

# INTEGRATED REPORT 2019



**MAPFRE**



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*Global*

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Antonio Huertas | Chairman and CEO

WE ASPIRE TO BE LEADERS OF THE NEW TECHNOLOGY ECOSYSTEM

Dear Friends,

In an environment as uncertain and volatile as the one we find ourselves in, with enormous impacts for our climate-related activity and a complex economic, political and social context in many of our countries, it is a pleasure for me to start this letter indicating that 2019 has been a good year for MAPFRE and, by association, for all its stakeholders.

The business has progressed well: we maintained profitable growth at our operations in Spain, and we substantially improved earnings results in both Brazil and the United States, the second and third most relevant markets for MAPFRE. We produced positive returns in practically all countries, which shows that we are successfully executing our strategy based on profitable growth. Attributable earnings from the insurance business, our main activity, exceeded 806 million euros, which is a solid and recurring result, consistent with the strength of our company.

Additionally, the reinsurance business also made a notable contribution to the Group's profit: 77 million euros. A remarkable figure in that it has been achieved despite the fact that the impact stemming from natural disasters, particularly intense in the Asia-Pacific area, rose substantially last year. MAPFRE Global Risks has also felt the brunt of this rising loss experience. The effects of these natural disasters, despite their exceptional nature or virulence, and regardless of whether they impact on insurance or reinsurance, are in fact the very essence of what our clients expect of us: MAPFRE responds. And this is what we do.

As a global insurer, we assume that responsibility around the world and demonstrate the company's strength and our resilience by making good on each and every one of our commitments. As you will see in the Report, we maintain our solvency ratio very close to 200 percent, within the objective range that we have set for ourselves and with 87 percent of the assets rated Tier 1, that is to say, of the highest quality.

Therefore, although we work to maximize our capabilities and always look for more for MAPFRE, we believe that 2019 has once again been a good year for the Group and, for this reason, we have maintained the dividend for our shareholders, in recognition of the trust they confer on us by investing in the company.

From the business point of view, as I have indicated, the Group is advancing strongly, growing profitably, developing agreements and strengthening the alliances we have and simultaneously, undertaking an intense process of transformation to adapt to the digital environment and continue being a leading insurance company, able to accompany its clients wherever they are headed, regardless of the prevailing conditions.

The Report that I present here shows you an integrated vision of how MAPFRE, in a complex socio-economic environment, is moving forward with its strategy, obtains solid results and generates value for interest groups and society at large.

On previous occasions, I have made notable mention that we believe in a committed company model that holds that, without ethics, there can be no business, and that all our activity has to be tackled in a sustainable manner.

We are working to build the future, firstly, that of our clients, who we protect and help to grow what is important to them, now and into the future, when it will be most necessary. We help companies and institutions, who thanks to MAPFRE, can cover their risks and concentrate their efforts on business development and the creation of wealth and employment. We also build the future of society: we are stable and reliable funders of the sovereign debt of many countries. We invest approximately 40 billion euros in these securities, which allows nation states to finance economic and social policy. And we also build a future for our shareholders, because the sum total

of our commitment to sustainability is applied at MAPFRE in all its decisions: we grow, we boost profitability, we approach operations and projects, we execute the day-to-day thinking not just about the present, but also about the future, striving to leave a better company to the generations that come after us.

In 2019, MAPFRE's Board of Directors approved the Sustainability Plan 2019-2021, a transversal road map for the entire Group that is allowing us to advance our commitments in environmental, social and governance matters.

**"Playing our part"** is the rallying cry of all our communication on sustainability: those thousands of individual gestures that coalesce to shape the common objective of protecting the planet and building a future for its inhabitants. Simple but important gestures, such as the fact that the Annual General Meeting 2020 will be the first one certified as both a sustainable and carbon-neutral event.

Among other actions, we actively participated and supported the United Nations Climate Change Conference (COP25) held in Spain, because MAPFRE as a company is taking action to combat the climate emergency. We are working relentlessly to be an emissions-neutral company in Spain and Portugal by 2021, and across the Group as a whole by 2030.

Like any company, we also protect our main assets, and among them, our employees and their talent come first. We are diverse, we defend equal opportunities and we act decisively in the face of all manner of gaps. We integrate people from all walks of life, including those with a disability, and we provide them with healthy working environments that enhance their capacity to create and innovate. Diversity makes us unique, and having the vision of people of more than 80 nationalities heading in the same direction greatly strengthens the capacity and talent of our company.

We promote socially responsible investment because we understand that it is part of the solution to the great challenges facing society. In fact, we are the first company, and so far the only one in the world, to develop an investment fund founded on the greater profitability enjoyed by inclusive companies that actively employ people with disabilities.

We are also good corporate citizens. We are close to the people who need us. Last year, more than 125,000 people received the support and help of 10,300 MAPFRE professionals and their families worldwide, through their commitment to the Corporate Volunteering Program.

We assume our responsibility in sustainable development, fully committing to the United Nations Global Compact and the Sustainable Development Goals (SDGs) of the 2030 Agenda. But we know that we cannot do it alone, nor do we want to do it alone, we need to be accompanied by our employees, clients, shareholders, providers, distributors and society in general, on the road we started out on more than eight decades ago, so that together, we can continue making the future possible.

On my own behalf and on that of the Board of Directors, I conclude by expressing my gratitude for the support and trust that our shareholders and other stakeholders show in us. This drives us to continue advancing in our double commitment: to generate a powerful financial dividend, and to generate an enormous social dividend.




We believe in a committed company model that holds that, without ethics, there can be no business, and that all our activity has to be tackled in a sustainable manner"

# 2

## MAPFRE Group

# *Global*

MAPFRE is a global company principally involved in insurance and reinsurance activities worldwide

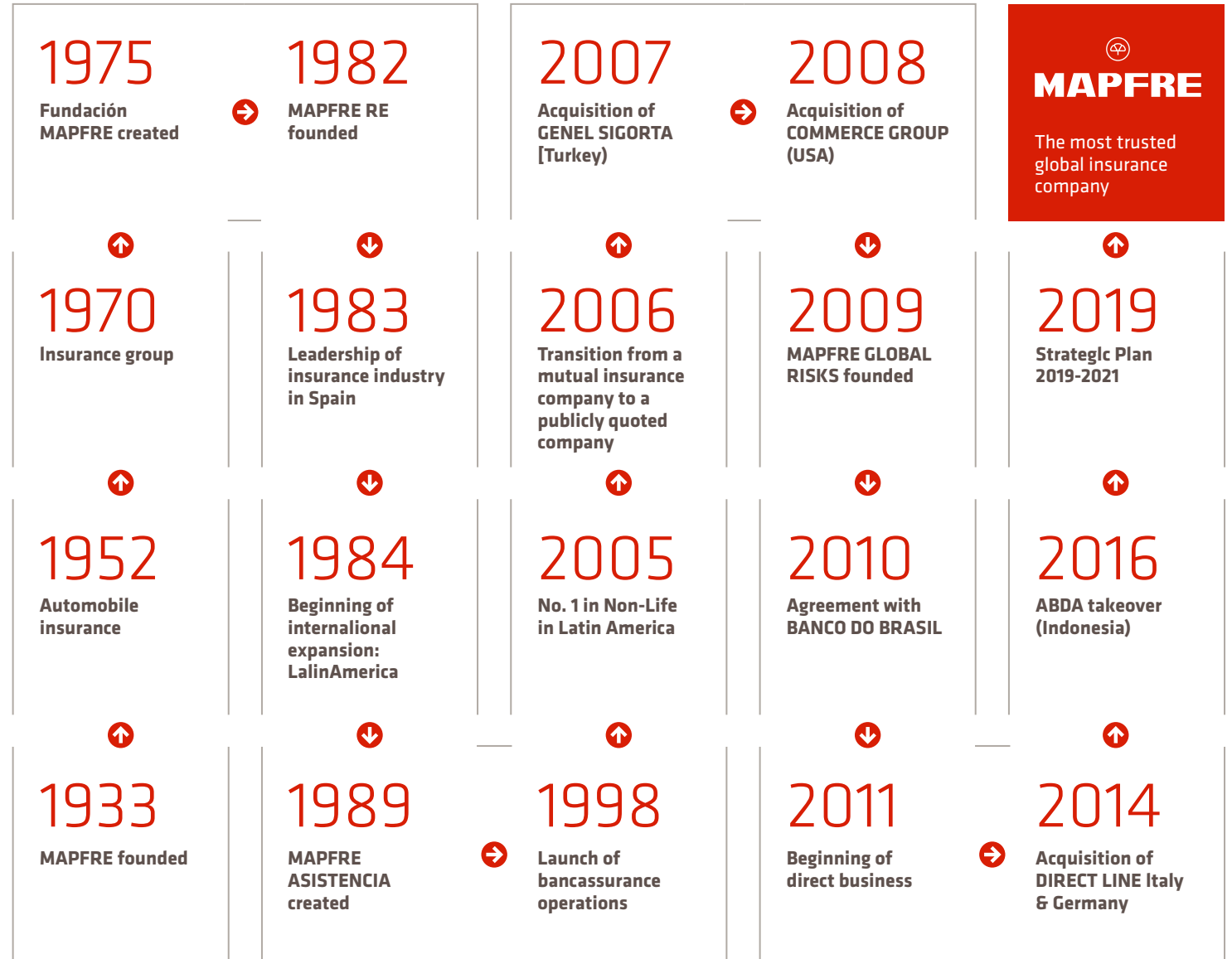


GRI 102-1, 102-2, 102-3, 102-4, 102-5, 102-18; L.11/2018

# 2.1. Functional and shareholder structure

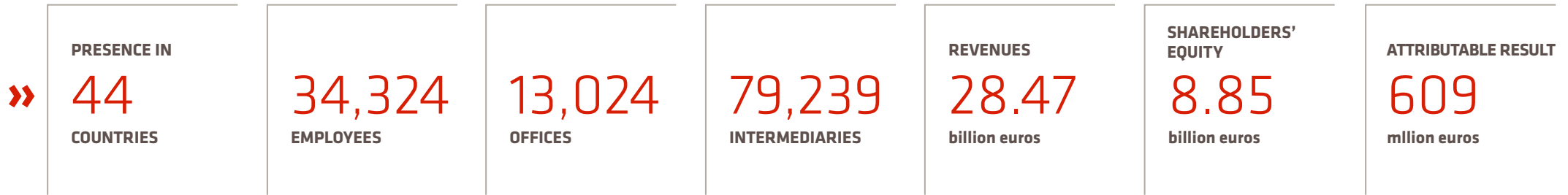
MAPFRE S.A. (hereinafter the "Company") is a global company principally engaged in insurance and reinsurance activities in 44 countries worldwide.

The company's origins can be traced to MAPFRE MUTUALIDAD, created in 1933 by the Association of Owners of Rural Properties in Spain to mutually cover the risks arising from their farming activities. In the 1960s, it embarked on a process of business expansion consisting of the creation of subsidiary trading companies. In 1980, these companies were grouped into the holding company CORPORACIÓN MAPFRE (now MAPFRE S.A.) and international expansion ensued, mainly in Latin America.



Today, MAPFRE is the largest Spanish-owned insurance company in the world and the third largest insurance group in Latin America.

MAPFRE has:



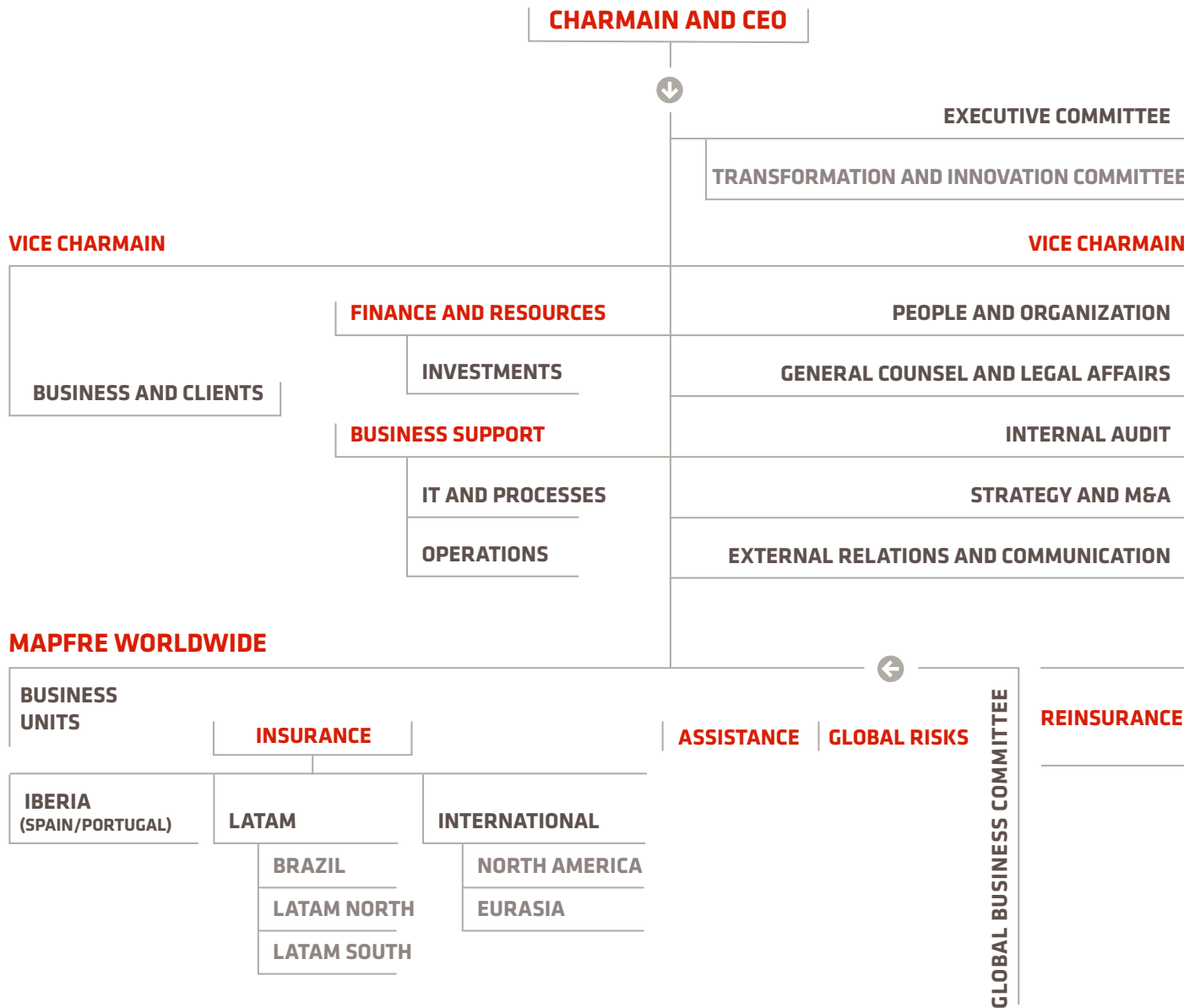
The Group pursues its business activities through an organizational structure made up of four Business Units (Insurance, Assistance, Global Risks and Reinsurance); three Territorial Areas (IBERIA, LATAM and INTERNATIONAL); and six Regional Areas (Iberia (Spain and Portugal), Brazil, LATAM North (Central America and the Dominican Republic), LATAM South, North America and EURASIA (Europe, Middle East, Africa and Asia-Pacific)).

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 merged within MAPFRE RE.

The activities of the different Business Units are supplemented by those of the Corporate Areas (Internal Audit, Strategy and M&A, Finance and Resources, Investments, Business and Clients, Operations, People and Organization, External Relations and Communication, General Counsel and Legal Affairs, Business Support, IT and Processes), which have global competencies 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 changed 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 as follows:

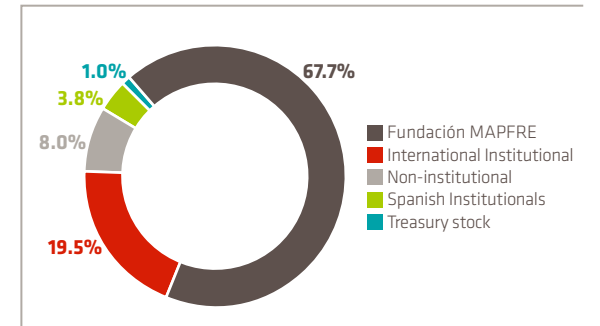


**SHAREHOLDER COMPOSITION**

The Group's parent company is the holding company, MAPFRE S.A., whose shares are listed on the Madrid and Barcelona Stock Exchanges. MAPFRE S.A. is also a component of the IBEX 35, IBEX Top Dividend, STOXX Europe 600 Insurance, EURO STOXX Insurance, MSCI Spain, FTSE All-World, FTSE Developed Europe, FTSE4Good, FTSE4Good IBEX, Dow Jones Sustainability World and Ethibel Sustainability Index (ESI) Excellence Europe indices.

The majority shareholder of MAPFRE S.A. shares is Fundación MAPFRE, which owns 67.7 percent of the share capital, thus guaranteeing the Group's 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 the close of the financial year, MAPFRE S.A. had 30,489,839 treasury shares, representing 0.99 percent of the capital.





GRI 102-4, 102-6, 102-7

# 2.2. Deployment worldwide

MAPFRE operates in a total of 44 countries through 221 companies, with a network of 13,024 offices (7,914 of them for bancassurance) and more than 79,000 agents and intermediaries.

The following is the geographic presence of MAPFRE through its business units:



44

COUNTRIES



13,024

DIRECT AND DELEGATE OFFICES AROUND THE WORLD

## LATAM

### BRAZIL



### LATAM SOUTH

- Argentina
- Chile
- Colombia
- Ecuador
- Paraguay
- Peru
- Uruguay
- Venezuela

### LATAM NORTH

- Costa Rica
- El Salvador
- Guatemala
- Honduras
- Mexico
- Nicaragua
- Panama
- Dominican Republic

## IBERIA

### SPAIN PORTUGAL



11,443

EMPLOYEES IN THE IBERIAN PENINSULA

## International

### NORTH AMERICA

- Canada
- United States
- Puerto Rico

### EURASIA

- Germany
- Algeria
- Australia
- Bahrain
- Belgium

### China

- UAE
- Philippines
- France
- Greece
- Hungary
- Indonesia
- Ireland
- Italy
- Japan
- Jordan

### Malaysia

- Malta
- United Kingdom
- Singapore
- Tunisia
- Turkey



Direct Insurance



Asistencia



Global Risks



Reinsurance

The number of employees in the Group per country is as follows:

Country	No. employees	Country	No. employees
Germany	566	Jordan	49
Algeria	49	Malta	318
Argentina	1,105	Mexico	1,748
Australia	64	Nicaragua	122
Bahrain	15	Panama	486
Belgium	21	Paraguay	196
Brazil	5,762	Peru	1,563
Canada	15	Portugal	411
Chile	503	Puerto Rico	614
China	139	United Kingdom	546
Colombia	959	Dominican Republic	424
Costa Rica	72	Tunisia	74
Ecuador	334	Turkey	1,289
El Salvador	180	Uruguay	178
United Arab Emirates	9	Venezuela	440
Spain	11,032	Others (Hungary, Japan, Taiwan and Singapore)	46
United States	2,616		
Philippines	314		
France	53		
Greece	110		
Guatemala	187		
Honduras	219		
India	6		
Indonesia	548		
Ireland	92		
Italy	877		
		<b>TOTAL EMPLOYEES AS ON 12.31.2019</b>	<b>34,324</b>

**Employees  
34,324**

Offices and intermediaries are broken down by geographic area as follows:

Offices	2019	2018
Iberia	5,655	5,413
Latam	6,773	6,570
International	596	543
<b>TOTAL</b>	<b>13,024</b>	<b>12,526</b>

Intermediaries	2019	2018
Iberia	17,563	17,914
Latam	52,184	56,682
International	9,492	11,968
<b>TOTAL</b>	<b>79,239</b>	<b>86,564</b>

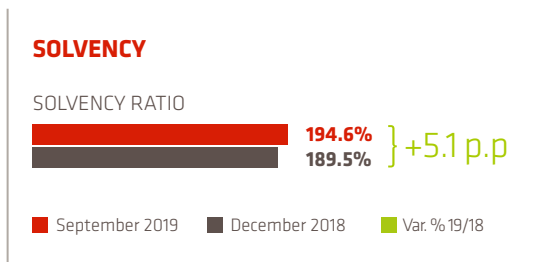
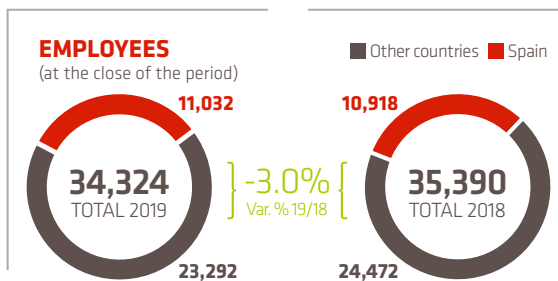
**13,024**  
OFFICES

**79,239**  
INTERMEDIARIES



GRI 102-7, 201-1

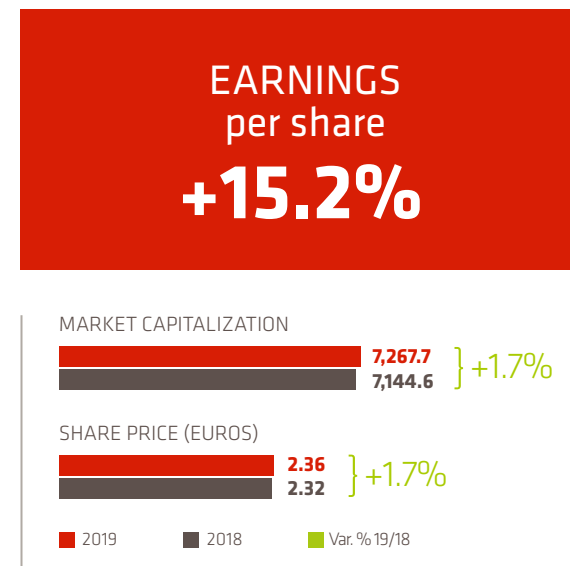
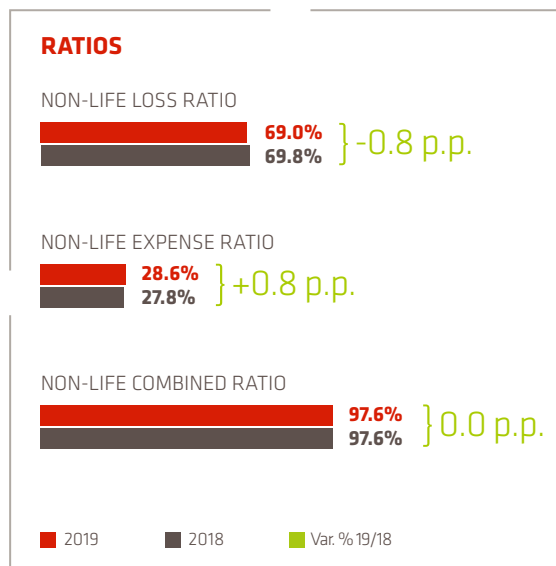
# 2.3. Key figures



**SOLVENCY**  
**+5.1 p.p.**  
Variation in solvency ratio 18/19

RESULTS	2019	2018	Var. % 19/18
Revenues	28,472.2	26,589.7	7.1%
Written and accepted premiums	23,043.9	22,537.1	2.2%
Non-Life	17,559.1	17,060.9	2.9%
Life	5,484.8	5,476.2	0.2%
Attributable net result	609.2	528.9	15.2%
Earnings per share ( euros }	0.20	0.17	15.2%

BALANCE	2019	2018	Var. % 19/18
Total assets	72,509.9	67,290.8	7.8%
Assets under management	63,637.8	58,484.6	8.8%
Shareholders' equity	8,854.3	7,993.8	10.8%
Debt	2,973.7	2,670.3	11.4%
ROE	7.2%	6.4%	0.9 p.p.
Adjusted ROE*	8.0%	8.4%	(0.5 p.p.)



