRI 405-1	4.3.6. Diversity, equality and inclusion
WORK ORGANIZATION		
Organization of working time	2-7 Employees	4.3 Developing people
Number of absentee hours	GRI 3-3 Management of material topics GRI 403-2, 403-9	4.3.5. Health and Well-being 6.3. Notes on additional information Note 11 Occupational accident data: calculation method
Measures to facilitate the enjoyment of a work-life balance and encourage the corresponding exercise of these by both	GRI 3-3 Management of material topics GRI 401-2, 401-3	4.3.5. Health and Well-being
HEALTH AND SAFETY		
Occupational health and safety conditions	GRI 3-3 Management of material topics GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8	4.3.5. Health and Well-being 6.3. Notes on additional information Note 11 Occupational accident data: calculation method
Accidents at work, in particular the frequency and severity of same, as well as occupational illnesses, by sex	GRI 403-2, 403-9, 403-10	4.3.5. Health and Well-being 6.3. Notes on additional information Note 11 Occupational accident data: calculation method
SOCIAL RELATIONS		
Organization of social dialog including procedures for informing, consulting and negotiating with employees	GRI 2-28 Membership associations GRI 2-29 Approach to stakeholder engagement GRI 402-1 GRI 407-1	4.3.7. The voice of MAPFRE people
Percentage of employees covered by collective agreement by country	GRI 2-30 Collective bargaining agreements	4.3.7. The voice of MAPFRE people
Balance of collective agreements, particularly in the field of health and safety at work	GRI 403-1, 403-4 GRI 407-1	4.3.7. The voice of MAPFRE people
TRAINING		
Policies implemented in the field of training	GRI 404-2, 404-3	4.3.1. Talent
Total number of training hours broken down by professional classification	GRI 404-1, 404-2, 404-4	4.3.1. Talent
UNIVERSAL ACCESSIBILITY		
Universal accessibility for people with disabilities	GRI 405-1	4.3.6. Diversity, equality and inclusion

EQUALITY

Measures taken to promote equal treatment and opportunities between women and men	GRI 401-3 GRI 404-2	4.3.6. Diversity, equality and inclusion
Equality plans, measures taken to promote employment, protocols against sexual and gender-based harassment	GRI 405-1, 405-2 GRI 406-1	4.3.6. Diversity, equality and inclusion
Policy against all forms of discrimination and, where appropriate, diversity management	GRI 405-1, 405-2, 406-2	4.3.6. Diversity, equality and inclusion

RESPECT FOR HUMAN RIGHTS

Management approach: Description and results of policies relating to these issues as well as the main risks related to these issues associated with the activities of the group	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics	2.4.3. Ethical behavior: main prevention and compliance measures
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APPLICATION OF DUE DILIGENCE PROCEDURES

Implementation of due diligence procedures in the field of Human Rights	GRI 2-23 Policy commitments GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 407-1, 408-1, 409-1, 410-1, 411-1, 412-2, 412-3, 414-2	2.4.3. Ethical behavior: main prevention and compliance measures 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights
Prevention of the risk of Human Rights violations and, where appropriate, measures to mitigate, manage and redress possible abuses	GRI 3-3 Management of material topics GRI 412- 1	2.4.3. Ethical behavior: main prevention and compliance measures
Complaints of instances of Human Rights violations	GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 406-1 GRI 419-1	2.4.3. Ethical behavior: main prevention and compliance measures
Measures taken to promote and comply with the provisions of the ILO's fundamental conventions relating to respect for freedom of association and the right to collective bargaining; the elimination of employment and occupational discrimination; the elimination of forced or compulsory labor; the effective abolition of child labor	GRI 3-3 Management of material topics	2.4.3. Ethical behavior: main prevention and compliance measures 6.3. Notes on additional information Note 2 Principles of the Global Compact and prevention and compliance measures in the area of human rights

INFORMATION ON FIGHTING CORRUPTION AND BRIBERY

Management approach: Description and results of policies relating to these issues as well as the main risks related to these issues associated with the activities of the group	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics	2.4.3. Ethical behavior: main prevention and compliance measures
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CORRUPTION AND BRIBERY

Measures taken to prevent corruption and bribery	GRI 2-23 Policy commitments GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 205-1, 205-2, 205-3 GRI 415-1	2.4.3. Ethical behavior: main prevention and compliance measures
Measures to combat money laundering	GRI 2-23 Policy commitments GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 205-1, 205-2, 205-3	2.4.3. Ethical behavior: main prevention and compliance measures
Partnership or sponsorship actions	GRI 2-28 Membership associations GRI 201	2.4.3. Ethical behavior: main prevention and compliance measures 6.3. Notes on additional information Note 1 Stakeholders

INFORMATION ABOUT THE COMPANY

MAPFRE S.A.