\*Excluding goodwill writedown.

Figures in million euros.

MAPFRE S.A. and its subsidiaries are rated by the main ratings agencies. These agencies were selected on the basis of their international presence, their relevance for the insurance industry and capital markets, and for their level of experience.

The most important credit ratings currently granted by the main ratings agencies are listed here.



	S&P <sup>(1)</sup>	Fitch <sup>(2)</sup>	Moody's <sup>(3)</sup>	A.M. Best <sup>(4)</sup>
MAPFRE S.A. - Issuer	A- (Stable)	A- (Stable)	-	-
MAPFRE S.A. - Debt issuer	A-	BBB+	-	-
MAPFRE S.A. - Subordinated debt	BBB	BBB-	-	-
<b>Financial strength</b>				
MAPFRE S.A. RE	A+ (Stable)	A+ (Stable)	-	A (Stable)
MAPFRE S.A. ESPAÑA	-	A+ (Stable)	-	A (Stable)
MAPFRE S.A. VIDA	-	A+ (Stable)	-	-
MAPFRE S.A. ASISTENCIA	-	A+ (Stable)	A2 (Stable)	-

Company	Country	Rating type	Rating	Outlook
<b>Fitch<sup>(2)</sup></b>				
MAPFRE SIGORTA A.S.	Turkey	Financial strength	AA+ (tur)	Stable
MAPFRE SEGUROS GENERALES DE COLOMBIA	Colombia	Financial strength	AA (col)	Stable
<b>A. M. Best<sup>(4)</sup></b>				
MAPFRE U.S.A. Group	USA	Financial strength	A	Stable
MAPFRE PRAICO	Puerto Rico	Financial strength	A	Stable
MAPFRE MÉXICO	Mexico	Financial strength	A	Stable

(1) S&P Global Ratings Europe Limited.

(2) Fitch Ratings Limited

(3) Moody's Investors Service Ltd.

(4) A.M. Best Europe - Rating Services Ltd.

The companies indicated above are established in the European Union and registered as credit rating agencies in compliance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of September 16, 2009.

GRI 102-15

## 2.4. Regulatory framework and environment

In developed countries, the group of G7 economies grew by 1.6 percent in 2019, with the United States topping the list

### REGULATORY FRAMEWORK

MAPFRE is a limited liability company constituted in Spain, regulated by the Recast Text of the Corporation Act approved by Royal Legislative Decree 1/2010 of July 2, 2010 and corresponding regulations.

As the dominant company in a consolidated group that includes insurance companies, MAPFRE must maintain the consolidated solvency margin required under Law 20/2015 of July 14, 2015 regarding the ordering, supervision and solvency of insurance and reinsurance companies, under Royal Decree 1060/2015 of November 20, 2015 regarding the ordering, supervision and solvency of insurance and reinsurance companies and the accounting standards that regulate insurance activity.

Since January 1, 2016, the Company and its insurance and reinsurance subsidiaries operating in the European Union are subject to the supervision and solvency regulations of Directive 2009/138/EC of the European Parliament and of the Council of November 25, 2009, regarding life insurance, access

to insurance and reinsurance activity and its exercise (Solvency II) and corresponding regulations. In March 2019, the European Commission adopted the amendment of Delegated Regulation (EU) 2015/35 on Solvency II, which affects several elements used in the calculation of solvency capital requirement under the standard formula.

In addition, the consolidated annual accounts of the Group are prepared in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU). In 2019, IFRS-EU 16 "Leasing," which sets out the principles applicable to the recognition, valuation and presentation of leases, as well as information to be disclosed, entered into force. In addition, the Group is analyzing the impact of IFRS-EU 17 "Insurance Contracts," which is expected to apply to the fiscal years starting on January 1, 2022.

The insurance companies in which MAPFRE holds an interest are subject to the specific regulations governing this activity in the various countries in which they operate.

### ENVIRONMENT

The growth of the world economy has fallen from 3.6 percent in 2018 to 3 percent in 2019. This evolution is a consequence of the commercial tensions between the United States and China; the prospect of raising tariffs in other countries; the uncertainty of Brexit, and, from a structural perspective, the point of the economic cycle at which the global economy finds itself.

In developed countries, the group of G7 economies grew by 1.6 percent, with the United States up 2.3 percent and the eurozone at 1.2 percent. In addition, emerging economies have maintained their high levels of growth, although these are lower than the previous year: China rose 6.1 percent, the group of emerging economies increased by 3.9 percent, and Asian emerging economies were up 5.9 percent. For the year 2020 globally, the average growth is expected to be again around 3 percent, and will possibly accelerate after 2021. A recession can be ruled out at the moment, unless undetected risks arise that cause an adjustment in a systemic economy.

Predictions on the development of macroeconomic figures for the principal markets in which MAPFRE operates are as follows:

Item	Brazil		Spain		United States		Mexico		Turkey	
	2019 (E)	2020 (F)	2019 (E)	2020 (F)	2019 (E)	2020 (F)	2019 (E)	2020 (F)	2019 (E)	2020 (F)
<b>GDP</b> (% YoY. average)	0.8%	1.7%	2.0%	1.8%	2.3%	1.6%	0.0%	1.1%	0.2%	2.5%
<b>CPI</b> (% YoY. average)	3.3%	3.7%	0.8%	1.4%	1.8%	2.0%	3.2%	3.4%	10.5%	10.8%
<b>Unemployment</b> (% EAP*. average)	11.1%	10.1%	13.8%	12.9%	3.5%	3.6%	3.6%	3.9%	13.6%	12.8%
<b>Official interest rate</b>	4.0%	5.0%	0.0%	0.0%	1.5%	1.5%	7.3%	7.3%	14.8%	12.8%
<b>Population</b> (Millions of people)	211.8	213.3	471	47.2	331.2	333.5	128.3	129.6	83.4	84.3

Source: MAPFRE Economi of Research. Data 2019 estimated (E) and 2020 forecasted (F)  
\*EAP = Economically Active Population



The development of the Non-Life and Life Protection insurance business maintains its strong relationship with the behavior of the economic cycle. In this sense, premium growth is limited by investment and consumption patterns. In the case of emerging countries, the low insurance penetration rate means that the long-term growth trend is positive and increasing.

In addition, the Life Savings insurance business is negatively affected by the continuity of the accommodative policies of the main central banks. The lax monetary bias will cause the negative or flat

interest rate curves of many developed countries to be maintained for quite some time, with the consequential implications that this has for the financial profitability of insurance companies. In 2018, the latest data available, the world insurance market registered estimated growth of 1.5 percent in real terms, generating a total value of direct insurance premiums of 5.2 billion dollars.

The sector ratios for the Non-Life segment in principal markets where MAPFRE operates have shown the following development:

COUNTRY	Combined Ratio (Market)			Date	ROE (Market) 2018
	Loss Ratio	Expense Ratio	Total		
Brazil	41.7%	50.1%	91.8%	Sept-19	17.3%
Spain	70.1%	22.1%	92.3%	Sept-19	11.4%
United States	71.4%	27.3%	98.7%	Dec-18	9.0%
Mexico	73.6%	29.3%	102.8%	Sept-19	22.1%
Turkey	77.1%	28.2%	105.3%	Sept-19	25.1%

Source: MAPFRE Economic Research. The Combined Ratios for Mexico and Brazil include Non-Life and Life

# 3

## Business model, strategy and performance

### *Innovators*

Differentiation as a key aspect to grow and constantly improve, with technology at the service of businesses and their objectives.

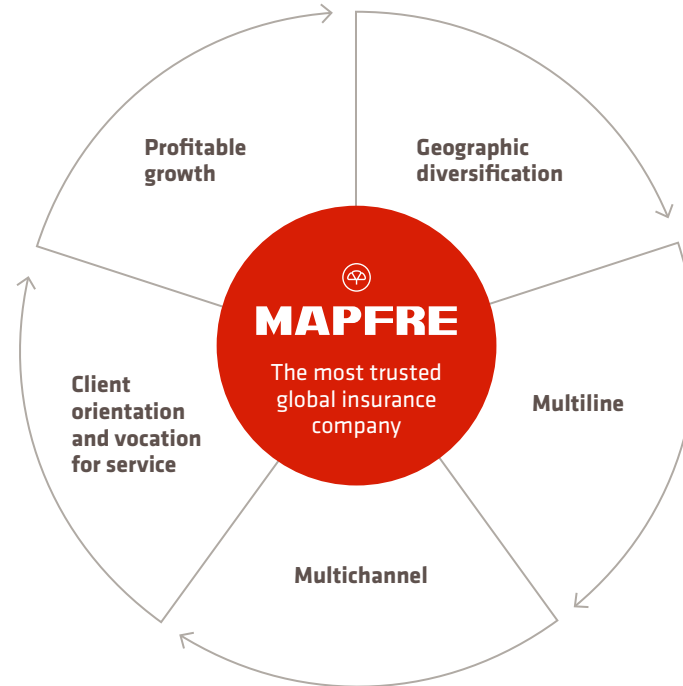


GRI 102-2, 102-6, 102-14

# 3.1. Business model

The vision of MAPFRE is to be THE MOST TRUSTED GLOBAL INSURANCE COMPANY, a concept that refers not only to its geographic presence but also to the wide range of insurance and reinsurance products and services that it promotes worldwide. It aims to become a leader in the markets in which it operates, through its proprietary and differentiated business model, based on transformation and innovation. It is designed to achieve profitable growth with clear and decisive focus on the client, both private and corporate, a multi-channel approach and a firm vocation for service.

The influx of new insurance business models – insurtech – based on digital tools is causing a veritable revolution in the sector, and MAPFRE is acting swiftly in order to offer all its stakeholders value experiences. With the business model that MAPFRE has adopted, we are not focused solely on financial results, but also on the social sphere.



MAPFRE aims to become a leader in the markets in which it operates, through its proprietary and differentiated business model, based on transformation and innovation

Accordingly, MAPFRE:

- ➔ Is firmly committed to growth, both in terms of 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 an appropriate balance between corporate involvement and business development in each country.
- ➔ Makes its resources available to the entire 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.

[GRI 102-16]



MAPFRE's stated mission is to be a multinational team that strives to constantly improve services and develop the best possible relationships with clients, distributors, providers, shareholders and society in general.

This commitment to continuous improvement is underpinned by the following values, which assist in executing the mission and achieving the company's vision:

## » Vision, Mission and Values

### Solvency

Financial strength with sustainable results and full capacity to meet all obligations to stakeholders.

### 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.

### Vocation for service

The constant quest for excellence in the pursuit of its activities and a continuous focus on building strong relationships with clients.

### Innovation for leadership

Differentiation as a key aspect of continuous growth and improvement, using technology to service the different businesses and their objectives.

### Committed team

Full engagement of employees, senior executives, agents and other collaborators with the MAPFRE project and continuous development of the team's skills and abilities.

The resources that MAPFRE deploys to create sustained value are its main assets, and correspond to the following dimensions:

## » Dimensions

### Financial

Economic resources to develop the business, generated either through operations or investments or obtained through financing.

### Productive

Assets or goods and services used to pursue different activities.

### Human

The skills, knowledge, abilities and experience of the people employed by the organization.

### Intellectual

Knowledge-based intangible assets that favor both intellectual property as well as knowledge of systems, procedures and protocols.

### Natural

Appropriate management of natural resources and contribution to climate change mitigation and biodiversity conservation.

### Social & Relational

Trust-based relationships generated with stakeholders; contribution to the development and well-being of the community; and other intangible assets related to the brand and its reputation.

MAPFRE seeks to develop the best relationships with stakeholders: employees, clients, distributors, providers, shareholders and society in general



MAPFRE offers people a complete personal lines insurance program that is adapted to the different countries in which it operates, through a wide insurance offering of Life, Health, Accident, General P&C (homeowners, automobile, third-party liability, family, etc.), Savings and Investment, Retirement, Burial, Travel and Lifestyle policies.

MAPFRE helps 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, etc.), while also insuring their personal risks (accidents, health, Life, retirement, savings and investments).

The company also offers specific solutions 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, and tailored to the management model of each client, with products for Vehicles, Third-Party Liability and General P&C, Engineering and Buildings, Hulls and Aviation, Goods Transportation, Agribusiness, Surety and Credit, Group Health, Accident, Life and Retirement Insurance, among others.

Additionally, MAPFRE supplements its insurance activities with a range of reinsurance products. MAPFRE is determined to maintain its own networks in the countries where it operates, which are compatible with the use of other distribution channels. Some of the key features behind the success of MAPFRE's business

model are its client orientation, global product offering, and adaptation to the legal and commercial nature of each market.

MAPFRE's own networks are supplemented by 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.

MAPFRE's stated mission is to develop the best possible relationships with its stakeholders, which include employees, clients, distributors, providers, shareholders and society in general. For more information, please consult the Social and Relational Dimension chapter. [\(See page 115\)](#)

# 3.2. Strategy

At MAPFRE we are transforming ourselves to grow profitably. Digitalization and innovation are key components of this evolution. Transformation will be ever present in all that we do, acting as a veritable driver across the entire company. Our strategy is based on three pillars:

## CLIENT ORIENTATION

Our team is 100 percent client oriented. We are committed to a competitive model, which puts clients at the center of everything we do, with the aim of offering an optimal experience at every moment of contact with MAPFRE. We want to know, understand and enhance client loyalty, increase productivity in all our channels and innovate in products, services and experiences for our clients.

## EXCELLENCE IN TECHNICAL AND OPERATIONAL MANAGEMENT

We work to improve our efficiency, adapting our structure to offer an excellent service, with a global, flexible and open technology that enables us to increase our competitiveness.

## CULTURE AND TALENT

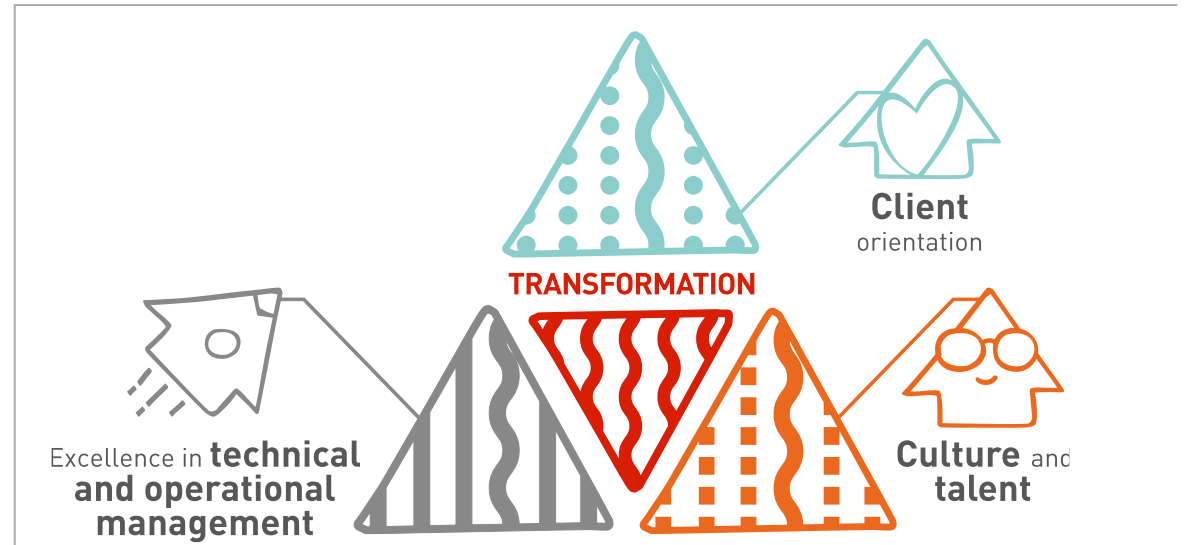
Strengthening the commitment of everyone working at MAPFRE, we wish to continue adapting to changes

with new skills that allow us to face future challenges. We keep working to be a benchmark in terms of sustainability. MAPFRE is a group committed to sustainable development and, especially, to the fight against climate change.

The first year of the **Strategic Plan 2019-2021** “**Transforming ourselves for growth and improved profitability**” has been a year marked by environmental catastrophes (typhoons such as Faxai

and Hagibis are some examples of catastrophes that have had a high impact on the attributable result of MAPFRE) and the volatility and political, economic and social uncertainty in the different markets where MAPFRE operates. In light of these circumstances, we have made an adjustment to the public aspirational objectives for the period 2019-2021, creating six points and aligning these to the reality of the markets without losing sight of the ambition that has always characterized MAPFRE.

### PILLARS OF STRATEGIC PLAN 2019-2021



GRI 102-15

# 3.3. Progress of the Plan in 2019 and future prospects

## PROGRESS OF THE PLAN IN 2019

The main developments in the aspirational objectives and initiatives that drive each of the plan's pillars were:

2019 DATA

»» Profitable growth

Objectives from a profitable growth point of view:

Create

sustainable value for Shareholders.

Grow

sustainably above market levels.

Profitably drive

Life business.

8.0%

ROE  
(excluding goodwill impairment adjustments)

€28.47BN

REVENUE

€1.33BN

DIGITAL BUSINESS REVENUES  
(+16.7%)


9.2%

GROWTH IN LIFE PROTECTION PREMIUMS AT CONSTANT VALUE

2019 DATA

»» Client orientation

The objectives for this pillar are:



Gain

and retain our Clients' trust.

Boost

productivity of distribution channels.

Innovate

in products, services and capacities.

86.3%

PERCENTAGE OF BUSINESSES WITH AN NPS® HIGHER THAN THE MARKET AVERAGE

244,723

NUMBER OF CLIENTS FOR MAPFRE OPEN INNOVATION PRODUCTS AND SERVICES

To speed up changes to this pillar, investments have been made in a number of initiatives:

- ➔ **Client focus:** we are adapting our sales offering and value proposition, our operations, structure and technology, to offer a better quality and an enhanced client experience.
- ➔ **Digital business plan:** we continue to strengthen our digital business by increasing investment in digital marketing, price comparison tools and digital tools in the operations of VERTI, INSUREANDGO and MAPFRE DIGITAL.

➔ **Digital health:** we are taking advantage of the opportunities offered by digitalization to develop a business model that allows us to lead in the Health line.

➔ **Large cities:** by understanding the new dynamics of big cities, initiatives are being developed that will allow us to increase our market share, having started in Madrid and Barcelona.


➔ **SAM 3.0:** we are developing capabilities in response to new trends in the world of cars and new mobility (ADAS, UBI, etc.).

2019 DATA

»

## Excellence in technical and operational management

The objectives for this pillar are:



**Rigorously manage**  
risks at all levels of the organization.

**Reach**  
high quality service provision and operational efficiency.

**Reduce**  
costs to be more competitive.

**Open and flexible global technology,**  
with advanced analytics.

**97.6%**  
NON-LIFE  
COMBINED RATIO

**18.7M**  
NUMBER OF AUTOMATED  
TRANSACTIONS

To speed up changes to this pillar, investments have been made in a number of initiatives:

🕒 **Global efficiency model:** initiative that seeks to increase efficiency, productivity and a decrease of operational costs by means of the development of operational models that address standardization, integration, improvement of processes and automation, among other things, with full focus on the client, to improve the competitiveness of MAPFRE.


🕒 **Advanced Analytics:** we are making a determined investment in data, developing a platform that will enable us to move from a decision-making process based on structured information to incorporate new sources of unstructured data, which will allow us to better understand and meet the needs of our clients. In line with this objective, the post of Chief Data Officer was created in 2019.

2019 DATA

»

## Culture and talent

The objectives for this pillar are:



**Strengthen**  
people's commitment to MAPFRE's values.

**Develop**  
people with technical, global and transformational capabilities.

**Position**  
MAPFRE as a benchmark in sustainability, innovation and trust.

**80.8%**  
CULTURE AND TALENT INDEX

**48.3%**  
PERCENTAGE OF NEW MANAGERIAL JOB  
POSITIONS COVERED BY WOMEN

**2.9%**  
PERCENTAGE OF WORKFORCE  
WITH A DISABILITY

Another objective was to position MAPFRE as a benchmark in sustainability. The Board of Directors of MAPFRE S.A. approved the lines of action, projects and objectives of the Global Sustainability Plan 2019-2021.

The main initiative underpinning this pillar is the Digital Challenge, which is managing the change involved in adapting the organization to the new digital requirements, providing the work environment with flexibility and agility and tools that allow collaborative work and knowledge-sharing. In addition, new behaviors (collaborating, innovating and streamlining) are being promoted, and digital and strategic profiles and new forms of leadership are being developed.

Our objective is to position  
MAPFRE as a benchmark  
in sustainability

**FUTURE PROSPECTS FOR THE STRATEGIC PLAN 2019-2021**

The year 2019 was marked by the impact of catastrophic events and social uncertainty in the different markets in which MAPFRE operates. Therefore, it has been necessary to adjust the aspirational public objectives for the 2019-2021 period, which are to be presented at the General Shareholders Meeting.



GRI 102-2, 102-6

# 3.4. Business performance

## RELEVANT EVENTS

[GRI 102-10]

Among the relevant corporate events of the 2019 fiscal year, the following should be noted:

### Significant economic events

The Group has updated its business forecast for assistance, travel insurance and specialty risks in the United Kingdom and North America as part of its strategic planning. Due to the drop in expected profits in the United Kingdom as a result of the complex socioeconomic environment and predictable slowdown of its economy due to the uncertainty over Brexit, it was decided to recognize a total impairment of goodwill for the MAPFRE ASISTENCIA companies in that country, in the amount of 48.4 million euros. Also, as part of a decrease in unprofitable business in the United States and Canada, goodwill attributed to those countries was revised, resulting in an impairment of goodwill in the amount of 17.2 million euros.

This impairment of goodwill has no effect whatsoever on the liquid assets generated by the Group in the fiscal year, and it does not affect its financial strength or flexibility, or the capital models supporting current ratings and the high solvency margin of the Group and its subsidiaries, as the goodwill is excluded in their

calculation, and thus maintains its important dividend generating capacity.

### Other relevant events in sustainability

- MAPFRE is named in the Dow Jones Sustainability World Index for a second consecutive year, and in the FTSE4Good Index for the 13th consecutive year. These indices are acknowledged as two of the most important international barometers in measuring corporate performance in terms of sustainability and CSR.
- MAPFRE was included in the Sustainability Yearbook 2019, prepared by the investment consultant RobecoSAM.
- MAPFRE partnered with SpainSIF, a non-profit organization that is a reference point for all financial institutions in terms of sustainable and responsible investment in Spain.
- Together with La Financière Responsable, MAPFRE launched a fund to invest in companies that promote the inclusion of people with disabilities, the first of its kind to be launched globally.

- MAPFRE participated in the United Nations Climate Change Conference (COP25), demonstrating its commitment to environmental protection.

MAPFRE is named in the Dow Jones Sustainability World Index for a second consecutive year, and in the FTSE4Good Index for the 13th consecutive year

**INFORMATION BY BUSINESS UNIT <sup>1</sup>**

[GRI FS6]

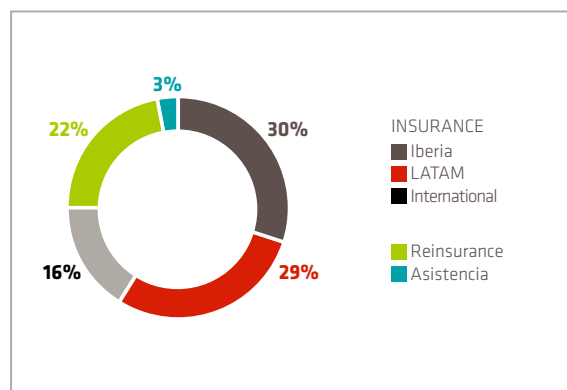
The Non-Life combined ratios, premiums and attributable results are detailed by business unit:

**KEY FIGURES**

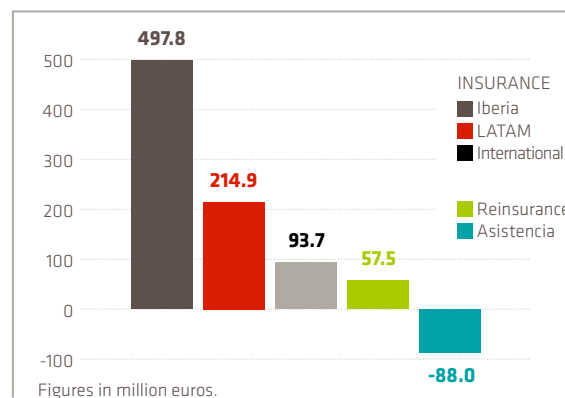
	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	Dec. 2019	Var. % 19/18	Dec. 2019	Var. % 19/18	Dec. 2019	Dec. 2018
IBERIA	7,717.8	0.8%	497.8	3.6%	94.4%	93.8%
LATAM	7,547.3	9.6%	214.9	36.9%	94.4%	98.2%
INTERNATIONAL	4,027.3	(3.9%)	93.7	97.6%	102.3%	103.5%
<b>TOTAL INSURANCE</b>	<b>19,292.4</b>	<b>3.0%</b>	<b>806.4</b>	<b>17.7%</b>	<b>96.5%</b>	<b>97.8%</b>
REASEGURO AND GLOBAL RISKS*	5,580.5	12.5%	57.5	(65.9%)	101.0%	95.6%
ASISTENCIA	861.0	(5.5%)	(88.0)	-	103.3%	103.5%
Holding, eliminations and other	(2,690.0)	(29.9%)	(166.7)	47.0%	-	-
<b>MAPFRE S.A.</b>	<b>23,043.9</b>	<b>2.2%</b>	<b>609.2</b>	<b>15.2%</b>	<b>97.6%</b>	<b>97.6%</b>

Figures in million euros. \*The figures for 2018 include the Global Risks data on a like-for-like basis.

**PREMIUMS BY GEOGRAPHIC AREA**



**ATTRIBUTABLE RESULT BY BUSINESS UNIT**



Figures in million euros.

The Group's consolidated revenues amounted to 28.47 billion euros, an increase of 7.1 percent, mainly due to the increase in the issuing of premiums and higher financial income.

The accepted direct insurance and reinsurance premiums, which represent the vast majority of volume, amounted to 23.04 billion euros, up by 2.2 percent, mainly due to positive performance by countries such as Mexico, Peru and the Dominican Republic. In June 2019, the PEMEX comprehensive multi-year damage policy (two years) was renewed for 502.9 million dollars (449.8 million euros).

This increase in premium growth is framed within the Group's strategy of profitable growth, which aims to improve profitability mainly in Non-Life insurance. Cumulative attributable profits to December 2019 were 609.2 million euros, an increase of 15.2 percent. It should be borne in mind that the financial year 2018 was affected by the extraordinary deterioration of goodwill amounting to 173.5 million euros, while, in 2019, the extraordinary deterioration of goodwill and the provision for restructuring expenses in participating companies of MAPFRE ASISTENCIA have had a joint impact of 75.6 million euros on the Group's attributed result. If both effects are eliminated, the recurring result would fall by 3.1 percent against the previous financial year.

1. The information in this chapter is supplemented by the Annual Accounts and Consolidated Management Report, which are available on the corporate website.



# 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. It represents 30 percent of the total premiums of the Group.

Spain is MAPFRE's main market in terms of contribution to the business.

In 2019, MAPFRE ESPAÑA continued to lead the Non-Life insurance rankings in 2019, maintaining its position as a benchmark insurance company in Spain.

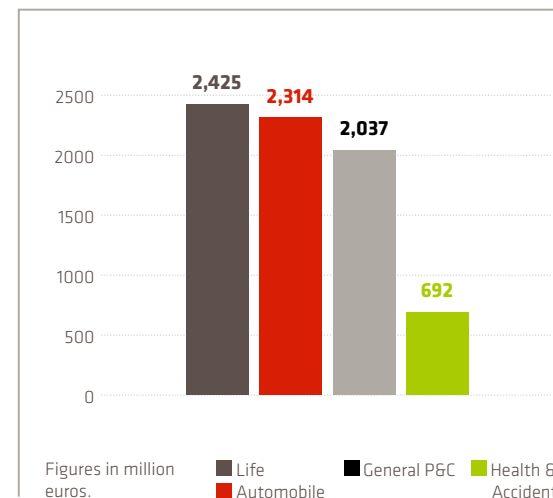
### INFORMATION BY COUNTRY

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	Dec. 2019	Var. % 19/18	Dec. 2019	Var.% 19/18	Dec. 2019	Dec. 2018
IBERIA	7,717.8	0.8%	497.8	3.6%	94.4%	93.8%
Spain	7,582,3	0.8%	488.7	4.7%	94,4%	93.7%
Portugal	135.4	1.1%	9.1	(34.4%)	95.9%	96.5%

Figures in million euros.

In 2019, MAPFRE ESPAÑA continued to lead the Non-Life insurance rankings in 2019, maintaining its position as a benchmark insurance company in Spain

### PREMIUMS FOR MAIN LINES OF BUSINESS



IBERIA represents **30%** of the TOTAL PREMIUMS of the Group

### WORKFORCE AND DISTRIBUTION NETWORK



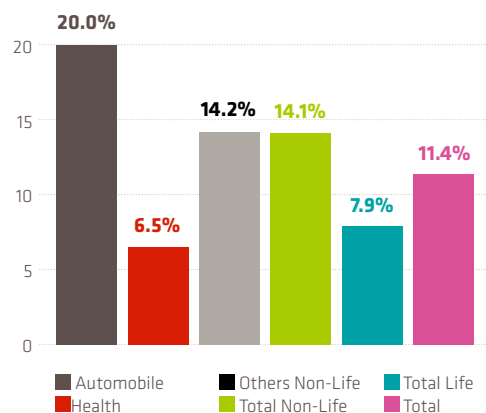
\*Does not include Corporate Areas.

MAPFRE maximizes the backing and strength of its sales network.

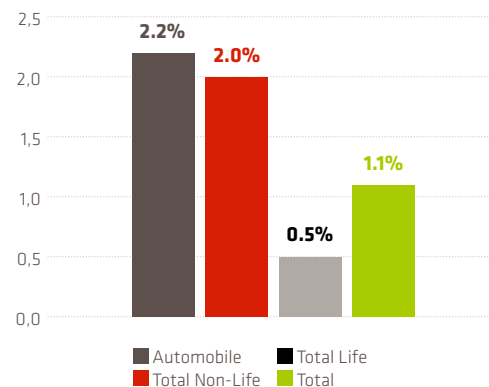
The overall figures for market share in the Direct Insurance market in Spain are provided below:

**MARKET SHARES**

**MARKET SHARES-SPAIN<sup>(1)</sup>** December 2019



**MARKET SHARES-PORTUGAL<sup>(2)</sup>** September 2019



(1) Estimated market shares, using provisional data published by ICEA, which only takes into account direct insurance premiums written. The figures include premiums written by MAPFRE GLOBAL RISKS.

(2) Source: Portuguese Association of Insurance Companies

MAPFRE maintains an outstanding position in the Direct Insurance market, growing for ten consecutive quarters above the market in Spain.

**DIRECT INSURANCE - RANKING BY GROUPS 2019**

No.	Group	Market share* (%)
1	VIDACAIXA	13.38
2	MAPFRE	11.43
3	MUTUA MADRILEÑA G ROUP	8.50
4	ALLIANZ	5.35
5	GRUPO CATALANA OCCIDENTE	4.76
6	ZURICH	4.60
7	GRUPO AXA	4.60
8	SANTALUCÍA	3.83
9	GENERALI	3.80
10	SANTANDER SEGUROS	2.64
11	GRUPO CASER	2.36
	Other companies	34.75
<b>TOTAL SECTOR</b>		<b>100.0</b>

\* Estimated market shares, using provisional data published by ICEA, which only takes into account direct insurance premiums written. The figures include premiums written by MAPFRE GLOBAL RISKS.



## LATAM

LATAM comprises the regional areas of Brazil, LATAM North and LATAM South and represents 29 percent of total Group premiums.

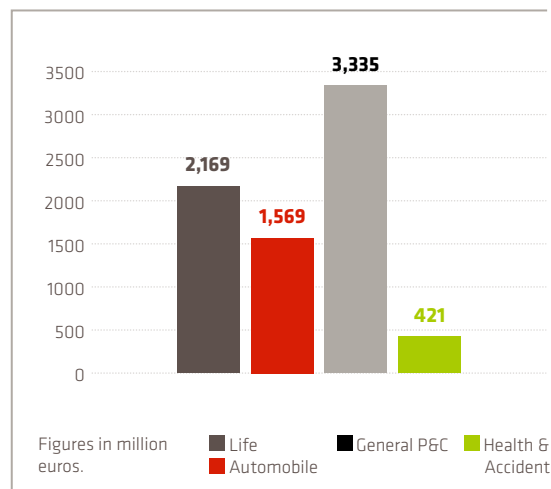
LATAM represents  
**29%**  
of TOTAL Group  
PREMIUMS

### INFORMATION BY REGION

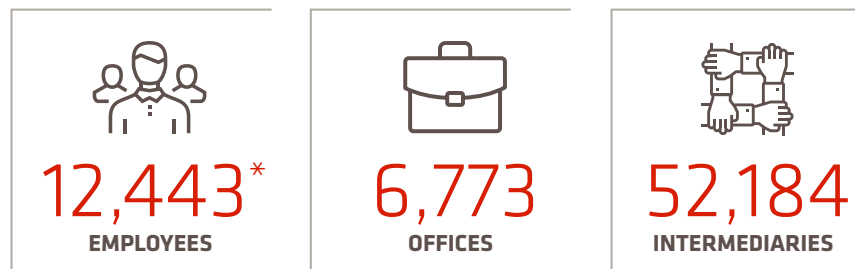
	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	Dec. 2019	Var. % 19/18	Dec. 2019	Var. % 19/18	Dec. 2019	Dec. 2018
BRAZIL	3,977.5	0.1%	97.0	79.1%	92.2%	98.5%
LATAM NORTH	1,973.1	50.7%	63.1	44.6%	94.7%	98.1%
LATAM SOUTH	1,596.7	(0.6%)	54.8	(7.3%)	100.0%	97.3%

Figures in millions euros.

### PREMIUMS FOR MAIN LINES OF BUSINESS



### WORKFORCE AND DISTRIBUTION NETWORK



\*Does not include Corporate Areas.

### MARKET SHARES

The overall figures for market share in the Non-Life insurance market in Latin America are provided below:

### NON-LIFE INSURANCE - RANKING BY GROUP 2018

No.	Group	Premiums (millions USD)	Market share* (%)
1	MAPFRE	6,023	7.2
2	ZURICH	3,570	4.3
3	PORTO SEGURO	3,497	4.2
4	GRUPO SURA	3,350	4.0
5	TRIPLE-S	2,914	3.5
6	INNOVACARE	2,610	3.1
7	CHUBB	2,370	2.9
8	AXA	2,347	2.8
9	MCS	2,195	2.6
10	TALANX	2,099	2.5
	Subtotal	30,975	37.1
	<b>TOTAL SECTOR</b>	<b>83,095</b>	<b>100.0</b>

Source: MAPFRE Economic Research (with data from the supervisory bodies of the region).

## Brazil

This regional area encompasses insurance activity in Brazil. Brazil represents 15 percent of the total premiums of the Group, and is the second largest market for MAPFRE based on contribution to business.

### PERFORMANCE FOR MAIN LINES OF BUSINESS

	PREMIUMS		ATTRIBUTABLE RESULT	
	Dec. 2019	Var. % 19/18	Dec. 2019	Var. % 19/18
LIFE	1,502.5	10.8%	50.9	1.1%
AUTOMOBILE	842.7	(16.9%)	(18.8)	66.4%
GENERALES P&C	1,629.6	1.9%	66.6	46.4%

Figures in million euros.

### MARKET SHARES

MAPFRE holds second place in the Non-Life group ranking in Brazil, with a market share in November 2019 of 12.8 percent.

Brazil represents 15 percent of the total premiums of the Group, and is the second largest market for MAPFRE based on contribution to business.

## LATAM North

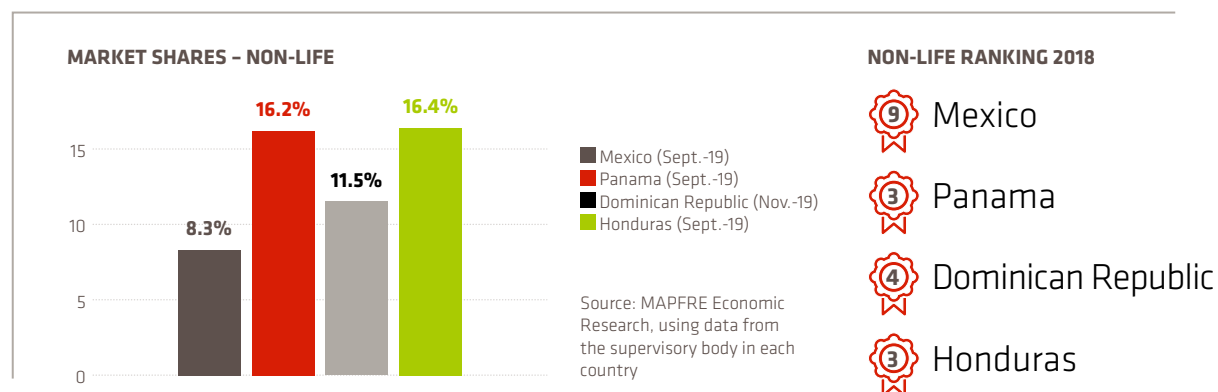
This includes operations in Mexico and the sub-region of Central America and the Dominican Republic, which includes Panama, the Dominican Republic, Honduras, Guatemala, Costa Rica, El Salvador and Nicaragua. It represents 8 percent of the total premium volume of the Group.

### PERFORMANCE OF KEY COUNTRIES

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	Dec. 2019	Var. % 19/18	Dec. 2019	Var. % 19/18	Dic. 2019	Dec. 2018
MEXICO	1,324.8	84.2%	25.1	38.9%	98.1%	101.8%
PANAMA	223,0	9.3%	7.0	65.8%	95.4%	99.1%
DOMINICAN REPUBLIC	149.4	13.9%	11.7	25.3%	86.2%	88.0%
HONDURAS	79.0	2.2%	6.2	8.7%	87.1%	81.4%
GUATEMALA	74.3	18.3%	6.3	62.0%	87.5%	93.8%

Figures in million euros.

### MARKET SHARES



## LATAM South

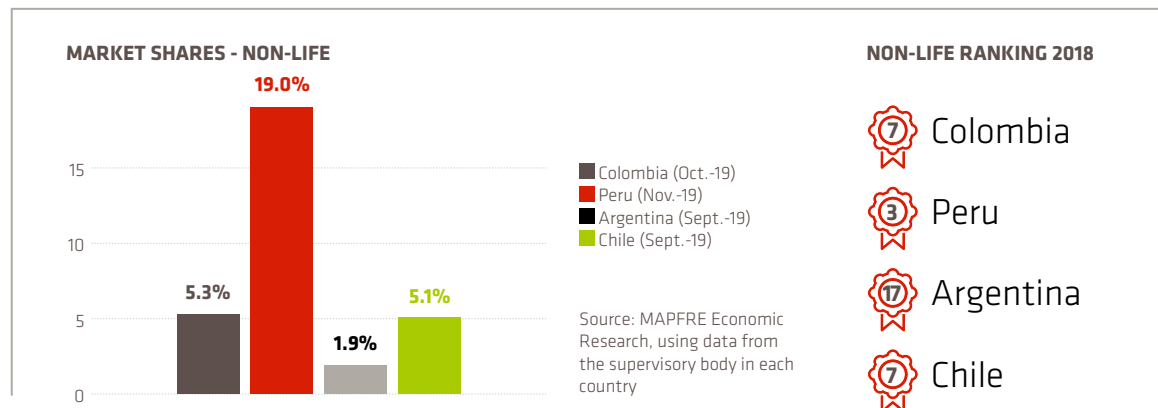
This regional area encompasses business activities in Peru, Colombia, Argentina, Chile, Uruguay, Paraguay and Ecuador, and contributes 6 percent of MAPFRE's total premium volume.

### PERFORMANCE OF KEY COUNTRIES

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	Dec. 2019	Var. % 19/18	Dec. 2019	Var. % 19/18	Dec. 2019	Dec. 2018
COLOMBIA	379.9	(2.9%)	5.2	153.5%	99.6%	97.6%
PERU	551.7	12.3%	29.2	(6.7%)	97.2%	92.7%
ARGENTINA	170.7	(14.7%)	4.9	-	107.2%	107.2%
CHILE	276.0	(4.6%)	5.5	(82.9%)	104.7%	96.7%
URUGUAY	93.9	(15.5%)	3.7	-	95.1%	102.0%
PARAGUAY	69.5	(1.7%)	6.9	9.9%	90.8%	90.8%

Figures in million euros.

### MARKET SHARES



Bogota, Colombia

## INTERNATIONAL

INTERNATIONAL comprises NORTH AMERICA and EURASIA, and represents 16 percent of the Group's total premiums.

### INFORMATION BY REGION

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	Dec. 2019	Var. % 19/18	Dec. 2019	Var. % 19/18	Dec. 2019	Dec. 2018
NORTH AMERICA	2,331.7	(3.9%)	78.6	124.8%	100.4%	102.1%
EURASIA	1,695.5	(4.0%)	15.1	21.0%	106.1%	106.7%

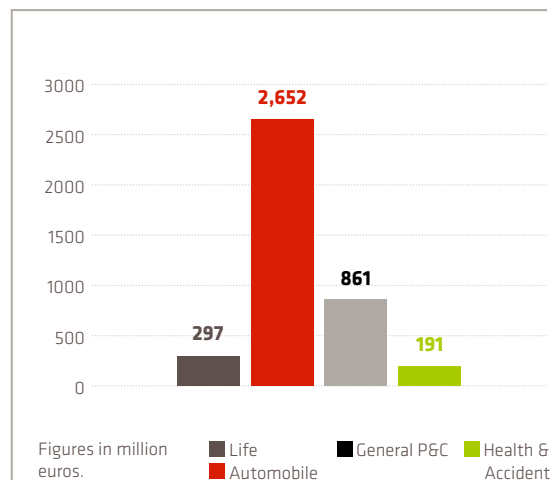
Figures in million euros.

### WORKFORCE AND DISTRIBUTION NETWORK



\*Does not include Corporate Areas.

### PREMIUMS FOR MAIN LINES OF BUSINESS



INTERNATIONAL represents **16%** of the Group's TOTAL PREMIUMS





Boston, Massachusetts

## North America

This regional area has its headquarters in Webster, MA (USA) and encompasses operations in NORTH AMERICA (United States and Puerto Rico). North America produces 9 percent of total Group premiums.

### PERFORMANCE OF KEY COUNTRIES

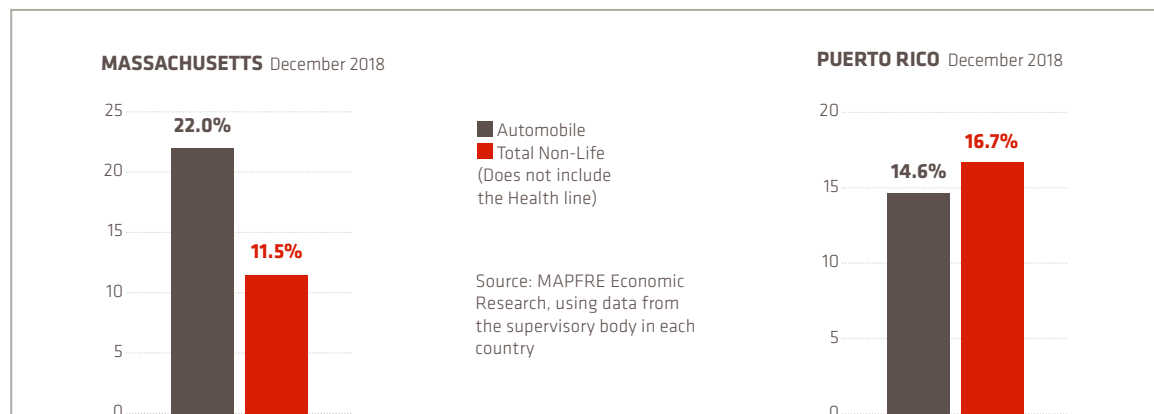
	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	Dec. 2019	Var. % 19/18	Dec. 2019	Var. % 19/18	Dec. 2019	Dec. 2018
UNITED STATES	1,950.0	(-4.3%)	57.2	-	101.8%	104.1%
PUERTO RICO	381.7	(-1.3%)	21.5	(-19.9%)	90.5%	88.0%

Figures in million euros.

The main regional market is the United States, with operations in 14 states across the nation and with a strong position on the Northeast coast, especially in Massachusetts, where MAPFRE is the leading provider of automobile, homeowners and commercial lines insurance.

### MARKET SHARES

In the state of Massachusetts (USA) and Puerto Rico, the market shares were as follows:



## EURASIA

This regional area includes Italy, Germany, Turkey, Malta, Indonesia and the Philippines, and it contributes 7 percent of total Group premium volume.