Management approach: Description and results of policies relating to these issues as well as the main risks related to these issues associated with the activities of the group	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics	2.2.2. Sustainability 2.4.3. Ethical behavior: main prevention and compliance measures
THE COMPANY'S COMMITMENT TO SUSTAINABLE DEVELOPMENT		
The impact of the company's activities on local employment and development	GRI 3-3 Management of material topics GRI 201-1 GRI 203-2 GRI 204-1 GRI 413-1, 413-2	2.2.2. Sustainability 4.5. Our footprint, shared value
The impact of the company's activities on local and national populations	GRI 3-3 Management of material topics GRI 201-1 GRI 203-2 GRI 411-1 GRI 413-1, 413-2	2.2.2. Sustainability 4.5. Our footprint, shared value
Relationships maintained with local community actors and the modalities of dialog with these	GRI 2-29 Approach to stakeholder engagement GRI 204-1 GRI 413-1, 413-2	2.2.2. Sustainability 4.5. Our footprint, shared value
Contributions to foundations and non-profit organizations	GRI 2-28 Membership associations GRI 3-3 Management of material topics GRI 201-1	2.4.3. Ethical behavior: main prevention and compliance measures 6.3. Notes on additional information Note 1 Stakeholders
SUBCONTRACTING AND PROVIDERS		
Inclusion of social, gender equality and environmental issues in the procurement policy	GRI 3-3 Management of material topics GRI 204-1 GRI 414-1, 414-2	4.4.3. Sustainable provider management
Consideration of social and environmental responsibility in our relationships with suppliers and subcontractors	GRI 2-6 Activities, value chain and other business relationships GRI 308-1 GRI 407-1 GRI 409-1 GRI 414-1, 414-2	4.4.3. Sustainable provider management
Supervision and audit systems and results thereof	GRI 2-6 Activities, value chain and other business relationships	4.4.3. Sustainable provider management
CONSUMERS		
Consumer health and safety measures	GRI 3-3 Management of material topics GRI 416 -1 GRI 417-1, 417-2	2.2.2. Sustainability 4.1. Protecting the client
Complaint systems, complaints received and resolution of complaints	GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 417-3 GRI 418-1	2.4.3. Ethical behavior: main prevention and compliance measures 4.1.1. Grievances and complaints
TAX INFORMATION		
Profits generated by country	GRI 3-3 Management of material topics GRI 201-1 GRI 207-4	2.4.5. Fiscal transparency 6.3. Notes on additional information Note 5 Main tax information by country
Taxes on profits paid	GRI 3-3 Management of material topics GRI 201-1 GRI 207-4	2.4.5. Fiscal transparency 6.3. Notes on additional information Note 5 Main tax information by country
Public subsidies received	GRI 201-4	2.4.5. Fiscal transparency 6.3. Notes on additional information Note 5 Main tax information by country
REGULATION (EU) 2020/852 - TAXONOMY		
Requirements of the Regulation	Proprietary MAPFRE methodology, prepared based on article 8 of the European Taxonomy	3.3.2. Sustainability in the business



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Independent Assurance Report on the Integrated Report of MAPFRE, S.A. and subsidiaries for 2022

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

To the shareholders of MAPFRE, S.A.:

We have been engaged by MAPFRE, S.A. management to perform a limited assurance review of the accompanying Integrated Report for the year ended 31 December 2022 of MAPFRE, S.A. (hereinafter, the Parent) and subsidiaries (hereinafter, the Group), prepared in accordance with the Sustainability Reporting Standards (hereinafter, GRI Standards), pursuant to requirement 8 in section 3 of GRI 1. (hereinafter, the Report).

Moreover, we have performed a limited assurance review to evaluate the climate-related risks included in section "3.3.2.3. Climate-related risks and opportunities in the business" of the Report, prepared in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

In addition, pursuant to article 49 of the Spanish Code of Commerce, we have performed a limited assurance review to verify that the Consolidated Non-Financial Information Statement (hereinafter NFIS) for the year ended 31 December 2022, of MAPFRE, S.A. included in the Report, has been prepared in accordance with the contents required by prevailing mercantile legislation.

The Report includes additional information to that required by GRI standards in its comprehensive option and prevailing mercantile legislation governing non-financial information that has not been the subject of our assurance engagement. In this regard, our work was limited only to providing assurance on the information contained in the tables "Table of contents GRI" and "Correspondence of GRI content and non-financial information" of the accompanying Report.

Directors' and Management responsibilities

Management of the Parent is responsible for the preparation of the Report in accordance with the GRI Standards for each subject area in table "6.4. GRI contents index" of the aforementioned Report.