### MARKET SHARES

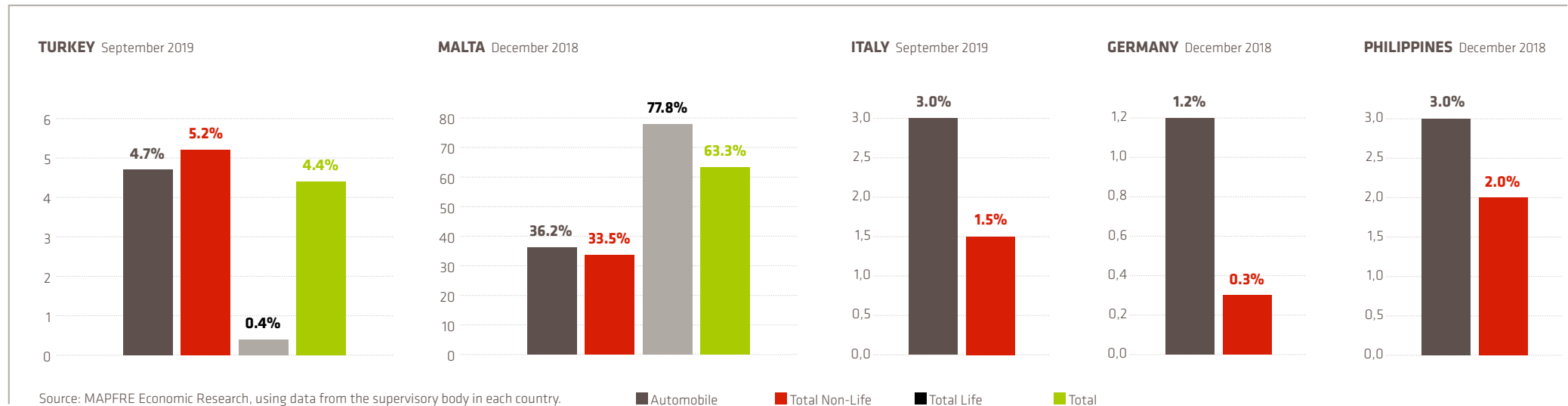
In the EURASIA region, the market shares are as follows:

### PERFORMANCE OF KEY COUNTRIES

	PREMIUMS		ATTRIBUTABLE RESULT		COMBINED RATIO	
	Dec. 2019	Var. % 19/18	Dec. 2019	Var. % 19/18	Dec. 2019	Dec. 2018
TURKEY	448.3	(7.7%)	7.2	(49.6%)	113.5%	112.2%
ITALY	470.9	(0.7%)	(1.5)	60.9%	106.0%	108.9%
GERMANY	342.7	4.7%	5.8	115.3%	98.7%	98.6%
MALTA	357.3	(8.3%)	4.9	12.7%	90.3%	92.9%
PHILIPPINES	27.4	0.8%	(0.8)	-	112.4%	98.7%
INDONESIA	48.9	(21.0%)	(0.3)	87.7%	107.9%	102.9%

Figures in million euros.

### MARKET SHARES





## Asistencia Unit

This unit specializes in travel assistance, roadside assistance, and other Group specialty risks. It operates in 36 countries. MAPFRE ASISTENCIA is the fourth largest company in the sector by revenue in the world, and has one of the most extensive assistance networks worldwide, contributing 3 percent of total Group premiums.

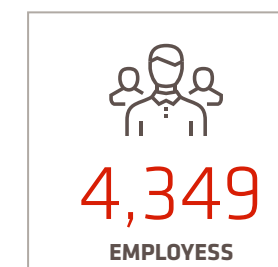
MAPFRE ASISTENCIA covers all assistance needs of travelers, their companions and their luggage, before, during and after each trip, anywhere in the world.

### KEY FIGURES

	Dec. 2019	Var. % 19/18
<b>Operational revenues</b>	<b>978.8</b>	<b>(0.4%)</b>
Written and accepted premiums	861.0	(5.5%)
Other income	117.8	64.3%
<b>ATTRIBUTABLE NET RESULT</b>	<b>(88.0)</b>	<b>-</b>

Figures in million euros.

### WORKFORCE



## Reinsurance 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.

The Unit operates through a global network of 19 offices.

Premiums from this business unit represented 22 percent of the Group's total in the past financial year.

### KEY FIGURES

	Dec. 2019	Var. % 19/18
<b>Written and accepted premiums</b>	<b>5,580.5</b>	<b>12.5%</b>
Non-Life	4,986.8	14.4%
Life	593.7	(1.1%)
<b>ATTRIBUTABLE NET RESULT</b>	<b>57.5</b>	<b>(65.9%)</b>

Figures in million euros.

REINSURANCE represents  
**22%**  
of the Group's TOTAL  
PREMIUMS

**KEY FIGURES**

	Dec. 2019	Var. % 19/18
<b>Written and accepted premiums</b>	<b>5,580.5</b>	<b>12.5%</b>
Reinsurance business	4,520.4	19.4%
Global Risks business	1,060.1	(9.7%)
<b>Net attributable result</b>	<b>57.5</b>	<b>(65.9%)</b>
Reinsurance business	76.7	(48.5%)
Global Risks business	(19.2)	(195.8%)
<b>Combined ratio</b>	<b>101.0%</b>	<b>5.4 p.p</b>
Reinsurance business	99.2%	3.2 p.p
Global Risks business	123.5%	31.5 p.p
<b>Expense ratio</b>	<b>30.5%</b>	<b>2.7 p.p</b>
Reinsurance business	30.0%	2.8 p.p
Global Risks business	37.5%	4.8 p.p
<b>Loss ratio</b>	<b>70.5%</b>	<b>2.7 p.p</b>
Reinsurance business	69.3%	0.4 p.p
Global Risks business	86.0%	26.7 p.p

Figures in million euros.



Breakdown of premium distribution to December 2019 is as follows:

ITEM	%	ITEM	%
<b>By Type of business:</b>		<b>by Cedent company:</b>	
Proportional	65.5%	MAPFRE	47.0%
Non-proportional	11.2%	Other cedents	53.0%
Facultative	23.3%	<b>Por Line:</b>	
<b>By Region:</b>		General P&C	41.4%
IBERIA	1.3%	Life and Accident	13.7%
EURASIA	51.1%	Automobile	18.8%
LATAM	28.0%	Global Risks Business	19.0%
NORTH AMERICA	19.6%	Transport	2.4%
		Other Lines	4.8%

**WORKFORCE AND DISTRIBUTION NETWORK**



**656**  
EMPLOYEES



**19**  
REPRESENTATION  
OFFICES

## MARKET SHARES

Over the last few years, MAPFRE RE has established itself as one of the major reinsurers worldwide by premium volume.

The latest available global data for reinsurance groups based on gross premiums issued to third parties is shown here.

MAPFRE RE has consolidated its position as one of the key reinsurers worldwide by premium volume

## RANKING OF GLOBAL REINSURANCE GROUPS

No.	Group	Net Premiums 2018 (million USD)
1	Swiss Reinsurance Co.	34,042
2	Munich Reinsurance Co.	33,686
3	Hannover Rück SE	19,953
4	Berkshire Hathaway Re	16,532
5	SCOR SE	15,803
6	China Reinsurance (Group) Corp.	10,678
7	Reinsurance Group of America, Inc.	10,544
8	Lloyd's	9,969
9	Everest Re Group Ltd.	7,414
10	PartnerRe Ltd.	5,803
11	General Insurance Corporation of India	5,678
12	MS&AD Insurance Group Holdings, Inc.	5,080
13	Korean Reinsurance Co.	4,772
14	Transatlantic Holdings Inc.	3,969
15	Sompo Holdings Inc.	3,900
<b>16</b>	<b>MAPFRE RE</b>	<b>3,497</b>
17	R+V Versicherung AG	3,170
18	Fairfax Financial Holdings Limited	2,790
19	Tokio Marine & Nichido Fire Insurance Co. Ltd.	2,693
20	AXIS Capital Holdings Ltd.	2,334

Source: S&P. Global Reinsurance Highlights 2019.



# 4

## Corporate Governance

# *Trustworthy*

MAPFRE has a set of policies, regulations, procedures and protocols in place that serve as a guide to determine the expected behavior of all those who work or collaborate with the company.



GRI 102-14, 102-16, 102-18, 102-19, 102-20, 102-22, 102-23, 102-26, 102-35, 102-36, 102-37, FS1; L.11/2018

# 4.1. Corporate governance system

MAPFRE adopts a three-pronged approach to its business management:

- Corporate governance
- Company structure
- Executive organization

## 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, as well as the supervisory body of all subsidiary companies, while the day-to-day management is carried out by the company's management and

executive bodies and by the relevant management bodies of the aforementioned subsidiary companies.

The Board of Directors has a Steering Committee in place that acts on its behalf and with all of its powers, except those that cannot be ceded by law or, where applicable, if expressly prohibited by the bylaws or the regulations of the Board of Directors.

The Board of Directors also has three additional delegate committees:

- Audit and Compliance Committee.
- Appointments and Remuneration Committee.
- Risk Committee.

Las funciones y composición de los órganos de gobierno son las siguientes:

### Steering Committee

The Steering Committee's functions are the senior management and oversight of the day-to-day operations and strategies of the company and its subsidiaries. It

comprises a maximum of ten members, all of whom are also members of the Board of Directors.

### Audit and Compliance Committee

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 information, submitting this to the Board of Directors, proposals for the appointment of the external auditor and building an appropriate relationship with this figure, and ensuring the independence and efficiency of the Internal Audit function. It is also the body responsible for supervising the proper application

The Board is the company's main decision-making and supervisory body

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 members of the Board of 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 directors and senior executives of the Group. 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.

#### ➔ Risk Committee

This committee provides support and advisory services to the Board of Directors in the definition and evaluation of the Group's risk management policies and in the determination of its risk appetite and risk 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.

The Risk Committee performs support and advisory functions for the Board of Directors

Board of Directors	Steering Committee	Appointments and Remuneration Committee	Audit and Compliance Committee	Risk Committee
<b>Chairman</b>				
Antonio Huertas Mejías <sup>(1)</sup>	Chairman			
<b>First Vice Chairman</b>				
Ignacio Baeza Gómez <sup>(1)</sup>	First Vice Chairman			
<b>Second Vice Chairwoman</b>				
Catalina Miñarro Brugarolas <sup>(3)</sup>	Second Vice Chairwoman	Chairwoman		
<b>Third Vice Chairman</b>				
José Manuel Inchausti Pérez <sup>(1)</sup>				
<b>Members</b>				
José Antonio Colomer Guiu <sup>(3)</sup>	Member	Member	Member	Chairman
Ana Isabel Fernández Álvarez <sup>(3)</sup>			Chairwoman	Member
María Leticia de Freitas Costa <sup>(3)</sup>				
Rosa María García García <sup>(3)</sup>		Member		
Antonio Gómez Ciria <sup>(3)</sup>				Member
Luis Hernando de Larramendi Martínez <sup>(2)</sup>	Member	Member		
Francisco José Marco Orenes <sup>(1)</sup>				
Fernando Mata Verdejo <sup>(1)</sup>				
Antonio Miguel-Romero de Olano <sup>(2)</sup>	Member		Member	Member
Pilar Perales Viscasillas <sup>(3)</sup>			Member	
Alfonso Rebuelta Badías <sup>(2)</sup>		Member		
<b>Secretary</b>				
Angel L. Dávila Bermejo	Secretary	Secretary	Secretary	
Jaime Álvarez de las Asturias Bohorques Rumeu				Secretary

(1) Executive board directors

(2) Nominee external board directors

(3) Independent external board directors

**HONORARY CHAIRMEN**

Julio Castelo Matrán  
 José Manuel Martínez Martínez

**EXECUTIVE COMMITTEE**

**Chairman**  
 Antonio Huertas Mejías

**First Vice Chairman**  
 Ignacio Baeza Gómez

**Vice Chairman**  
 José Manuel Inchausti Pérez

**Members**

Aristóbulo Bausela Sánchez  
 Alfredo Castelo Marín  
 José Manuel Corral Vázquez  
 Francisco José Marco Orenes  
 Fernando Mata Verdejo  
 Eduardo Pérez de Lema  
 Elena Sanz Isla  
 Jaime Tamayo Ibáñez

**Member-Secretary**

Angel L. Dávila Bermejo

The composition of the governing bodies resulting from the agreements that are expected to be adopted on March 13, 2020 is as follows:

**Diversity and experience**

[GRI 405-1; L.11/2018]

The Board of Directors of MAPFRE S.A. approved the Director Selection Policy on July 23, 2015. This policy establishes that during the director selection process, any kind of implicit risk that may involve discrimination and, in particular, biases that interfere with the selection of persons of other genders, must be avoided. Furthermore, the policy stipulates that by 2020 the number of female directors should represent at least 30 percent of the total of members of the Board of Directors.

As of the date of this Report, the Company had reached the objective set in terms of female representation on the Board, with female directors accounting for 33 percent of the total. Most participate in Board committees 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 Risk Committee.
- Pilar Perales Viscasillas: member of the Audit and Compliance Committee.

The composition of the Steering Committee and the various Special Committees of the Board of Directors by gender as on December 31, 2019 is presented below:

ITEM	Steering Committee		Audit and Compliance Committee		Appointments and Remuneration Committee		Risk Committee	
	M	W	M	W	M	W	M	W
Number of Board Directors	5	1	2	2	3	1	3	1
<b>% of total</b>	<b>83.3%</b>	<b>16.7%</b>	<b>50.0%</b>	<b>50.0%</b>	<b>75.0%</b>	<b>25.0%</b>	<b>75.0%</b>	<b>25.0%</b>

M: Men; W: Women

Item	2019	2018	2017	2016
% of women over Board total	33.3%	28.6%	26.7%	23.5%

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

The selection of candidates in accordance with the provisions of the MAPFRE S.A. Board of Directors Regulations will include an evaluation of the competencies, knowledge and the experience necessary to hold a seat on the Board of Directors. The Board currently consists of 15 members, who as a whole possess knowledge, qualifications and experience relating to the following areas: insurance and financial markets, business strategy and business models, governance systems, financial and actuarial analysis and regulatory framework. poseen conocimientos, cualificación y experiencia en relación con las siguientes materias: mercado de seguros y financieros, estrategia empresarial y modelo de empresa, sistema de gobierno, análisis financiero y actuarial y marco regulador.

**OTROS INDICADORES DE GOBIERNO CORPORATIVO**

Item	2019	2018	2017	2016
<b>QUORUM FOR ANNUAL GENERAL MEETING</b>	<b>82.38%</b>	<b>82.07%</b>	<b>83.20%</b>	<b>82.76%</b>
Board Directors	15	14	15	17
- Men	10	10	11	13
- Women	5	4	4	4
Executive board directors	5	5	5	5
Independent external board directors	7	6	6	7
Nominee external board directors	3	3	4	5
Board meetings	10	10	10	9
Steering Committee meetings	5	5	3	6
Audit and Compliance Committee meetings <sup>(1)</sup>	10	14	11	6
Appointments and Remuneration Committee meetings <sup>(2)</sup>	6	5	7	6
Risk Committee meetings	6	6	5	6

Data in numbers

(1) Irrespective of the meetings mentioned, the Committee adopted agreements by written procedure, without a meeting, by means of a circular dated February 21, 2019.

(2) Irrespective of the meetings mentioned, the Committee adopted agreements by written procedure, without a meeting, by means of a circular dated February 4, 2019

Quorum for Annual General Meeting in 2019  
**82.38%**

**82.07%**  
IN 2018

**83.20%**  
IN 2017



The remuneration of 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 Board Directors of the company during fiscal year 2019 was as follows:

Item	2019
Number of Directors	16
Accrued remuneration in the Company	7,906
Accrued remuneration in Group companies	2,346
<b>Total</b>	<b>10,252</b>
Contributions to savings systems with vested rights and as an amount of accumulated funds	1,471

Figures in thousands euros

In order to comply with the legal requirements for remuneration of 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 8, 2019 approved the Compensation Policy for Board Directors for the 2019-2021 period, effective as of January 1, 2019. This policy includes the various components of the remuneration package of the directors, which have been established on the basis of the following general principles and foundations:

- Prioritization of the creation of value and profitability in the medium- and long-term over short-term results.

- Reasonable proportion between the company's economic situation and the market standards of comparable companies.
- Alignment with the commercial 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 remuneration 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.

The remuneration system differentiates between external directors and executive directors:

**A) External Board Directors.**

External directors receive a fixed amount as basic remuneration for their membership on the Board of Directors and, as applicable, on the Steering Committee and Special Committees, which may be higher for those who occupy positions on the Board or chair its Committees. In addition, members of

the Steering Committee receive an allowance for attending its meetings. This remuneration shall be supplemented with other non-monetary benefits (Life or illness insurance, discounts on products marketed by companies of the MAPFRE Group) established on a general basis for the company's personnel.

**B) Executive Board Directors.**

Executive directors do not receive the fixed amount established for external directors. The remuneration of Board Directors for carrying out their executive functions is determined according to those functions, levels of responsibility and professional profile, in accordance with the criteria governing the remuneration of MAPFRE Group senior executives and according to what appears in their respective contracts.

## The Regulations of the Board of Directors govern the functions it has in relation to remuneration of the Board of Directors and the Appointments and Remuneration Committee



Executive directors are entitled to the allowances or social benefits established for Company personnel in general, as stipulated in the collective bargaining agreement signed by MAPFRE.

Only executive directors receive variable remuneration, of which there are two types:

- (i) Short-term variable remuneration, linked to the consolidated net profit of the company. This remuneration is always paid in cash.
- (ii) Medium- and long-term variable remuneration, which corresponds to a medium-term incentive plan of an extraordinary and multiannual nature that cannot be consolidated. Its evaluation period on the degree of achievement of Plan objectives extends from January 1, 2019 until December 31, 2021, with deferred payment of incentives in the period 2023-2025 for some of its beneficiaries, which include executive directors in their capacity as senior

managers. The payment of incentives is subject to the fulfillment of the Plan objectives, as well as remaining within the Group, under the terms set out in that Plan. The Plan consists of a cash incentive and a stock incentive in MAPFRE S.A., and is subject to reduction and clawback clauses.

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.

Employee categories that may have a material impact on the company's risk profile have a variable short-term remuneration system linked to the achievement

of objectives directly connected to strategic plans that is also subject to deferral rules. The Group's Institutional, Business and Organizational Principles determine its actions as a company and contribute to the sustainability of the business conducted in every country in which it operates. These principles are embedded in the company through its core values (solvency, integrity, vocation for service, innovation for leadership and committed team) and implemented through adherence to its international and local commitments as well as to the policies, standards and action protocols adopted by the organization. All of this enables the company to act in accordance with the due diligence principle, thereby preventing, detecting and eradicating irregular conduct, whatever its nature, which could have a negative impact on the company and on the environment in which it operates.

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 that is expected of all those who work for or collaborate with MAPFRE.

Moreover, MAPFRE publishes the following corporate policies and standards on its website [www.mapfre.com](http://www.mapfre.com), therefore making them available for all stakeholders:

- Institutional, Business and Organizational Principles
- Code of Ethics and Conduct
- Treasury Stock Policy
- Dividend Policy
- Corporate Governance Policy
- Corporate Tax Policy
- Policy on the Management of Conflicts of Interest and Operations Linked to Significant Shareholders and Senior
- Board Directors Selection Policy
- Policy for Communication with Shareholders, Institutional Investors and Proxy Advisors
- Policy on Attendance Allowances
- Corporate Social Responsibility Policy
- Diversity and Equal Opportunities Policy
- Promotion, Selection and Mobility Policy
- Policy on Health, Well-being and Prevention of Occupational Risks

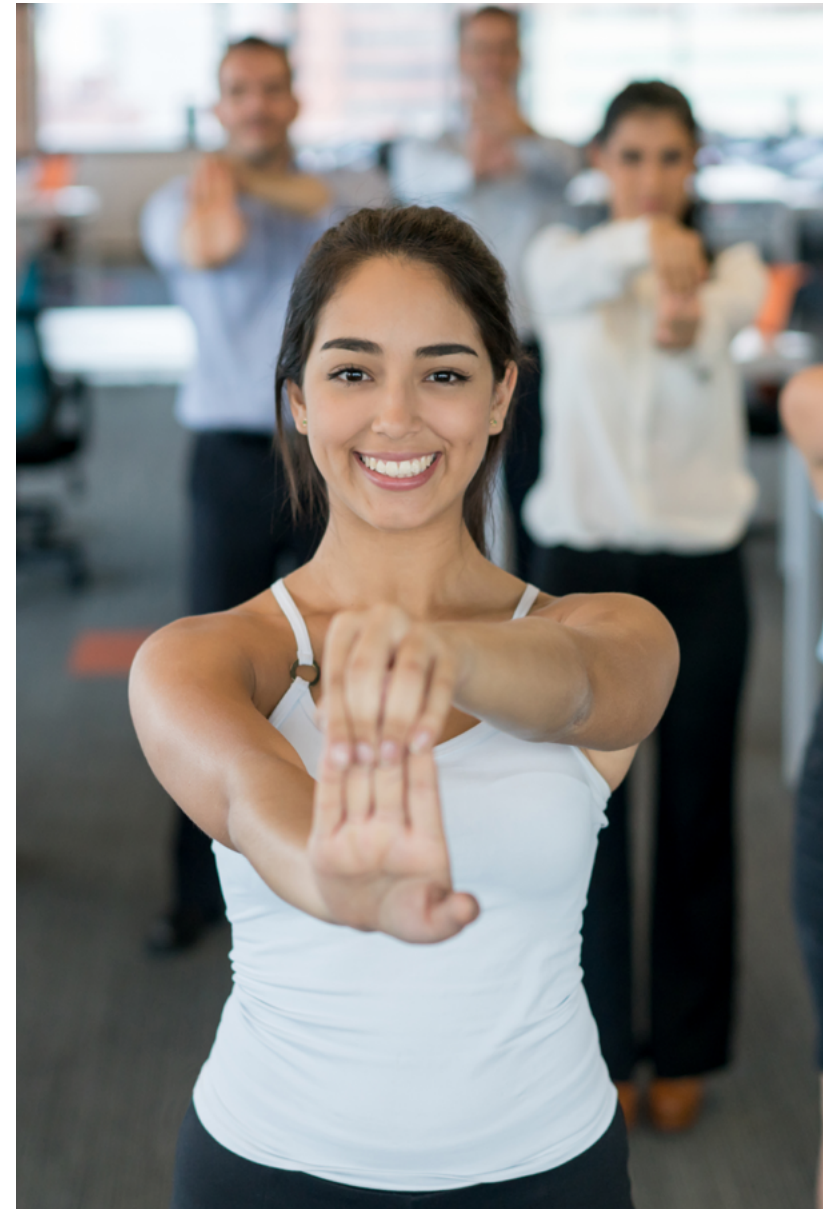
- Respect for People Policy
- Security and Privacy Policy
- Environmental Policy
- Criminal Risk Prevention Model

**COMPANY STRUCTURE**

MAPFRE employs a simple, efficient and decentralized company structure that enables it to meet its business objectives in a suitable manner. This principle means that the appropriate management of the business in each country is compatible with the efficient management of the resources, capital requirements and distribution of dividends to shareholders. All of this is governed by a legal framework and genuinely ethical and socially committed conduct in the countries in which the company operates.

**EXECUTIVE ORGANIZATION**

MAPFRE employs a management model for its executive organization that is underpinned by strict control and oversight at every level: local, regional and global. This facilitates broad delegation in the execution and fulfillment of the responsibilities assigned to teams and their supervisors. Most notably, it means that the most important decisions, at all levels, are analyzed in depth, before and after they are implemented, by all of the senior executive teams.



GRI 102-16, 102-18, 102-19, 102-20, 102-33, 102-34, 205-1, 205-2, 205-3, 405-1, 419-1, FS1, FS3, FS4, FS13, FS15; L.11/2018

## 4.2. Sustainability by conviction

### SUSTAINABILITY VISION

MAPFRE has been working with a strong commitment to people and the planet for more than 85 years. As an insurance company, it strives to take care of and protect people and assist in developing the business community of the countries in which it operates.

MAPFRE is a company that believes in diversity, in equal opportunities and in the talent of its professionals. It believes in people and invests in their professional development and maintains a safe and healthy, flexible work environment that promotes creativity and innovation.

MAPFRE's strong social commitment manifests itself through corporate volunteering and social action, which are promoted with the help of employees. The company's principles, values and ethical conduct are shared with its providers, which drives opportunities for mutual growth.

MAPFRE is a company that takes care of the environment each and every day, and in how it does business, through public commitments and by focusing on climate change, on the circular economy and on the efficient management of its own facilities.

MAPFRE develops and promotes honest and equitable relations with its stakeholders, and seeks to create dialog that helps advance sustainable development. In addition, it identifies those topics that are relevant to the company and its stakeholders, and tackles global challenges by seeking out solutions from its business activity.

MAPFRE works for sustainable development, focusing on the present and looking forward to the future. The company's sustainability model, published on the corporate website, is aligned with MAPFRE's vision, mission and values, with the Institutional and Business Principles and with its strategy; and its very design contemplates the basic pillars of sustainability – environmental, social and governance – along with profitable and sustainable growth.

### GOVERNANCE MODEL FOR SUSTAINABILITY

MAPFRE assumes the highest level of government approval and monitoring of the Sustainability Strategy. In 2019, the Board of Directors of MAPFRE S.A. approved five public commitments in the social and environmental field, which are included in the Group's Sustainability Plan 2019–2021.

MAPFRE has been working with a strong commitment to people and the planet for more than 85 years

The company has a Corporate Sustainability Committee in place, the members of which are appointed by the Executive Committee. This Committee, positioned at the highest executive level, is responsible for, among other matters, proposing the strategy to the Board of Directors as regards the Group's sustainability, promoting the scope of the plan and addressing those matters that are relevant to the Group in this area.

Furthermore, a Group Sustainability Office has been tasked with managing the operational and coordination. This office participates in different internal committees, such as the Risk Management of MAPFRE Asset Management, and working groups such as that created on the circular economy and 2030 Agenda.

## 5 sustainability commitments far 2021



A total of  
**45%**  
of vacancies for managerial positions will be filled by women.



**3%**  
of the workforce will be made up of people with a disability.



**0%**  
MAPFRE's facilities in Spain and Portugal (IBERIA) will be carbon-neutral by 2021, and by 2030 for the rest of the Group.



NO INVESTMENT will be made in utility companies that generate 30 percent or more of their revenue FROM COAL-PRODUCED ENERGY.



NO insurance for the construction of new coal-powered ELECTRIC PLANTS or the operation of new COAL MINES will not be insured.

### SUSTAINABILITY STRATEGY:

For MAPFRE, sustainability involves:

- Complying with the public commitments assumed in this area by the company. (See page 132, Social and Relational Capital).
- Finding a balance between environmental, social and economic/governance (ESG) concerns in the medium- to long-term, and defining how these affect the company and the stakeholders with which the company maintains relationships. (See page 131, Materiality)
- Managing the impact of the company on society and identifying opportunities for sustainable development to create shared value. (See page 62, Risks and Opportunities)

These objectives are made manifest through the Social Responsibility Policy and the Sustainability Plan 2019-2021.

The Corporate Social Responsibility Policy, approved by the Board of Directors of MAPFRE S.A. on July 23, 2015, establishes the reference framework that allows all MAPFRE Group companies to develop and promote socially responsible behavior, irrespective of whether it is related to conventional or digital business.

This policy includes objectives and general principles of action related, among other things, to topics such as compliance, Human Rights, fiscal responsibility, good governance, transparency, the environment and promotion of the Corporate Social Responsibility (CSR) policy. It also defines specific principles for each of the following stakeholders: shareholders,

For MAPFRE, sustainability involves making good on the public commitments assumed by the company in this area

employees, providers, distributors, clients and society in general.

The Policy can be accessed by employees on the Global Intranet, and on the corporate website by other stakeholders.

## Structure of Sustainability Plan 2019-2021

The effective application of this policy and the monitoring and control of its actions are followed up by the Group's Sustainability Committee.

The Sustainability Plan 2019-2021, adopted in July 2019 by the Board of Directors, focuses on those global challenges to which the Group can contribute through its activities. It evenly addresses its actions in the three dimensions of sustainability: environmental, social and governance.

The plan includes specific lines of work with actions for its development, the people responsible for carrying them out, the scope of action and indicators for its monitoring. Furthermore, the members of the Corporate Sustainability Committee act as sponsors in different lines of work. The development and implementation of the plan is reported on twice a year to the Board of Directors.

### ➔ Sustainability training: [GRI FS4]

MAPFRE has two specific online courses:

- "A walk through Corporate Social Responsibility" launched in 2018, through which 7,607 employees have been trained over the years.
- "MAPFRE and the Environment", launched in 2017, through which a total of 14,652 employees have been trained over the years.

Also through the Global Intranet and the MAPFRE Blog, employees can access specific information, news and events related to sustainability.

### Environmental

#### CLIMATE CHANGE

- ➔ Carbon footprint reduction
- ➔ Environmental management of buildings

#### CIRCULAR ECONOMY

- ➔ Reduction in waste production
- ➔ Opportunities in circular economy

### Energy transition

RISKS AND OPPORTUNITIES of environmental, social and governance aspects (ESG), in insurance and investment, putting the focus mainly on energy transition (low-carbon economy).

### Social

#### INCLUSION AND TALENT

- ➔ Women and talent
- ➔ People with disabilities
- ➔ New work models and digital transformation

#### PRODUCT RESPONSIBILITY AND TRANSPARENCY

- ➔ Financial/insurance education, responsible investment and microinsurance.
- ➔ Supply chain (approval of ASG-compliant providers as a continuation of previous plan).

#### ECONOMICS OF AGING

### Governance

#### UNITED NATIONS AGENDA 2030 FOR SUSTAINABLE DEVELOPMENT

- ➔ Internal and external diffusion
- ➔ Revision of impact of priority SDGs
- ➔ Contribution report

#### ETHICAL FRAMEWORK

- ➔ Updating of channels

#### SOCIAL FOOTPRINT

- ➔ Volunteering
- ➔ Discapacity

GRI 102-33, 102-34; 205-1, 205-2, 205-3, 406-1, 407-1, 408-1, 409-1, 410-1, 411-1, 412-3, 415-1 L.11/2018

## 4.3. Ethical behavior: main compliance and prevention measures

### MAPFRE'S ANTI-CORRUPTION FRAMEWORK

As a signatory to the United Nations Global Compact, MAPFRE makes a firm commitment to avoid bribery, extortion and other forms of corruption, and to also develop specific policies and programs that specifically address the issue.

As stated in the MAPFRE Code of Ethics and Conduct, employees may not solicit or accept, or otherwise promise, offer or bestow, directly or indirectly, gifts, payments, invitations, commissions, compensation, favors or advantages of any type to obtain remuneration or to attempt to inappropriately influence their commercial or professional relations with public or private companies, public officials, employees, managers or administrators of public or private companies or bodies, organizations and political parties, politicians or candidates for public office.

MAPFRE also has a Criminal Risk Prevention model which is approved by the MAPFRE S.A. Board of Directors, and which is the basis of the System for the Prevention of

the Risk of Criminal Behavior adopted. This outlines the design and structure of the supervisory model applied by the organization in order to prevent offenses being committed that could be attributed to the companies. It describes the risks of criminal behavior to which the companies are exposed and establishes a methodology for managing these risks and for evaluating the checks introduced to reduce the number of offenses. An extract from this Model can be found on the corporate website.

The Model applies to MAPFRE's legal representatives, company administrators, executives, as well as its employees and all other persons who are under the authority or control of the above-mentioned persons or who work in their area of management, supervision, vigilance or control. This includes all groups of individuals who act in the name of, on behalf of, or in some way or other in the interest of the Group.

The supervision and control of the model corresponds to the Group's Compliance Area, which also informs the Audit and Compliance Committee of the significant incidents or anomalies and the degree of compliance

MAPFRE has a Criminal Risk Committee in place that allows the Group to react and act diligently in the face of possible non-compliance

with the prevention measures in force at any given time. MAPFRE has a Criminal Risk Committee in place, which allows the Group to react and act diligently to a possible breach of the Model by following a procedure for dealing with possible suspicious activity.

There are specific reporting channels available to any person, including MAPFRE employees, who has indications or suspicions of a crime being committed that may be attributed to any of the Group's companies or a violation of the rules.

Maximum confidentiality is ensured regarding the identity of the person who makes the report, without prejudice to the legal obligations and protection of the rights concerning the companies and persons accused unjustly or in bad faith. There is also a ban on retaliations against anyone who has reported a violation.

Failure to comply with the principles and values referred to in the Model represents a breach of professional conduct and may be sanctioned accordingly, or denounced in the case of groups acting in the name of, on behalf of, or in any other way in the interests of MAPFRE. It may also result in the termination of their contractual relationship, without prejudice to any administrative or criminal penalties that may apply.

The Model is evaluated and updated periodically, taking into account both the changes related to the activities under control and the internal organizational modifications, as well as possible changes to the applicable regulations.

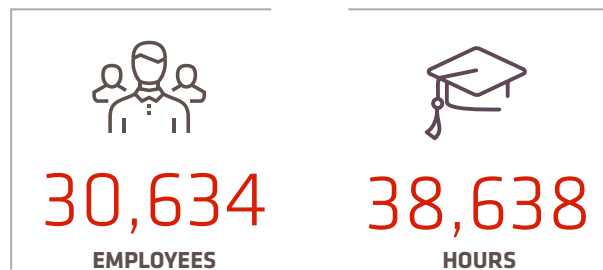
In 2019, a total of 30,634 employees received 38,638 hours of training in matters within the anti-corruption framework of MAPFRE.

**PREVENTION OF MONEY LAUNDERING AND FINANCING TERRORISM**

[GRI 102-33, 102-34; L.11/2018]

MAPFRE has a manual in place that is accessible to employees through the Intranet, which includes the internal prevention and communication policies

**TRAINING**



**PREVENTION INSTRUMENTS AND WHISTLEBLOWER CHANNELS PROVIDED IN THE MODEL:**

Instruments for prevention	Prevention and whistleblower channels
<b>POLICIES, STANDARDS AND PROCEDURES</b>	
<b>Institutional, Business and Organizational Principles of the MAPFRE Group</b>	
<b>The Statutes of each of the companies in the Group</b>	
<b>The regulations of the Board of Directors of MAPFRE S.A.</b>	
<b>Code of Ethics and Conduct</b>	
<b>Internal Rules of Conduct</b>	
<b>Corporate policies and standards, among others:</b>	
Corporate Governance Policy	<ul style="list-style-type: none"> <li>• The Query and Whistleblower Channel concerning the Code of Ethics for employees and providers</li> <li>• The Financial and Accounting Whistleblower Channel for employees</li> <li>• A form for processing queries and requests from shareholders and investors, both private and institutional. Available on the corporate website (www.mapfre.com)</li> </ul>
Tax Policy	
Policy on The Management of Conflicts of Interest and Operations Linked to Significant Shareholders and Senior Representative and Senior Managerial Posts	
Board Directors Selection Policy	
Policy for Communication with Shareholders, Institutional Investors and Proxy Advisors	
Corporate Social Responsibility Policy	
Security and Privacy Policy	
Code of Best Tax Practices	
Sponsorship Approval Standard	
Rules For the Prevention of Money Laundering	
Procedure for the analysis of potential acquisitions, disposals and other restructuring and data security operations	
Procurement Regulations	
<b>Solvency II Policy</b>	
<b>OTHER INSTRUMENTS:</b>	
<b>Internal and external Audit Reports</b>	
<b>Continuous training</b>	
<b>Corporate website (www.mapfre.com)</b>	



## MAPFRE has a manual in place that is accessible to employees that includes the policies and procedures to follow in relation to money laundering

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 insurance companies and for investment services companies.

The employees and agents of the companies in the MAPFRE Group who are subject to the regulation on the prevention of money laundering and financing terrorism have received specific training in this field (of differing degrees of depth according to the level of risk in the sphere of activities they carry out), with details of the way of proceeding in the case that any suspicious operation is detected. In 2019, 8,354 employees received 12,339 hours of training, the cumulative of the last three years being 34,518 employees and 53,832 hours.

### FRAUD PREVENTION

[GRI 102-33, 102-34; L.11/2018]

The Group has developed an anti-fraud technological platform for the detection, prevention and analysis of fraud in different business and support processes. In addition, it has an operational model in place to combat fraud that includes the definition of the necessary structures and most optimal functions, the design of

specific processes and procedures for this matter, the definition of policies and regulations, as well as the design of the indicators map (both operational and risk). In 2019, 2,069 employees received 3,447 hours of training, the cumulative of the last three years being 9,706 employees and 12,180 hours.

### CODE OF ETHICS AND CONDUCT

[GRI 102-16, 102-17, 102-33, 102-34, 205-1, 205-2, 205-3, 406-1, 407-1 407-2, 408-1, 409-1, 410-1, 412-3, 415-1; L.11/2018]

Updated in July 2019, the Code of Ethics and Conduct is inspired by the Institutional, Business and Organizational Principles of the Group and reflects the corporate values and basic principles that should guide the actions of its people, in everyday work and in their relationships with stakeholders. This code covers the following aspects:

## CODE OF ETHICS AND CONDUCT

### Principles of ethical, transparent and socially responsible behavior

Compliance with current legislation

Respect for and protection of Human Rights

Social responsibility

Respect for the environment

Confidentiality of information and protection of personal data

Corporate brand, image and reputation

Intellectual and industrial property

### Code of conduct in relations with and among employees

- Respect for people
- Equal opportunities and non-discrimination
- Work-life balance
- Commitment and cooperation in the workplace, efficiency and professional development
- Health, well-being and risk prevention
- Resources and equipment for pursuing professional activities

### Code of conduct in relations with third parties

- Relations with clients
- Information for shareholders
- Relations with providers and collaborating companies
- Relations with competitors
- Relations with governments and authorities
- Relations with partners
- Gifts and hospitality
- Conflicts of interest
- Anti-corruption, bribery
- Transparency of information
- Prevention of money laundering and financing terrorism

### Compliance with the Code of Ethics and Conduct

Ethics Committee (composition and competences)

Query and whistleblower communication channels (operating framework)

**ETHICS COMMITTEE**

[GRI 102-17, 102-33, 102-34, 205-1, 205-2, 205-3, 406-1, 408-1, 409-1, 410-1, 412-3, 415-1; L.11/2018]

This body is responsible for ensuring the implementation of the MAPFRE Code of Ethics and Conduct and for supervising compliance with same. Its functions therefore include consultation, resolution, oversight and promotion of the Code. This committee acknowledges and resolves the complaints and queries received, dealing with each case in the manner it deems most appropriate. It carries out each intervention with complete independence and respect for the individuals affected, while at all times guaranteeing confidentiality in the handling of the complaints and queries it processes. Their decisions are binding for the company and for the people subject to its scope of action.

**WHISTLEBLOWER CHANNELS**

[GRI 102-17, 102-33, 102-34, 406-1, 407-1, 407-2; 409-1, L.11/2018]

MAPFRE has created two channels for use by employees:

- The Financial and Accounting Whistleblower Channel enables Group employees to confidentially report any potentially significant financial and accounting irregularities they observe within their company to the Audit and Compliance Committee of MAPFRE S.A.
- Ethics queries and complaints. The Code of Ethics establishes three communication channels: the Internet, accessible to employees and providers, which are available in Spanish, English, Portuguese and Turkish; postal mail and e-mail. Complaints and queries are received directly by the secretary of the Ethics Committee, guaranteeing they remain confidential.

During fiscal year 2019, the Ethics Committee registered a total of two complaints through the complaints channel: one for harassment, which was resolved through the internal procedure of prevention and treatment of harassment directed by the Corporate Area of People and Organization; and another for alleged breach of labor regulations, which was analyzed and dismissed by the Ethics Committee. No complaints were received from providers.

**GRIEVANCES AND COMPLAINTS**

[GRI 102-33, 102-34, 417-2]

MAPFRE ensures that its clients in any country around the globe where it operates in direct insurance have an internal channel to defend their rights arising from the policies they take out. The company preserves clients' trust by making good on the commitment to give them the best possible attention and promoting the internal implementation of bodies to protect clients' rights.

**COMPLIANCE**

[GRI 205-1, 205-2, 205-3; L.11/2018]

Among the essential values governing MAPFRE's operations, integrity - which is understood as the requirement of ethical, transparent and socially responsible values - is a component of the Institutional, Business and Organizational Principles approved formally by the Board of Directors of MAPFRE S.A.

MAPFRE's commitment to integrity further involves strict compliance with laws and contracts and the obligations arising therefrom, as well as good commercial usages and practices.

The decisions of the Ethics Committee are binding on the company and the people subject to its scope of action

To strengthen the effective observance of this commitment, in 2014 the Board of Directors of MAPFRE S.A. approved the Group Compliance Policy, summarizing the general principles, structure, authority, responsibilities and procedures for this function.

As a key function within its governing system, MAPFRE's Compliance function contributes to minimizing the legal and non-compliance risk of the Group, promoting awareness of conformity and compliance with internal and external requirements and ensuring that such considerations are perfectly internalized in its culture and activities.

Within the framework of the Compliance Policy, the Corporate Compliance Division and under its functional dependence, the compliance officers of the insurance and reinsurance companies of the supervision group, develop various preventive actions in relation to the compliance matters within their scope. These include the identification and evaluation of the risks of non-compliance and the effectiveness of controls, legal and regulatory changes, the fulfillment of periodic obligations with the supervisor,



the annual review and self-assessment of internal policies, training, etc.

In 2019, in line with the corporate strategic objectives, compliance activities in these areas focused on the implementation of the global and uniform methodology for the management of legal risk. This involves any regulatory, jurisprudential or administrative change that may adversely affect the company or the Group, the verification of the risk of non-compliance, and the review and self-evaluation of internal policies.

In 2019, the assessment of the degree of compliance with internal policies was carried out on the following:

- Actuarial policy
- Policy on the Constitution of Technical Provisions

- Business Continuity policy
- Corporate Social Responsibility Policy

The aforementioned evaluation was carried out at both corporate and individual level in insurance companies domiciled in Spain, Portugal, Malta, Germany, Italy, Turkey, Argentina, Chile, Colombia, Mexico, Panama, Peru, Puerto Rico and the United States, in MAPFRE RE and MAPFRE ASISTENCIA, resulting in a degree of compliance in excess of 75 percent.

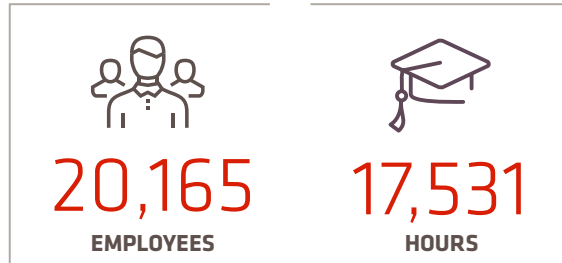
Additionally, all insurance and reinsurance companies domiciled in Spain and MAPFRE S.A. have monitored the action plans defined for compliance with the MAPFRE Criminal Prevention Model.

All these activities were supplemented by the activities carried out in other areas or functions with responsibilities or competences related to specific compliance matters, such as data security and protection of personal data, prevention of money laundering, etc. that make up the MAPFRE Compliance function as a whole.

MAPFRE has a specific online compliance training in place that has been completed by 1,039 employees since its launch in 2015.

**INTERNAL CONTROL:  
ONLINE TRAINING (2017-2019)**

[L.11/2018]



In 2019, in coordination with the Corporate People and Organization Area, the contents of the online internal control course were updated on the eCampus corporate training platform, which provides employees of all MAPFRE companies with basic knowledge in terms of risk management and internal control. As on December 31, 2019, 3,887 employees had completed this program globally. Over the last three years, 20,165 employees have received 17,531 hours of training in internal control.

The topics and contents of this course facilitate the dissemination to all employees of MAPFRE’s risk and control culture, an understanding of the main actions of the Internal Control System, and provide examples and common cases of control points in the processes. There are also audiovisual materials aimed at raising awareness of the responsibilities of employees and senior management, in the operational, business and support areas, regarding the control and management of risks in day-to-day activities.

In terms of risk assessment, both the monitoring and quarterly reporting of indicators and compliance with the risk limits to the governing bodies and executive bodies

of the companies and the Group have been promoted in the main Group companies.

With regard to the control activities already established, monitoring of the risk indicators and controls implemented in the Group’s operations has been carried out, an action that is supported by the Riskm@p corporate platform and that has involved the participation of process managers from 25 countries and corporate areas (805 participants).

In terms of the monitoring of risks and controls, no major changes have been revealed with respect to the 2018 evaluation, so the corrective measures that were already underway to improve or establish controls and to define response procedures in case of materialization of the identified risks have been continued.

In terms of information and communication, significant progress has been made in the Group with the deployment to all entities of the Global Intranet, along with the various spaces that this tool enables for sharing and managing knowledge. In this regard, it should be noted that in 2019 MAPFRE launched its Knowledge Management model, a proposal that allows knowledge to be shared among all employees in different countries and subjects, which includes contents related to internal control and risk management.

As for the Internal Control System of financial information, the major companies of the Group have proceeded to draw up the Quarterly Financial Information Internal Control (SCIIF) Questionnaire, providing documentary evidence of activities and controls carried out for the main financial information preparation processes.



Regarding supervision activities, internal control supervisors from 41 companies across the Group have carried out the annual self-assessment on the presence and operation of the different actions that make up the internal control system, which together with the respective independent assessments carried out by Internal Audit facilitates ascertaining the level of control in the organization and identify actions for improvement.

**INTERNAL AUDIT**

[GRI 102-33, 102-34; L.11/2018]

This independent and objective function helps the organization to comply with its objectives by providing a systematic and disciplined approach to evaluate and improve the efficiency of risk management, internal control and corporate governance processes.

The Corporate Internal Audit Area has the following functions, among others:

- To supervise compliance with and the effectiveness of the Internal Control System and of other elements of the Governance System.

- To prepare an Annual Internal Audit Plan, adopting a risk-based approach when deciding on priorities.
- To comply with the Audit Plan, reporting the deficiencies that have been detected and monitoring them for each work area.

- To effectively coordinate the communication of information between the Board of Directors and the internal and external auditors through the Audit and Compliance Committee.

- To support the Organization in fulfilling its objectives by providing it with professionals in areas where independent opinions or support may be required for their development.

- To coordinate the work of External Auditors and analyze their conclusions before they are finalized.

- To gather the information necessary to support the MAPFRE S.A. Audit and Compliance Committee, and other audit committees that are established at subsidiaries due to a legal obligation or on a voluntary basis, and the office of the MAPFRE Chairman.

- To evaluate compliance with plans, policies, procedures, laws and regulations that may significantly impact strategic and operational objectives.

- To coordinate and review audit requests from clients and/or providers.

- To play an active role in the fight against fraud in relation to the prevention, detection and communication of fraud in the Audit works that it performs, in addition to attending to the requirements and requests of the different areas involved.

**SECURITY**

[GRI 102-33, 102-34, 410-1; L.11/2018]

Among other issues, MAPFRE focuses its activities related to security on the protection of its employees and facilities, on protecting the information and privacy of its clients, employees and other interest groups and on the sustainability and resilience of its operations and the services that it offers.

- Employees are protected by providing a safe working environment, starting from the project phase, and maintaining protection measures at its facilities; providing self-protection plans in the workplace; designing and implementing specific travel and relocation measures (particularly in unstable regions), including training measures; and direct and specialized assistance when risk or crisis situations appear.

- The commitment to data security related to clients, employees, providers and other stakeholders is implemented through aspects such as setting high standards of compliance with data privacy and protection regulations. To achieve this, various measures are applied to guarantee alignment with principles related to processing (“legality, loyalty and transparency,” “limitation of purpose,” “minimization of data,” “accuracy,” “integrity and confidentiality”

MAPFRE focuses its action in security on the protection of its workers and facilities, and on safeguarding the information and privacy of its customers, employees and stakeholders



and “proactive responsibility”), and so responding to the trust placed in MAPFRE by clients, employees, shareholders and other interest groups.