Also, management of the Parent is responsible for the preparation and presentation of the information on climate-related risks included in section "3.3.2.3. Climate-related risks and opportunities in the business" of the Report, in accordance with the recommendations of the TCFD

The Board of Directors of the Parent is responsible for the contents and the authorization for issue of the NFIS which has been prepared in accordance with the contents required by prevailing mercantile legislation and selected GRI Standards, in accordance with each subject area in table "Correspondence of GRI content and non-financial information" of the aforementioned Report.



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

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the Report is free from material misstatement, whether due to fraud or error.

The directors of the Parent are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for preparing the Report was obtained.

Our Independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies prevailing international quality standards and accordingly maintains a quality system including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed.

We conducted our review engagement in accordance with the requirements of the Revised International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the Performance Guide on assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement, and consequently, the level of assurance provided is also lower.

Our work consisted of making inquiries of management, as well as of the different units and areas of the Group that participated in the preparation of the Report, in the review of the processes for compiling and validating the information presented in the Report and in the application of certain analytical procedures and sample review testing described below:

- Meetings with the Group personnel to gain an understanding of the business model, policies and management approaches applied, the principal risks related to these matters and to obtain the information necessary for the external review.

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

- Analysis of the scope, relevance and completeness of the content of the Report based on the materiality analysis performed by the Group and described in the section "6.2 Materiality" considering the content required by prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the Report for 2022.
- Review of the information relating to the risks, policies and management approaches applied in relation to the material aspects presented in the Report for 2022.
- Corroboration, through sample testing, of the information relative to the content of the Report for 2022 and whether it has been adequately compiled based on data provided by the information sources.
- Review of the disclosures on climate-related risks in compliance with the recommendations of the TCFD presented in section "3.3.2.3. Climate-related risks and opportunities in the business" of the Report for 2022.
- Procurement of a representation letter from the Directors and management.

Conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that:

- a.) The Integrated Report of MAPFRE, S.A. and subsidiaries for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the GRI Standards as detailed in table "6.4. GRI Content Index" of the Report, pursuant to requirement 8 in section 3 of GRI 1.
- b.) The information on climate-related risks included in section "3.3.2.3. Climate-related risks and opportunities in the business" of the Report has not been prepared, in all material respects, in accordance with the recommendations of the TCFD.
- c.) The NFIS of MAPFRE, S.A. and subsidiaries for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the contents included in prevailing mercantile legislation and with the GRI Standards selected, in accordance with each subject area in table "Correspondence of GRI content and non-financial information" of the Report.

Emphasis of Matter

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment stipulates the obligation to disclose information on how and to what extent the undertaking's investments are associated with economic activities eligible according to the Taxonomy. This obligation applies for the first time for the 2022 fiscal year, provided that the Non-Financial Information Statement is published from 1 January 2022 onwards. Consequently, the attached NFIS which is included in the Integrated Report does not contain comparative information on this matter. Additionally, certain information has been included in respect of which the Directors of the Parent have opted to apply the criteria that, in their opinion, best allow them to comply with the new obligation, and which are those defined in section "3.3.2 Sustainability in the business" in the accompanying NFIS/Directors' Report. Our conclusion is not modified in respect of this matter.



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

Use and distribution

In accordance with the terms of our engagement, this Independent Assurance Report has been prepared for MAPFRE, S.A. in relation to its Integrated Report 2022 and for no other purpose or in any other context.

In relation to the Consolidated NFIS, this report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

KPMG Asesores, S.L.

(Signed on original in Spanish)

Patricia Reverter Guillot

8 February 2023

The Integrated Report for MAPFRE S.A., corresponding to the financial year 2022, on the preceding pages 1 to xxx herein, endorsed in their entirety by the Secretary of the Board, and which includes the non-financial information that is included in the Consolidated Management Report, was ratified by the Board of Directors at its meeting held on February 8, 2023.

Mr. Antonio Huertas Mejías
Chairman

Ms. M.ª Amparo Jiménez Urgal
Member

Mr. Ignacio Baeza Gómez
1st Vice Chairman

Mr. Francisco J. Marco Orenes
Member

Ms. Catalina Miñarro Brugarolas
2nd Vice Chairman

Mr. Fernando Mata Verdejo
Member

Mr. José Manuel Inchausti Pérez
3rd Vice Chairman

Mr. Antonio Miguel-Romero de Olano
Member

Ms. Ana Isabel Fernández Álvarez
Member

Ms. M.ª del Pilar Perales Viscasillas
Member

Ms. M.ª Leticia de Freitas Costa
Member

Mr. Ángel Luis Dávila Bermejo
Secretary and Non-Member

Ms. Rosa M.ª García García
Member

Mr. Antonio Gómez Ciria
Member

The English version is a translation of the original in Spanish for information purposes only. In case of discrepancy, the Spanish version shall prevail.