In 2019, various projects aimed at automating and optimizing processes related to compliance with the General Data Protection Regulation (GDPR) were implemented. Numerous efforts have also been made to take advantage of possible existing synergies with the GDPR related to MAPFRE’s adaption with local regulations that have been implemented; of note are the adaptation with the Brazilian Data Protection Act (LGPD), which will enter in force in August 2020, and the specific regulations regarding cyber security in Colombia.

- In terms of availability, business continuity solutions are designed and implemented to prevent the interruption of the services provided to clients in the event of serious contingencies, thus contributing to the sustainability and resiliency of business operations and services provided. In this area, the granting by AENOR of ISO 22301 Certification to the Business Continuity Management Systems of MAPFRE INVERSIÓN and MAPFRE VIDA should be noted, combined with those previously obtained by MAPFRE GLOBAL RISKS, MAPFRE RE and the Benefits and Providers Areas, the scope of which was expanded this fiscal year with the Non-Life Technical Area and MULTIMAP, and the Operations area of MAPFRE ESPAÑA. The merit and coherence of business continuity plans has been evident on the

occasion of crisis situations that have occurred in several countries throughout the year (United States, Brazil, Chile, Ecuador and Spain).

MAPFRE also has procedures, tools and highly specialized personnel in place to ensure that the new initiatives and corporate information systems have built-in security criteria from the outset, designed to minimize risks, protect data privacy and increase incident detection and response capabilities.

**PROTECTION OF EMPLOYEES FROM MORAL AND SEXUAL HARASSMENT IN THE WORKPLACE**

[GRI 102-33, 102-34, 406-1; L.11/2018]

MAPFRE rejects any display 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. Respect for people is a responsibility of the entire organization and it extends both to relationships among employees, regardless of their position in the company, and to relationships among employees and clients, providers, collaborators and other stakeholders. They must all contribute to ensuring a work environment in which people’s dignity is respected.

MAPFRE has a Respect for People policy in place that was approved on July 23, 2015, for which the general principles of action in this area are:

## » Respect for People policy

### Free of harassment

To contribute to maintaining a workplace that is free of harassment and behavior that is violent or offensive to people's rights and dignity, and to guarantee that, if it occurs, there are appropriate procedures for dealing with the problem and correcting it.

### Dignity

To reject any manifestation of harassment, whether moral, sexual, psychological or of any other type, and also any behavior that is violent or offensive to people's rights and dignity, and consider respect for people and their dignity as one of the organization's basic principles of action.

MAPFRE has mechanisms in place in every country where it is present to help prevent harassment situations, and where they should they arise, it also has suitable procedures for dealing with and rectifying the problem.

During the year,

- ➔ 14 harassment claims were brought within the Group, and these were resolved using the in-house procedures put in place to this end.
- ➔ In four cases, the defendant was dismissed, in two cases, disciplinary measures other than dismissal were adopted and in eight cases the absence of harassment was verified.
- ➔ All the professionals providing instruction on this topic first received specific training themselves.



# 5

## Risks and opportunities

### *Close*

MAPFRE S.A. has a Risk Management System in place that is based on the continuous and integrated management of all business processes and risk levels





GRI 102-15, 102-29, 102-30, 102-31, 201-2, 203-2, 205-1, 205-2, 205-3, 305-5, 410-1, FS1, FS2, FS3, FS5, FS9; L.11/2018

# 5.1. Risk management at MAPFRE

Given the overall nature of the Group, proper risk management and organizational flexibility are vital. MAPFRE has internal control processes and an effective risk management system that complies with local regulations and promotes actions for risk management, identification of emerging risks, training and dissemination of the risk culture in the organization. MAPFRE has a Risk Management System (RMS) based on the continuous and integrated management of each of the business processes and on the suitability of the level of risk to the strategic objectives, consolidating said management by area, business unit, activities, subsidiaries, geographical areas and corporate support areas.

In order to ensure efficient administration of risks, a set of risk management policies was developed that assign responsibilities, establish general guidelines, basic principles and action framework for each risk type, assuring coherent application within Group companies.

The Board of Directors of MAPFRE S.A. establishes the risk level that the Group is prepared to assume in order to reach its business objectives without any significant deviations, even in adverse situations. That level, which defines limits and sub-limits per risk type, constitutes the MAPFRE Group's risk appetite.

MAPFRE's structure is based on Units and Companies with a high degree of management autonomy. The Group's governing and management bodies approve the risk management actions to be taken by the units and companies and constantly supervise their exposure to risk using indicators and ratios.

All significant aspects related to risk management are handled by the Group Risk Office, which releases guidelines and reference criteria to be followed by the risk areas in the individual companies, with adaptations as required.





The fall in financial profitability, the impact of atypical natural catastrophes and the increase in cyber attacks are the main risks identified by MAPFRE

The governing bodies regularly receive information on a half-yearly basis 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 in general based on estimates in accordance with the budgets from the preceding year, and it is periodically reviewed throughout the year depending on the development of risks.

In addition to the quantitative treatment of risks, the main areas or departments of the Group entities assess the risks that could pose a threat to the fulfillment of their business plan, rating objectives or regulatory capital, or they could prevent the continued level of capitalization. The risks identified that may have a more relevant impact in the future are:

- Declining profitability of financial investments as a result of the medium-term maintenance of a low-interest-rate environment.
- Possible impact on the results of unusual concentrations of natural disaster losses.
- Occurrence or increase of cyberattacks, affecting the protection of confidentiality, integrity, availability and storage of information.

For more information, see the Solvency and Financial Condition Report of MAPFRE S.A. and subsidiaries (SFCR) on its corporate website and in Note 7 “Risk Management” in the MAPFRE Annual Consolidated Accounts for 2019.

Additionally, and related to non-financial risks, in October 2019, news about a complaint of alleged irregular action by MAPFRE in Brazil in 2009/2010 in relation to its alliance with Banco do Brasil were published in some digital media. In spite of the months that have elapsed since the publication, the Company has not received any additional news on the matter, nor has it received notification or requirement from the competent administrative or judicial authorities in relation to the aforementioned alleged action. Nonetheless, an exhaustive internal investigation process has been initiated and is currently underway, and to date, no irregularity whatsoever has been unearthed.

GRI 102-15, 102 - 29, 102-30, 102-31, 201-2, 205-1, 205-2, 205-3, 410-1, FS1, FS2, FS3, FS5, FS9; L.11/2018

## 5.2. Integration of environmental, social and governance(ESG) aspects as risks and opportunities within MAPFRE

An adequate monitoring of environmental, social and governance (ESG) factors allows for additional information on social movements and transformations, and the expectations of stakeholders and the market that affect the organization. This knowledge helps in the identification and assessment of potential risks (ESG) and business opportunities.

At MAPFRE, the integration of these ESG risks, together with the traditional risks of the insurance activity, is carried out naturally in the management and control processes that the Group has established.

MAPFRE uses different risk assessment and analysis systems, which are complementary and allow the integration of ESG risks:

- Own risk and solvency assessment (ORSA), integrated within the risk management system, which has mechanisms to identify, measure, monitor, manage and report any short- or long-term risks identified by the Group throughout the period reflected in the strategic plan, as well as to measure the sufficiency of capital

resources based on the understanding of its actual solvency needs.

Annually, the Group Risk Office coordinates the preparation of the ORSA report, which is submitted for approval by the Board of Directors.

- Materiality analysis which analyzes the ESG aspects based on their relevance to participating stakeholders (employees, providers, clients and experts) and the impact these issues have on MAPFRE.

This analysis enables the identification of potential risks to the company, and establishes appropriate prevention and mitigation measures. [\(See page 131\)](#)

- Analysis of reputational risk, which analyzes key ESG topics, especially those related to compliance with international standards such as the 10 principles of the United Nations Global Compact, using the RepRisk methodology, among others.

An adequate monitoring of environmental, social and governance (ESG) factors allows for additional information on social movements and transformations, and the expectations of stakeholders and the market that affect the organization

Moreover, as of 2018, MAPFRE has participated in the United Nations Environment Program Finance Initiative (UNEP FI) pilot project, in order to assess the impact of climate change and to incorporate the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in the insurance industry. As a global insurance company, MAPFRE has jointly pledged to contribute to defining, analyzing and commencing to adopt a standard of technical and financial action for the entire sector that will help the insurance industry manage the risks and opportunities of transitioning to a low-carbon economy, and reduce the impact of climate change for the whole of society. (See page 108 Natural Dimension.)

Through these systems, all the significant and potential sources of risk the Group faces are contemplated, and the taking of initiatives for their management and mitigation is facilitated.

In addition to the risks identified in the previous section (decrease in the profitability of investments due to low interest rates, unusual concentrations of natural disasters and increased incidents of cyberattacks), there are other factors linked to sustainability which, due to their nature and special protection, can become risks for the company. These type of ESG risks increasingly interrelate with the risks inherent to the organization's activity.

The analysis of these ESG factors, and how they may affect the business in the short-, medium- and long-term, will determine their relationship and inclusion in the typology of risks established by the company and in the adoption of prevention and mitigation measures.

MAPFRE has focused on the following topics:

ASG topics		How might they affect the business?	Monitoring and mitigation techniques
Environmental topics	Adaptation to and mitigation of climate change; Carbon footprint, Natural resources; Waste management.	<ul style="list-style-type: none"> <li>The climate variable can affect insurance and reinsurance underwriting. Related to underwriting risk</li> <li>Greater regulation on both a local and regional level.</li> <li>Increased social protection. Related to reputational risk</li> </ul>	<ul style="list-style-type: none"> <li>Natural Dimension: Climate Change Strategy. See page 112</li> <li>Framework for integrating ESG risks into underwriting and investment. See pages 61-66</li> <li>Materiality. See page 131</li> </ul>
	Demographic changes: longevity, mortality and demographic challenges	<ul style="list-style-type: none"> <li>That affect the Life/health business. Related to underwriting risk</li> <li>May affect the internal management of companies: delayed retirement age, aging of the workforce, etc. Related to operational risk</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability by conviction. See page 44</li> <li>See Solvency and Financial Condition Report 2018: mapfre.com.</li> <li>Human Dimension. See page 84</li> <li>See People and Organization 2019 report: mapfre.com.</li> </ul>
Social topics	Equality, diversity and non-discrimination in the company	<ul style="list-style-type: none"> <li>That affect the Life/health business. Related to underwriting risk</li> <li>May affect the internal management of companies: delayed retirement age, aging of the workforce, etc. Related to operational risk</li> <li>Regulation proliferation. Related to legal risk or risk of non-compliance</li> </ul>	<ul style="list-style-type: none"> <li>Human Dimension. See page 84</li> <li>See People and Organization 2019 report: mapfre.com.</li> <li>Materiality. See page 131</li> </ul>
Corporate governance topics	Business ethics: corruption and internal fraud	<ul style="list-style-type: none"> <li>Regulation proliferation. Related to legal risk, risk of non-compliance, strategic risk and corporate governance</li> <li>Related to the company's accident prevention systems and to employees.</li> <li>May lead to economic loss for the company, sanctions and loss of reputation</li> </ul>	<ul style="list-style-type: none"> <li>Framework for anti-corruption. See page 47</li> <li>See the Solvency and Financial Condition Report on the corporate website and Note 7 "Risk Management" in the MAPFRE Consolidated Annual Accounts 2019.</li> <li>Materiality. See page . 131</li> </ul>



**FRAMEWORK FOR INTEGRATING ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) ASPECTS INTO THE MAPFRE UNDERWRITING PROCESSES**

MAPFRE has an underwriting policy in place that was approved by the Board of Directors of MAPFRE S.A., and which is applicable to all insurance and reinsurance companies. It also has a Global Business Committee and a Group Underwriting Policy Committee that, among other functions, are responsible for the correct application of the underwriting policy and that analyzes and proposes operational exclusion rules on ESG topics.

Since 2019, MAPFRE has made public a commitment in terms of coal (2019-2021), and does not insure the construction of new coal-fired power generation plants, or the operation of new coal mines. Case-by-case exceptions may be made and assessed taking into account the company’s internal systems of environmental, social and governance analysis. In addition, criteria such as the state of development of the country in line with the UN classification, the country’s dependence on coal or the consideration of renewable or low-coal content alternatives will be included in the evaluation.

Regarding Reinsurance underwriting, these commitments have been transferred in full to the Underwriting Policy for specific acceptances of these risks, applying to the entire Group.

During the 2019 fiscal year, MAPFRE did not approve any exceptions to the commitment made in terms of coal.

In addition, for the underwriting of global risks, MAPFRE has developed an internal ESG evaluation model that considers, in the decision-making process, a company’s ESG risk exposure with the ESG risk

exposure of the countries and sectors in which the company has been exposed and the reputational risk analysis. The model assigns a rating to the operation, from AAA (best possible evaluation) to a D (worst possible evaluation). According to this evaluation, different levels of authorization are established: for a CC, C and D rating, the authorization of the Large Risk Unit Steering Committee is required and, where appropriate, the additional authorization of the CEO is also required. In this case, if the operation is authorized, with the corresponding mitigation measures, the Group Sustainability Office is informed.

**Natural Disasters**

Action in relation to natural disasters requires appropriate prediction of these events and the right assessment of possible losses are essential elements of an insurer’s management system. These two lines of action determine the economic impact on the company and the response it will be able to offer its clients and this management 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 company individually and the Group as a whole.

The MAPFRE catastrophic risk management framework includes several functions:

- **Cumulation control:** addressing all catastrophic exposures that the companies face and which may be affected by a natural disaster.
- **Modeling of catastrophic risks:** knowing all the information about exposures, estimating probabilistic

loss scenarios to calculate the possible financial impact of natural disasters.

- **Design of appropriate reinsurance safeguards** to cover risks that are to be ceded and ensure that catastrophic events do not compromise the Group's solvency or liquidity.
- **Monitoring and managing the credit risk** exposed to through reinsurance placements, as well as the liquidity risk that it could be exposed to.
- **Contingency plans:** in the event of a catastrophic event materializing, the ability to continue serving clients becomes critical. This is why business continuity plans are developed, implemented, tested and updated to ensure, in addition to the personal safety of the teams and collaborators, the ability to recover effectively and efficiently from these serious contingencies, thus fulfilling its obligations to clients and other interest stakeholders.

To carry out these actions, MAPFRE has specific capabilities that facilitate a consistent and adequate response to requirements at any time and place. 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 services required by its clients to be provided, making these operations resilient.

The typhoons Faxai and Hagibis that occurred in Japan in the months of September and October, as well as the damages produced in the recent riots in Chile, have meant that MAPFRE's attributable result for the 2019 fiscal year, mainly via the reinsurance business, will be impacted in the amount of 130.3 million euros.

### The management of meteorological events in MAPFRE ESPAÑA.

MAPFRE ESPAÑA has an action protocol in place for crisis management in the event of special/ exceptional situations that allows it to address, in a systematic and homogeneous manner, an unexpected situation that may pose a risk to people, business or commitments to its clients.

This protocol establishes the procedures for action, responsibilities and actions to be developed by those who have to intervene in crisis management. This is all part of the crisis management mechanisms defined by the Group. In addition, specific measures are included as well as the potential activation of the corresponding Business Continuity Plan.

The protocol is part of the business continuity management system, certified by AENOR and ENAC according to ISO 22301.

How does the protocol work in the event of a weather event? Once the probability of a significant event has been identified, a first alert is issued to all the groups involved in the management of the claims (telephone centers, processing centers and groups of providers and appraisers) and different actions are carried out to respond to clients, in particular:

- Daily monitoring of reported claims.
- Constant review of the capacity of the processing equipment and, in case of saturation, part of its workload should be transferred to other processing centers.

- Constant review of the ability of appraisers and providers, and if necessary, reinforcement thereof by transferring professionals from other areas.

- Centralized decision-making and transfer of said information to all groups for homogeneous and unitary application.

- Assessment of mass sending of informative messages to the insureds depending on the seriousness of the situation.

- Communications to the sales network, providing information about the magnitude of the event and reminding them of how to communicate their own claims and underwriting syndicate catastrophe coverage claims, and the scope of the ordinary and extraordinary coverage that may be applicable.

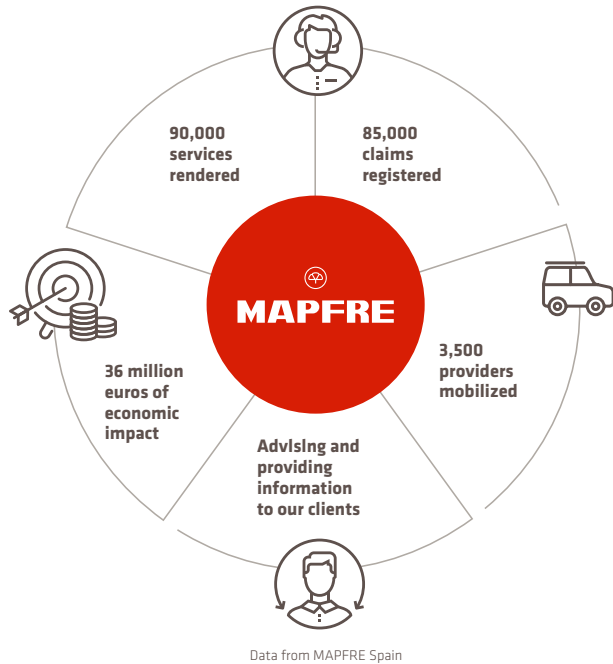
- Press releases, informing on the impact and the measures taken by the company to serve its clients.

A daily crisis committee, made up of those responsible for the Operations, Providers and Benefits teams continuously analyzes the latest information, while coordinating appropriate courses of action and making the most appropriate decisions, always performed with the objective of maintaining the level of customer service.

In the 2019 fiscal year, the impact of the adverse weather in Spain was particularly relevant, especially in the last four months of the year, during which there was a succession of different events with an unprecedented intensity, frequency and successiveness. More specifically, there were up to four episodes of Isolated Depression at High Levels (DANA), six storms, four Atypical Cyclonic Storms (TCA) and several floods and tornadoes occurred.

**Underwriting business opportunity:**

Work continued on the design of sustainable solutions, also for emerging risks, while analyzing market options and moving toward new business models and solutions that arise from the digital and technological changes being experienced, with the ultimate goal of offering the best solutions and services to current and future clients.



**ENVIRONMENTAL PRODUCTS AND SERVICES**

- Insuring renewable energy** (Leaf icon)
- Green policy** (Car with plug icon)
- Out of use vehicles** (Car with arrow icon)
- Environmental liability** (Factory with leaf icon)
- Sustainable mobility** (EV charging station icon)
- Insuring crops and sustainable forests** (Trees icon)

**PRODUCTS WITH BASIC COVERAGE**

Products with basic coverage adapted to specific local needs and reduced premiums that contribute to preventing and covering personal risks of different groups, and which foster the insurance culture in the following lines:

- Automobile** (Car icon)
- Homeowners** (House icon)
- Life and Burial** (Person with shield icon)
- Travel** (Airplane icon)
- Pension Plans** (Person with document icon)
- Health and Dental** (Heart with pulse icon)
- Other Insurance Solutions** (Document with plus icon)

**INSURANCE FOR TECHNOLOGY RISKS**

- Technology Risks** (Gear with coins icon)

**+ INFO**  
SEE ANNEX, NOTE 7  
ENVIRONMENTAL PRODUCTS AND SERVICES



MAPFRE employs its own ESG analysis framework, which is reviewed periodically to incorporate best practices in this area

**FRAMEWORK FOR INTEGRATING ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) ASPECTS INTO MAPFRE'S INVESTMENT PROCESSES**

Socially responsible investment is constantly evolving, following the pace of the great global trends in relation to the risks and opportunities of ESG factors.

In 2017, MAPFRE adhered to the United Nations-supported Principles for Responsible Investment (PRI) and established the framework for action of the Group on Socially Responsible Investment (SRI), which focuses on those key aspects that have to accompany the organization in the scope, implementation, process of integration of the ESG aspects and are complemented by those determined in each case.

The principles of SRI of the United Nations coexist with the obligation assumed by the company as the custodian of clients' savings and investments and

the strength of their own balance sheet. Therefore, prudent investment criteria are adhered to, seeking long-term value creation through the application of ESG factors alongside traditional information.

MAPFRE has its own ESG analysis framework that is reviewed periodically to incorporate best practices in this area. It also has a qualified SRI working group and, in addition, it has an Investment Risk Committee, which periodically analyzes the composition of the portfolios, its ESG evaluation and analyzes any controversies that may arise.

Within the scope of the SRI, the investment team has the following functions:

- Regularly issues ESG reports, which are analyzed by the SRI team prior to their presentation by the Risk Committee.

- Constant monitoring in order to alert on any controversies or risks in the ESG field that may arise during the normal course of operations, and to inform the Risk Committee.

- The investment team is responsible for applying any grounds for exclusion approved by MAPFRE.

In the case of management delegation, the company that is managing the portfolios shall be informed so that the exclusions are applied, with the time limit of their implementation being determined by common agreement.

MAPFRE's Corporate Investment Area is responsible for ensuring that the organization complies with the established responsible investment principles and submits an annual report to the Sustainability Committee, which is the most senior part of the aforementioned area.



With regard to SRI strategies, MAPFRE supports the implementation of the integration strategies as a priority, although it does not rule out the use of other strategies such as exclusion, engagement, best-in-class or proxy-voting strategies.

In 2019, MAPFRE agreed to not invest in electricity companies that generate over 30 percent of their revenue from coal-produced energy. It incorporates this exclusion rule into its SRI framework, which reinforces the Group's climate strategy.

In line with its commitment to the UN 2030 Agenda, a portfolio impact measurement methodology for the Sustainable Development Goals has been incorporated. Created in collaboration with the University of Siena, this methodology has already been implemented in the portfolio from a new Inclusión Responsable Fund and will be extended to all portfolios.

Furthermore, in 2019, MAPFRE joined Spainsif, (a prestigious forum in the area of sustainable and responsible investment in Spain) also becoming a member of its board of directors. MAPFRE Asset Management also holds ISO 14001 and 50001 certification.

**ESG Opportunities: Socially Responsible Mutual Funds (SRI)**

MAPFRE Asst Management, MAPFRE's asset manager, has three specific funds:



## Inclusión Responsable

- ➔ Launched in December 2019. This is an equity fund that invests in companies that are particularly committed to the inclusion of people with disabilities.
- ➔ The fund, which has been included in the United Nations Global Compact 2019 report as an example of best practice, combines the search for financial profitability with the promotion of an improved society. In fact, the management team has carried out a historical simulation that shows that, over the last five years, the portfolio of companies selected for their promotion of inclusion was almost four times more profitable than the market as a whole.
- ➔ The asset management team, in collaboration with La Financière Responsable (LFR), a French asset manager in which MAPFRE owns 25 percent of the capital, applies a methodology based on seven themes with 40 variables.

## Capital Responsible

- ➔ This fund seeks to preserve capital without giving up long-term growth, and thus, it has a balanced portfolio of fixed income assets and European shares (about 70 percent bonds and 25 percent shares).
- ➔ The objective is to favor companies and entities that have a strategy committed to monitoring the ESG criteria, under the assumption that these entities provide a more appropriate risk-return profile.
- ➔ The equity fund closed 2019 with assets amounting to just over 35 million euros and has provided an institutional class return of 6.08 percent and a retail class yield of 5.58 percent in the last 12 months. MAPFRE also has a pension plan that replicates this fund and has generated strong interest, given that its equity already exceeds 100 million euros – the same as all three funds together. Therefore, the funds and the pension scheme total over 200 million euros.

## MAPFRE Good Governance

- ➔ Launched in 2017. This is a global variable income fund whose portfolio includes companies with good corporate governance in which the assets are temporarily undervalued by the market. In fact, two studies by the University of Siena and the Cranfield School of Management confirm that investment in socially responsible and well-managed companies is more profitable in the long-term.
- ➔ A total of 63 million euros has already been taken in to date, with a 16.77 percent return on institutional investment in the last twelve months and 7.6 percent on the retail side, (which was rolled out at the end of January 2019 and so missed out on the market appreciation of that month).

MAPFRE has placed special importance on the communication and information of SRI Funds to specialist clients (current and potential), and to society in general. This has been implemented in a different way, in accordance with the values that represent these funds for the company, responsible investment and its contribution to sustainable development.

During the presentation of the Inclusión Responsable Fund, MAPFRE AM focused on the product's financial profitability and social profitability, presenting disability as a positive value for companies. For its launch in Spain, a round table was organized with investors and specialists, including the Chair of Family and Disability at Comillas Pontifical University and with Corporate Universitas at Salamanca Pontifical University. The opening of the meeting was carried out by a group of people with disabilities in the San Juan de Dios center, with a performance prepared especially for this meeting.

In France, the Inclusión Responsable Fund was presented alongside MAPFRE AM's partner in France, LFR.

MAPFRE AM promotes the SRI by generating specific information through interviews, participating in workshops and events, reference articles in specialized media and value-added videos on the MAPFRE corporate website.

MAPFRE maintains a permanent line of dialog with ESG investors and managers and relevant journalists in the asset management sector, while also holding meetings with different media to promote SRI.

# 6

## Creation of shared value

# *Sustainable*

MAPFRE seeks to develop a solvent and profitable business, doing so while behaving sustainably toward our environment



GRI 102-2, 102-6, 102-7, 201-1; L.11/2018

# 6.1. Financial dimension

Value creation for an organization is achievable when the company defines its different types of resources and identifies the main areas to work on and the stakeholders impacted or potentially impacted.

Value creation is not static, and projects are therefore undertaken within a much longer time frame, in line with the Strategic Plan. This chapter describes the main milestones reached in 2019.

The information in this chapter is supplemented by the [Annual Accounts and Consolidated Management Report](#) and the [MAPFRE People and Organization 2019 report](#), which are available on the corporate website.

Solvency is one of the fundamental values that helps MAPFRE execute its mission and achieve the Group's vision



Solvency is one of the fundamental values that helps MAPFRE execute its mission and achieve the Group's vision. The business model is built on the basis of financial strength and a strategy of sustainable results over time, and this guarantees that we can meet all obligations we have with our stakeholders.

## What are we working on to create value?

- Shareholders' equity
- Investments
- Financing operations
- The MAPFRE share

## Link to MAPFRE's priority SDGs



The pillars on which the Group is supported and which contribute to its solvency and the generation of value for stakeholders are:

**SHAREHOLDERS' EQUITY**

Consolidated equity amounted to 10,1 billion euros as on December 31, 2019, compared to 9,2 billion euros as on December 31, 2018. Of this amount, 1,25 billion euros correspond to non-controlling interests' shares in subsidiaries, primarily financial entities in Spain and Brazil that MAPFRE has bancassurance agreements with. Consolidated equity attributable to the controlling Company per share was 2,87 euros as on December 31, 2019 (2.60 euros as on December 31, 2018).

**INVESTMENTS**

MAPFRE manages its investments giving due consideration to the risks undertaken and taking assumable risks. The investment policy of the Group aims to ensure the company is in a position to satisfy the commitments of its insureds and pursue the preservation of asset value, which requires a prudent investment selection and risk assumption policy.

MAPFRE seeks to develop a solvent and profitable business, but never at the expense of sustainable engagement with the environment it operates in.

**Investment policy basic principles**

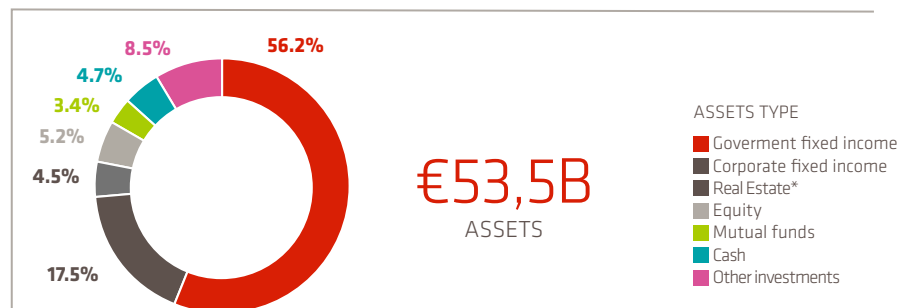
- Principle of covering the commitments insured
- Principle of prudence
- Principle of operational security
- Principle of liquidity
- Principle of profitability
- Principle of responsibility
- Principle of sustainable investment
- Principle of homogeneity
- Principle of efficient management
- Relationships with intermediaries and external collaborators in general



In 2017, MAPFRE signed up to the Principles for Responsible Investment of the United Nations (see page 64. Integration Framework for ESG aspects in MAPFRE investment processes).

Details of the investment portfolio by asset type are given below:

### BREAKDOWN BY ASSET TYPE



\*"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 as follows:

Item	Government	Corporate Debt	Total
Spain	18,181.8	2,378.6	20,560.4
Rest of Europe	5,015.8	3,802.6	8,818.4
United States	1,588.7	2,133.3	3,721.9
Brazil	3,020.6	2.0	3,022.5
Latin America - Other	1,828.3	778.1	2,606.3
Other countries	453.7	260.4	714. 1
<b>TOTAL</b>	<b>30,088.8</b>	<b>9,354.9</b>	<b>39,443.7</b>

Figures in million euros.

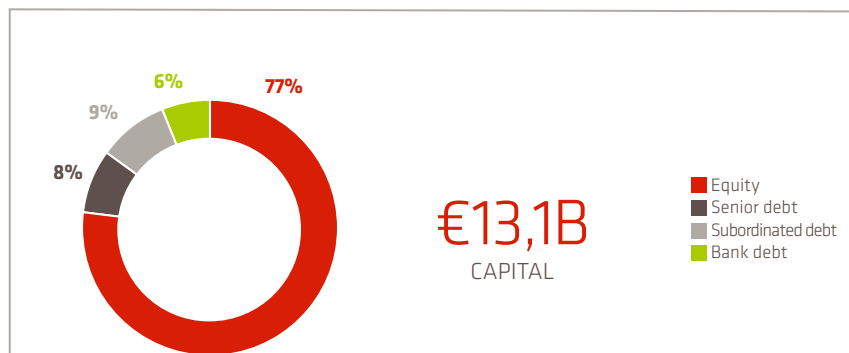
### FINANCING OPERATIONS



The chart below shows the composition of the capital structure at the close of the 2019 fiscal year-end:

Capital structure reached 13.1 billion euros, of which 77 percent corresponds to equity.

### CAPITAL STRUCTURE



### LEVERAGE RATIOS

The Group has a leverage ratio of 22.7 percent, up 0.2 percentage points compared to the 2019 fiscal year-end.

The following table breaks down the development in Group leverage ratios:

Item	December 2019
Total equity	10,106.9
Total debt	2,973.7
Earnings before tax	1,279.2
Financial expenses	78.5
Earnings before tax and financial expenses	1,357.7
Leverage	22.7%
Equity / Debt	3.4
Earnings before tax & financial expenses/ financial expenses (x)	17.3

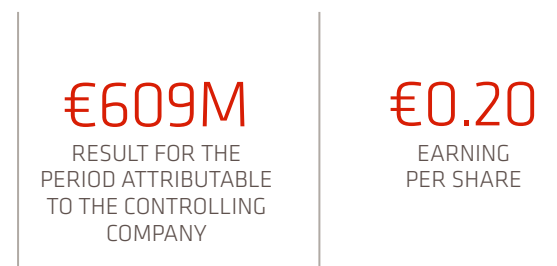
Figures in million euros.

MAPFRE has converted its 1 billion euro syndicated line of credit (which was to expire in December 2021) into a sustainable loan, thereby becoming the first insurance company in the world to execute a transaction of this nature for general corporate needs, while strengthening its commitment to sustainability and corporate social responsibility.

Both MAPFRE's credit rating and the development of sustainability parameters for the company are taken into consideration when setting the interest rate.

MAPFRE has thus reaffirmed its dedication to sustainability in all areas of the organization and strengthens its position as a company that is committed to social responsibility, the environment and society in general, as well as to reducing its financing expenses and extending financing maturity, while ensuring more advantageous conditions and taking into consideration the performance of the financial markets.

### THE MAPFRE SHARE / PERFORMANCE



The accompanying charts show information regarding the MAPFRE share and its performance.

Item	12/31/2019
Total outstanding shares	3,079,553.273
Market capitalization (million euros)	7,267,75
Share price (euros)	2,360
Book value per share (euros)	2,875
Price / Book value	82.1%
Dividend per share (last 12 months)	0.145
Nominal share price (euros)	0.1

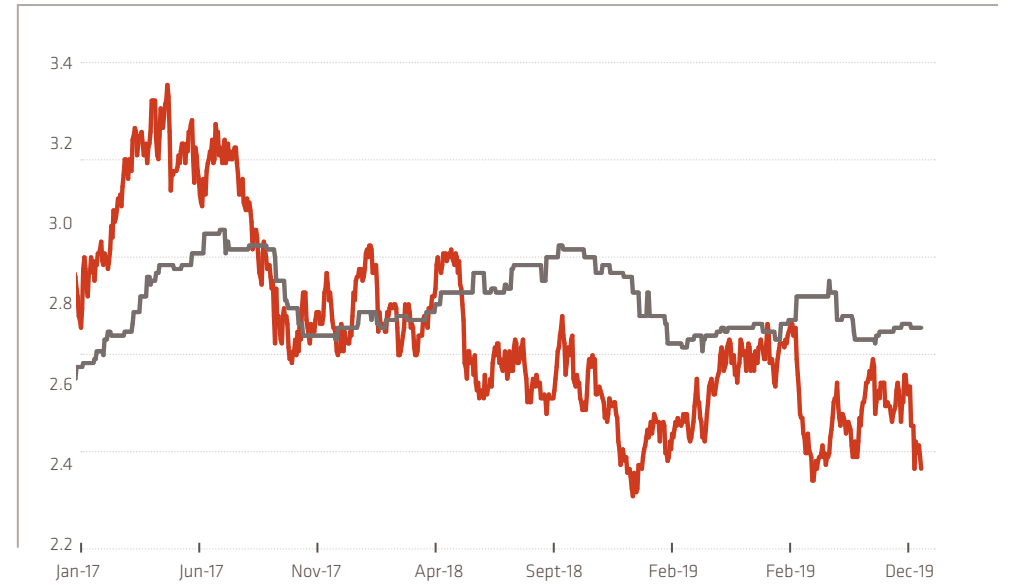
**SHARE PRICE MOVEMENT: JANUARY 1, 2019 – DECEMBER 31, 2019**



Source: Bloomberg and own calculations  
Spanish banks: the six Spanish banks with the largest market capitalization

- MAPFRE
- IBEX35
- STOXX Insurance 600 (Europe)
- Spanish Banks

**TARGET PRICE (AVERAGE PROVIDED BY ANALYSTS) AND QUOTE: JANUARY 1, 2017 – DECEMBER 31, 2019**

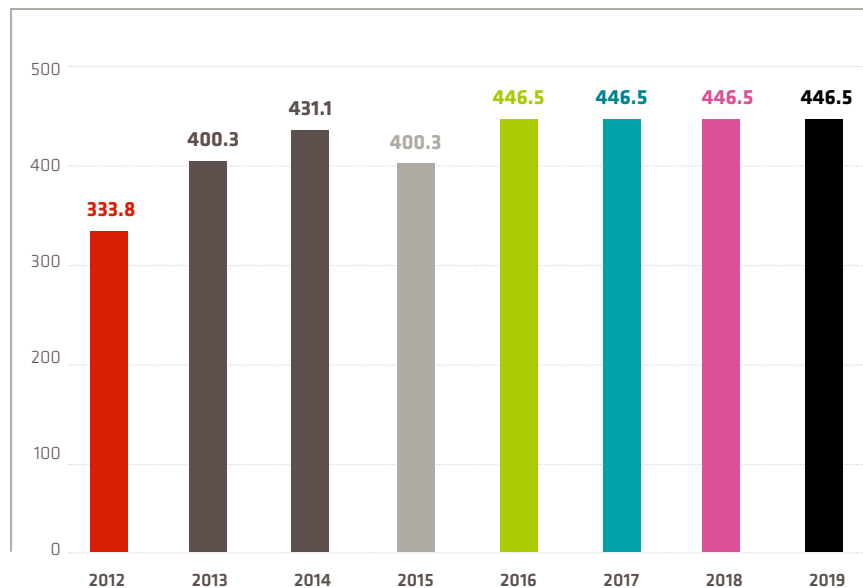


Source: Bloomberg

- MAPFRE share
- 12M target price



**DIVIDENDS PAID AGAINST EARNINGS (€M)**



Earnings per share (euros)	0.22	0.26	0.27	0.23	0.25	0.23	0.17	0.20
Dividend per share (euros)	0.11	0.13	0.14	0.13	0.145	0.145	0.145	0.145
Payout (%)	50.9%	50.6%	51.0%	56.5%	57.6%	63.7%	84.4%	73.3%

The commitment of the Group to its shareholders is clear and consistent, as is demonstrated through the profitability that it offers them

**DIVIDEND AND PAYOUT**

The dividend policy of the Group states that remuneration of shareholders must be tied to MAPFRE's profits, solvency, liquidity and investment plans and in line with the interests of all shareholders.

The final dividend for fiscal year 2019 to be proposed at the Annual General Meeting is a dividend of 0.085 euros per share before tax. Consequently, the total dividend against the 2019 result for the period amounts to 0.145 euros per share before tax, representing a payout ratio of 73.3 percent.

# 6.2. Productive dimension

**WE ARE Service**

We organize our activity thinking about the client, adapting our commercial offering and value proposition, our operations, structure and technology to offer then better quality and an enhanced experience.

**What are we working on to create value?**

- Focus on the client
- Digital business
- Providers
- Quality

## Link to MAPFRE's priority SDGs



**FOCUS ON THE CLIENT**

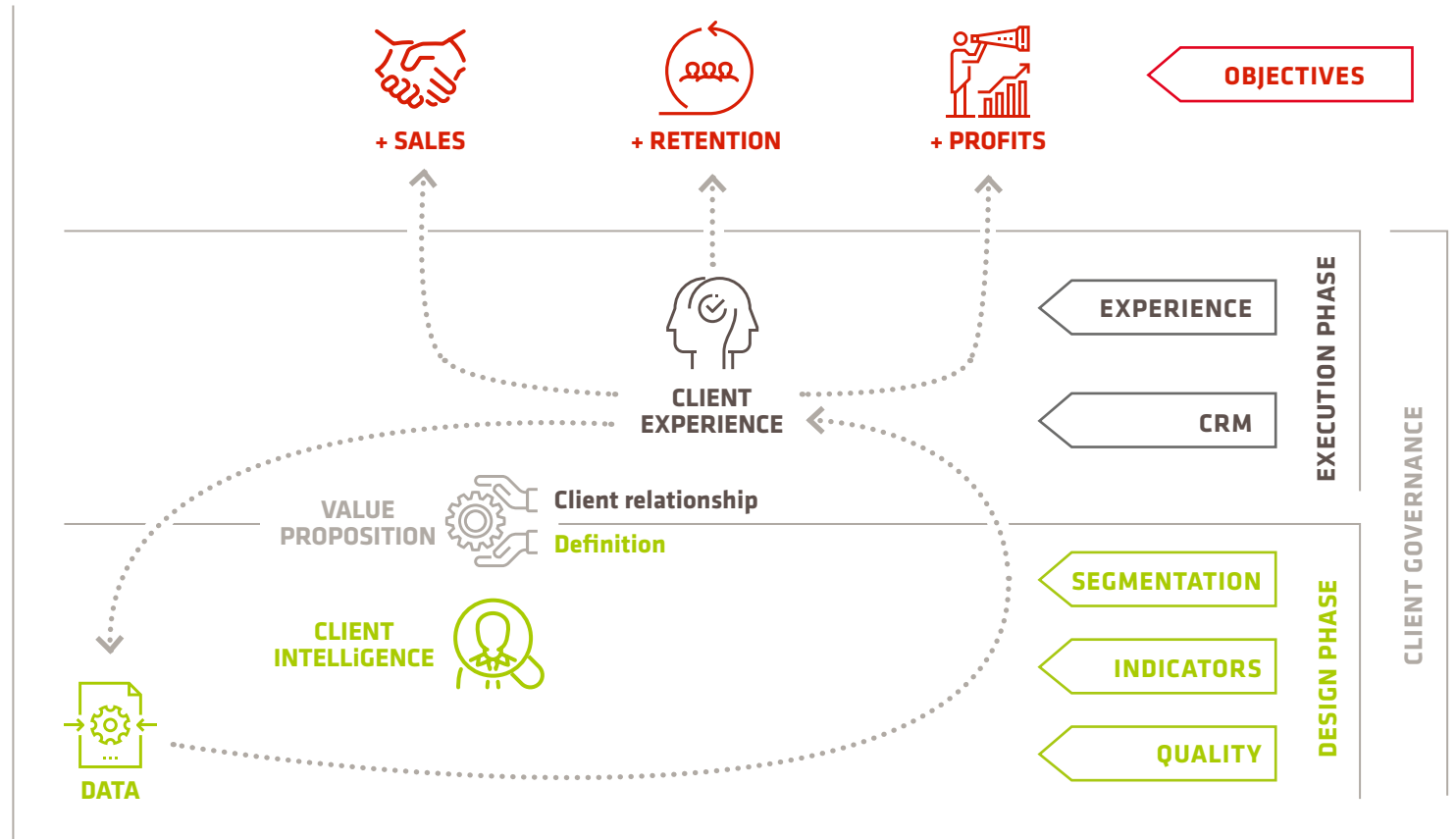
In 2019, extensive work was completed on Client Orientation. To date, in the corporate strategic initiative "Client Relationship Model," the activity had focused on establishing a homogeneous framework that was aligned with a high technological orientation and capacity development.

The corporate strategic initiative has been redefined under the name of "Client Focus." Its main objective is to ensure that the MAPFRE Client understands that they enjoy a differentiated experience as a result of their link to the company, and that distinctive proposals are adapted to their profile and requirements, In this way:

- ➔ Improving the client experience becomes the cornerstone of everything.
- ➔ Generating value propositions with an impact on business is a priority.
- ➔ Training in data management, customer intelligence and CRM (client relationship management) continues to play a role as long as it supports business performance.

Measurement has also been reoriented, leaving only the degree of client orientation as an indicator of the progress in capabilities. The key is the business impact metrics, which enable us to assess the improvements obtained in terms of Client growth, retention, average client policies and NPS®.

Using this frame of reference and always taking the business objectives and maturity of local capacity into account. 101 projects have been developed with a budget of 11.5 million euros in the main countries in the Group.



	Germany	Brazil	Spain	Italy	Mexico	Peru	Puerto Rico	Turkey	USA
Client actions	Cross selling	✓		✓	✓				✓
	Acquisition				✓	✓			
	Retention loyalty		✓	✓		✓	✓	✓	✓
	Customer Experience	✓	✓	✓			✓	✓	
	Value proposal And families			✓			✓		
Development of capabilities	Data improvement	✓	✓			✓	✓		✓
	Segmentation and Indicators		✓	✓		✓			✓
	CRM	✓	✓				✓	✓	

The purpose of the model is to improve relations with the approximately 26 million clients that MAPFRE has in insurance unit operations, highlighting the more than 7.4 million clients in IBERIA and more than 8.6 million in Brazil at year-end.

**Multichannel distribution and customer service**

MAPFRE is committed to multichannel distribution, and this can clearly be seen in the current highly balanced distribution mix among the five types of "distributor client" that are managed to ensure proper management: direct, exclusive agency networks, non-exclusive agency networks, bancassurance and distribution agreements. All of them move in the range of relative weights between 20 and 30 percent, on a global basis. This mix differs substantially in each country, in that it adapts to the

most advantageous conditions to develop business activity in each market.

In 2019, plans to improve distribution models were implemented across practically all operations, with a high reuse of best practices and successful experiences. These have been collected in recent years and systematized in different management models: exclusive networks, bancassurance, key accounts, direct/delegate offices and automobile manufacturers, among others.

In those countries where the development of exclusive agency networks is possible, with Spain being the most relevant, this distribution channel is reinforced and supported as a priority. These networks have developed greatly in Turkey. LATAM

North and LATAM South, where significant growth in business volume and active agents has been recorded in most countries. In those countries where exclusive distribution is not as common, progress has been made in boosting the degree of connection with non-exclusive agency networks. Brazil and the United States are the most significant examples, but not the only ones. The widespread use of agency networks allows MAPFRE to be very close to its clients and offer the best advice and service at all times. It is worth noting the progress that has been made in providing these exclusive agency networks with digital tools in order to facilitate the transition to hybrid distribution models (digital and face-to-face), where the agent can take full advantage of advances in new technologies.

As for business mediated by brokers, 2019 was an important year for the development of this distribution channel, with significant improvements in the value propositions for all segments. Progress was made in the systematization of the management model of local brokers, and business volume was consolidated. The company also worked more closely with the big global brokers.

MAPFRE has agreements in place with banks and financial institutions, in particular existing agreements with Bankia, Bankinter and CCM in Spain, Banco Do Brasil in Brazil, Bank of Valletta in Malta, and BHD in the Dominican Republic. In 2019, MAPFRE reached significant agreements with important institutions: Banco Santander for the distribution of automobile and company insurance in Spain; Actinver focused on the sale of Life products in Mexico and Sicredi, in Brazil.

An increasingly important “distributor client” and one with high development potential involves distribution agreements with non-financial companies. This is the case for automobile manufacturers, retailers, dealers, utility providers, etc. MAPFRE manages numerous agreements through which it significantly expands its distribution capacity, offering distinctive value propositions and high quality to clients.

	IBERIA	LATAM	INTERNATIONAL
<b>Offices</b>			
Direct and delegate	3,136	1,419	555
Bancassurance	2,519	5,354	41
<b>Intermediaries</b>			
Agents	10,231	13,623	7,212
Delegates	2,791	3,824	198
Brokers	4,541	34,737	2,082

**Customer service centers**

In order to address client needs and guarantee the best possible service, the Group operates the following service centers, broken down by country of operation:

Service centers	Number	Countries
In-house claims handling and rapid payment centers	108	15
In-house automobile service centers	53	3
Automobile diagnostic units	8	5
Repair shops with signed agreements	10,986	24
In-house repair shops	10	3
Research and development centers	6	6
In-house health care polyclinics	22	3
Clinics with signed agreements	15,657	17
In-house dental clinics	6	1
Corporate business management centers	6	4

During 2019 plans were implemented to improve distribution models, reusing best practices and successful experiences

**DIGITAL BUSINESS**

MAPFRE operates in digital business through four business lines, and has a structured, focused and participatory strategic model in place that provides for continuous updating of the plan, both at corporate level and in each of the regions, countries and business units. In 2019, MAPFRE generated revenues of 1.33 billion euros from its digital business, an increase of 16.7 percent over the previous year.

To boost growth profitably in Digital Business across the Group, the following lines of action were executed in 2019:

**➤ Strategy and development of digital business:**

VERTI Germany rolled out a completely digital Life Protection product. Demand for digital Life products has also been analyzed in several countries.

This bears testimony to the fact that the marketplaces phenomenon is becoming increasingly relevant in clients' activities, MAPFRE has advanced its positioning in this channel in 2019 to improve brand awareness, attractiveness and sales.

In addition to these projects, and once the strategic digital business framework was defined in 2018 for pure and mixed models, in 2019 we worked to secure the necessary tools to further boost digitalization, so as to encourage decision-making in an orderly and uniform manner.

In 2019, the detection and export of best practices enabled us to activate more than 30 projects resulting from these best practices in different operations.

**➤ Digital marketing:** MAPFRE continues to evolve in its digital attractiveness model based on data

and on the knowledge and identification of client groups determined by technical management teams. This enables us to improve campaign results, by personalizing them more and by using the most effective digital media, both organic and paid. Artificial intelligence models have been applied to optimize actions and automate processes, and a data management platform that has further optimized campaign results in this market has been used in Spain. Furthermore, agreements with the main global digital media operators have been strengthened. Finally, the platform of portals and sales websites has evolved to optimize the positioning of the contents and the ease with which they are managed, and in 2019 sessions on the main sales and servicing sites increased by more than 30 percent, surpassing 76 million visits. We have also optimized the use of office and agent positioning on search platforms, with an increase in activity of approximately 80 percent.

**➤ Digital techniques:** with the aim of continuing to improve the profitability of the digital business and its technical management, in 2019, special attention was paid to the prevention of fraud at the time of issuing, with actions aimed at improving the selection and quality of the underwritten risk. Technical indicators were also developed that allow the company to discover the evolution of client value, new business, renewals and the profitability of digital business. Progress has continued in the optimization of prices for renewal, adapting the price to each client's risk.

**➤ Comparison engines:** with the aim of competing in a more sophisticated manner in the comparison engine channel, progress was made in price optimization for each client in real time, which has optimized the company's positioning in comparison engines. MAPFRE has also expanded its presence in

comparison engines in Mexico and has evaluated new ways of closing business via WhatsApp on the RASTREATOR site. In addition, several drivers helped to understand behavior and impact in the comparison engine channel, such as "Green Forest" and "Price Guaranteed," both of which were carried out at VERTI Spain. The global online comparison engine program was taught at the MAPFRE Corporate University, in the Digital Business Room, which enabled 315 Group professionals to train up in this area.

**➤ Sales and client retention:** in 2019, significant progress was made in improving the pricing and digital contracting of products, in terms of further simplification and better adaptation to mobile devices, as well as in the ROPO processes (research online,

purchase offline) to bring digital leads to contact centers and sales networks. Online underwriting was close to 5.5 million and approximately 700.000 policies sold can be classified as 100 percent online. The platform for the development of digital underwriters and contractors evolved to facilitate the development of advanced front ends that are managed by business teams, incorporating advanced chatbot processes and virtual underwriting and contracting assistants as new sales channels. Improvements in the usability of the pricing calculators, awarded the "Insurance Digital shopping

In 2019, MAPFRE generated revenues of 1.33 billion euros from its digital business, an increase of 16.7 percent over the previous year

experience award” by J.D. Power in the United States, continue to be promoted. The methodology for optimizing the conversion rate in the sales information, underwriting and online sales processes was also deployed. Finally, a corporate campaign management solution has been deployed in the main Group companies, which enables the development of coordinated and personalized actions focused on offering clients the most appropriate solutions at any time based on their profile.

📍 **Digital data and analytics:** data is becoming increasingly important, especially in the digital world. As such, the collection, analysis and integration of digital data with internal systems and big data were all promoted in 2019. A model for the generation of corporate models in big data has been developed, which enables rapid application and adaptation to each company, and retraining of the models with local data. Development of the first industrialized models has begun: the propensity to purchase model, the personalization model and the attribution model in digital processes, as well as reporting and alert systems.

**PROVIDERS**

[GRI 102-9, 102-10, 204-1; L.11/2018]


The objective of MAPFRE is to ensure an ethical and socially responsible process in the performance of all professionals and companies that provide a service, either to the Group or directly to clients. This is all while obtaining an adequate level of quality in hiring and service to clients, and an increase of internal control in all phases of the project.

To achieve this, MAPFRE has a Purchasing standard designed to establish economic, environmental, social and governance criteria and mandatory compliance principles that must be observed in all hiring concluded

on behalf of MAPFRE. The Group Code of Ethics and Conduct contains a specific section for providers and collaborating companies that defines the framework within which the relationship must be developed.

The Group works with more than 177,000 providers, making a distinction between service providers and specific providers (those who perform services and assistance as per insurance or service contracts offered by the Group’s insurance companies or its subsidiaries to its clients) and support or general providers (those who do not work directly with insureds, but rather with the company as it conducts its affairs, such as supply, consulting firms, printers, etc.). The following table shows the breakdown by number and total cost:

	IBERIA		LATAM		INTERNATIONAL	
	No. of providers	Cost (€M)	No. of providers	Cost (€M)	No. of providers	Cost (€M)
<b>Of services</b> (Specific)	73,665	1,684	50,371	847	34,512	503
<b>Of support</b> (General)	3,692	423	8,950	290	6,007	293



**73,665**  
IBERIA PROVIDERS

To strengthen the relationship with providers and provide better customer service, MAPFRE supplies various materials, training dossiers, tools, and online and on-site courses for providers, in order to facilitate them as they go about their work and to keep them updated regarding regulatory changes, technological developments and other relevant topics in the area of sustainability.

This common contribution model involves continuous feedback regarding the commitments between MAPFRE and the provider

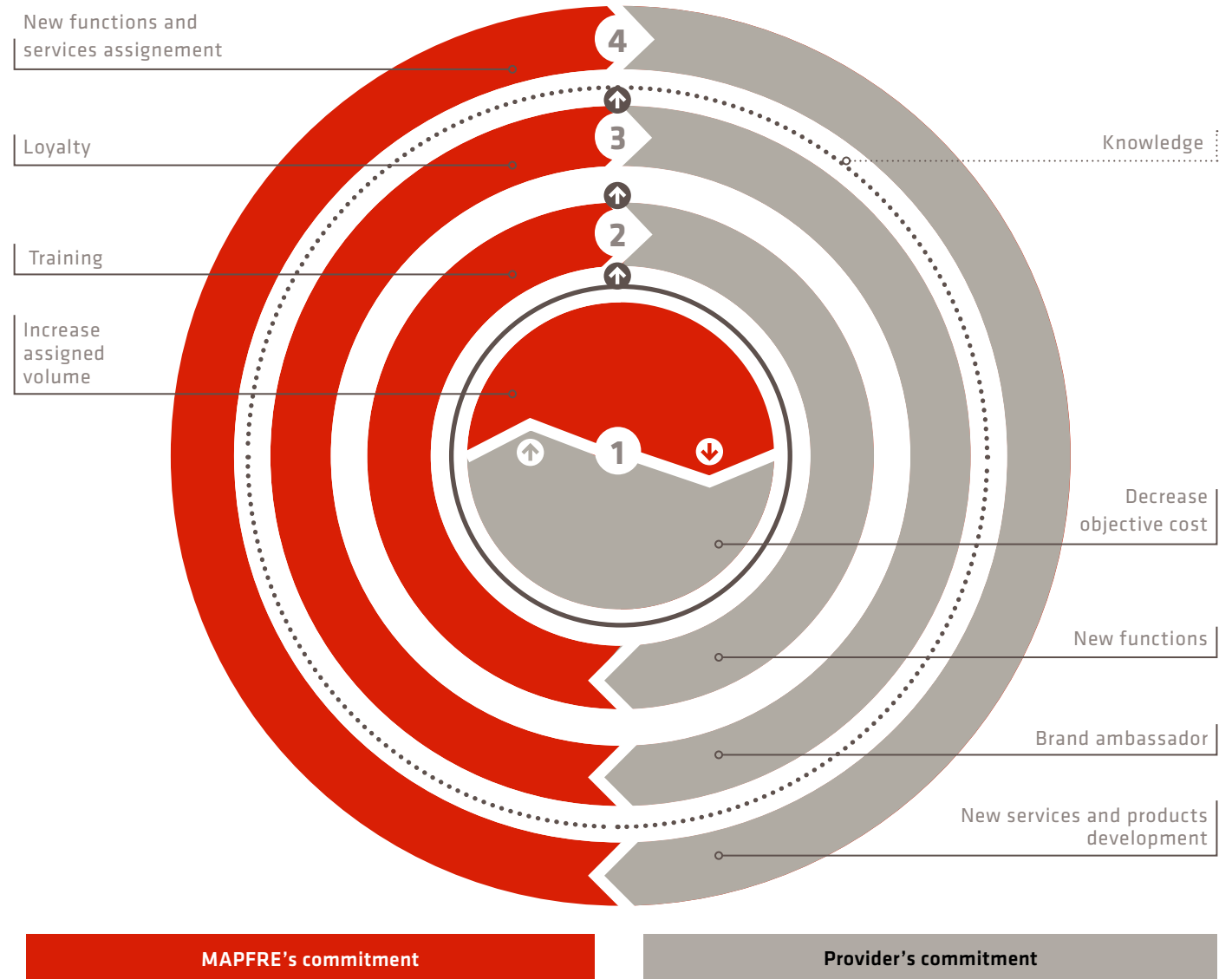
**Service provider management model**

In many cases, service providers are the party that interacts directly with the client on behalf of MAPFRE. Given its importance, the company has a specific model for managing service providers developed under the strategic initiative of "Providers as Brand Ambassadors."

The model is based on applying general principles, which are client orientation, optimization of client contact, two-way commitment, provider value, provider classification and cost optimization.





This common contribution model involves continuous feedback regarding the commitments between MAPFRE and the provider, such that any increase in the relationships in the model results in the establishment of new commitments by both parties. Obviously, these commitments are adjusted based on the category of provider involved.

**COMMON CONTRIBUTION MODEL**





**PROVIDER CATEGORY DEFINED BY MAPFRE AND MUTUAL COMMITMENTS:**

	MAPFRE'S COMMITMENTS	PROVIDER'S COMMITMENTS
 <b>KNOWN</b>	<ul style="list-style-type: none"> <li>Transactional relationship: Sporadic collaboration under an agreement limited to service delivery and service payments</li> </ul>	
 <b>RECOMMENDED</b>	<ul style="list-style-type: none"> <li>Occasional services assignment derived from strategic and/or operational necessities</li> <li>Professionalism and solvency in service payments</li> </ul>	<ul style="list-style-type: none"> <li>Quality valued-added service delivery</li> <li>Legal requirements compliance</li> <li>Corporate Social Responsibility adoption and fulfilment</li> <li>Integrity in service delivery</li> </ul>
 <b>RECOMMENDED+</b>	<ul style="list-style-type: none"> <li>Willingness to maximize provider capacity by assigning more services</li> <li>Technical and new functions training</li> <li>Increase Provider's portfolio of services</li> </ul>	<ul style="list-style-type: none"> <li>Participation in the company's financial model</li> <li>Integration with MAPFRE's service management processes</li> </ul>
 <b>AMBASSADOR</b>	<ul style="list-style-type: none"> <li>Assignment priority</li> <li>New collaboration opportunity proposals</li> <li>Recognition of provider's contribution to MAPFRE's business development</li> </ul>	<ul style="list-style-type: none"> <li>MAPFRE brand ambassador</li> <li>Service management participation</li> <li>Collaboration in new products and services development</li> </ul>

IN 2019, WORK CONTINUED ON PROMOTING TRANSFORMATION PROJECTS IN 24 COUNTRIES ON THE BACK OF THE IMPLEMENTATION OF THE COMMON CONTRIBUTION MODEL, AS WELL AS ON POLICING THE MAIN PROJECT EFFICIENCY AND QUALITY INDICATORS.

**SUSTAINABLE MANAGEMENT OF PROVIDERS**

[GRI 308-1, 308-2, 403-7, 408-1, 409-1, 410-1, 412-3, 414-1, 414-2; L.11/2018]

Within the Sustainability Plan 2019-2021, the ESG (Environmental, Social and Governance) management line of service providers initiated in the previous sustainability plan is continued and expanded.

The purpose is to analyze and guide sustainability practices that providers carry out so that they are aligned with MAPFRE standards. This management includes the ESG approval of service providers as well as other training in Human Rights and awareness in the 2030 Agenda.

The following objectives have been established in the MAPFRE Sustainability Plan 2019-2021, to be achieved by 2021:

- ➔ To expand the sustainable management of providers model to the Homeowners and Automobile lines, selecting providers that have a more significant relationship with MAPFRE (“ambassadors,” “recommended+” and “recommended” categories).
- ➔ Provide training in Human Rights for 75 percent of providers who meet ESG criteria in the Group. This training is provided by the United Nations Global Compact Spanish Network.
- ➔ Raise awareness of the United Nations 2030 Agenda for sustainable development, among at least 50 percent of approved providers.

**ESG approval process**

This approval and control process involves an initial analysis of the sustainability practices of the providers, which is carried out through a specific questionnaire that includes the following risk factors:



- ➔ Occupational safety and workers’ health.
- ➔ Human Rights: child and forced labor, basic human rights, etc.
- ➔ Environmental practices and sanctions.
- ➔ Inclusion, diversity and non-discrimination.

Based on providers’ answers in an initial questionnaire, the following steps shall be taken: if all the criteria are correct, the ESG process is approved and, if not, an action plan is proposed to turn the situation around. Through this process, it is possible to have a risk map and include mitigation measures through the action plan. This process is recurring and also applies to provider renewals.

**ESG APPROVAL PROCESS FOR SERVICE PROVIDERS**

In 2019, the model was consolidated in Colombia and launched in Mexico. Since 2017, a total of 6,834 providers were invited to participate in approval processes with ESG criteria, with 78.68% of those invited to participate passing the approval process satisfactorily as of December 31, 2019.

**QUALITY**

To evaluate the quality perceived by clients, the MAPFRE Quality Observatory applies a global model for measuring



the MAPFRE client experience, the aims of which are as follows:

- ➔ To constantly be aware of the level of client satisfaction in the different countries and businesses, using a consistent methodology.
- ➔ To identify those aspects that impact on the client experience, so they can be enhanced.
- ➔ To provide countries with a tool to help them define and implement initiatives, assigning the most appropriate priority level.
- ➔ To set goals for improvement and aspire to be a benchmark in client experience across all countries and lines.

Additionally, the MAPFRE Quality Observatory is responsible for measuring the quality perceived and delivered, and conducts client surveys in every country where the Group operates. These surveys cover all lines of insurance and assistance services and are conducted every six months. This is done through the analysis of the Net Promoter Score (NPS®) that evaluates client satisfaction and critical client touchpoints, and recommendations are drawn up regarding the main areas that could be improved.

The reports drawn up by the Quality Observatory provide data on the client experience, assisting with the decision-making process in the different business areas.

In 2019, the eighth and ninth NPS® measurement waves were carried out, involving a representative sample of MAPFRE's portfolios. These waves, with over 140,000 respondents, each involve 23 countries and lines of business and cover 81.9 percent of the total private Non-Life premiums of the Group.

In addition, once a year, the Observatory measures the client experience level of MAPFRE's major competitors in



each country/line of business, analyzing approximately 120 companies around the world. This analysis reveals that the objective set for 2019 was met, namely, to obtain an NPS® from MAPFRE's clients greater than the average NPS® of competitors analyzed, in excess of 71 percent of the premium volume measured.

To complement these measurements of relational NPS®, the Quality Observatory defined a Global Model for transactional NPS®, which allows MAPFRE to find out, in real time, a client's perception after interacting with us. This model is currently in place in Brazil and Spain.

Likewise, in 2019 the Quality Observatory carried out the second measurement on the experience of internal clients (iNPS®) and on the assignors and brokers for the reinsurance services provided by MAPFRE RE.

MAPFRE has 220 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 Brazil, Spain and Turkey, MAPFRE ASISTENCIA holds this same quality certification in Algeria, Argentina, Bahrain, Brazil, Chile, China, Colombia, Ecuador, Philippines, Italy, Mexico, the Dominican Republic and Tunisia.

# 6.3. Human dimension

## WE ARE Talent

MAPFRE is a company of opportunities; it is diverse and inclusive and has the best professionals ready to serve its clients and develop the business. Its human capital comprises a team of committed and talented people, with a management model where professional development, knowledge management and acquisition and solidarity are tirelessly promoted.

## What are we working on to create value?

- Management model
- Diversity and inclusion
- The continuing talent challenge
- Transformation and organization
- Employee experience

### Link to MAPFRE's priority SDGs:



GRI 401-1, 401-2, 404-1, 404-2, 404-3, 405-1, FS1; L.11/2018

### MANAGEMENT MODEL

Employee management is particularly relevant in a global company such as MAPFRE, which has a worldwide presence and employees from 84 countries. This management goes hand in hand with the business as it undergoes transformation, enhancing employee commitment to the company's values and contributing to the development of technical, global and transformational skills in a healthy, diverse and collaborative work environment.

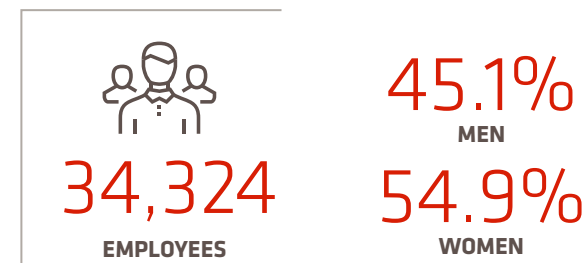
Some of the most relevant aspects of this management are:

- The integration of all generations of employees who work together in the company, maximizing each person's the knowledge.
- The use of new technologies and social networks for employee development.
- Communication and transparency with employees, in order to make them feel part of MAPFRE's strategy, objectives and culture.
- Planning for professional careers and continuous training.
- A firm commitment to the occupational and geographic mobility of employees to ensure that the organization has global versatile teams in place.

This dimension is complemented by the People and Organization 2019 report, [verified and published on the corporate website](#).

### General information [GRI 102-7; 102-8; 401-1, L.11/2018]

Total workforce	2019	2018
Workforce at December	34,324	35,390
Average workforce	34,645	35,658

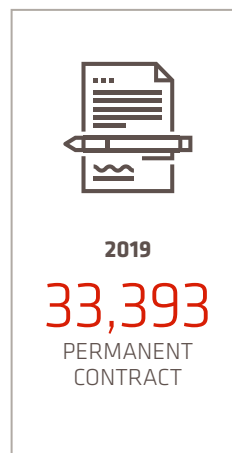
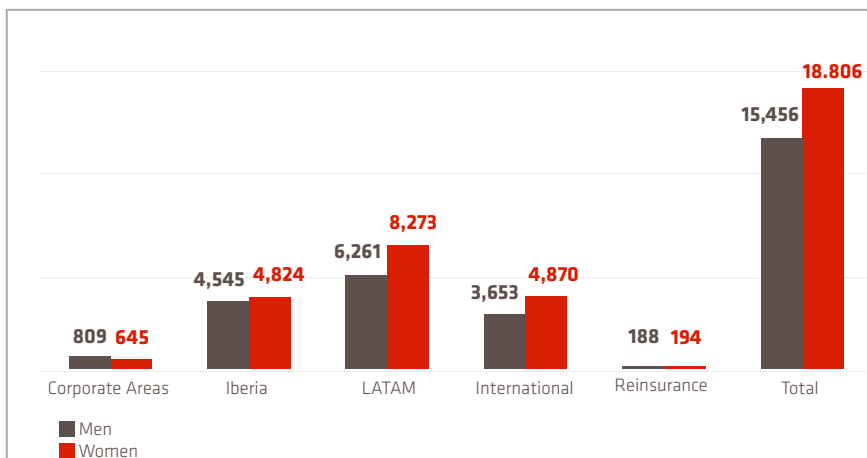


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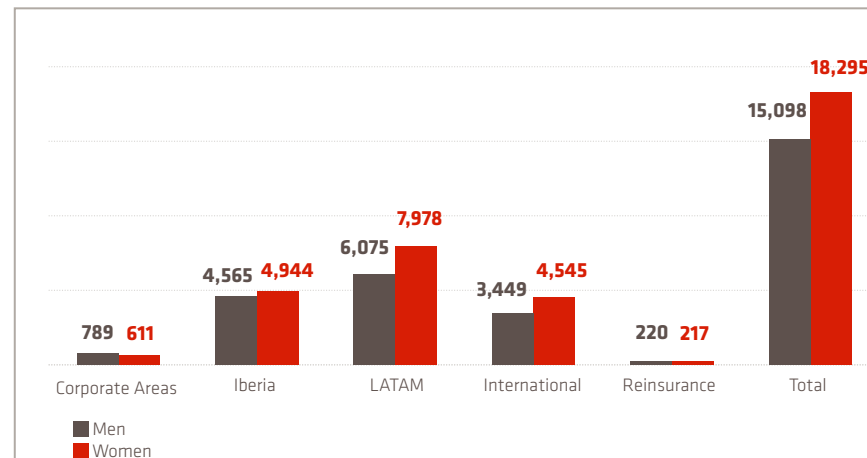
### TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT CONTRACT (PERMANENT OR TEMPORARY) AND BY GENDER

Business Unit	Permanent		Temporary		Total	
	Men	Women	Men	Women	Men	Women
Corporate Areas	623	451	10	10	633	461
Iberia	12,422	15,358	181	264	12,603	15,622
Latam	1,736	2,163	198	252	1,934	2,415
International	97	106	0	3	97	109
Reinsurance	220	217	4	9	224	226
<b>TOTAL</b>	<b>15,098</b>	<b>18,295</b>	<b>393</b>	<b>538</b>	<b>15,491</b>	<b>18,833</b>

PERMANENT CONTRACTS / ORGANIZATIONAL DISTRIBUTION 2018



PERMANENT CONTRACTS / ORGANIZATIONAL DISTRIBUTION 2019



TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT/GENDER (ACCORDING TO MAPFRE GROUP STRUCTURE: REGIONAL. BUSINESS UNITS AND CENTRAL SERVICES)

Organizational distribution	Permanent		Temporary		Total	
	Men	Women	Men	Women	Men	Women
Corporate Areas	789	611	10	13	799	624
Iberia	4,565	4,944	76	166	4,641	5,110
LATAM	6,075	7,978	141	166	6,216	8,144
International	3,449	4,545	162	184	3,611	4,729
Reinsurance	220	217	4	9	224	226
<b>TOTAL</b>	<b>15,098</b>	<b>18,295</b>	<b>393</b>	<b>538</b>	<b>15,491</b>	<b>18,833</b>

**TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT CONTRACT (PERMANENT OR TEMPORARY) AND BY GENDER**

Bussines Unit	Permanent		Temporary		Total	
	Men	Women	Men	Women	Men	Women
Corporate Areas	633	459	0	2	633	461
Iberia	12,240	13,991	363	1,631	12,603	15,622
LATAM	1,744	2,024	190	391	1,934	2,415
International	97	109	0	0	97	109
Reinsurance	224	223	0	3	224	226
<b>TOTAL</b>	<b>14,938</b>	<b>16,806</b>	<b>553</b>	<b>2,027</b>	<b>15,491</b>	<b>18,833</b>

**NEW HIRES, AVERAGE AGE, AVERAGE LENGTH OF SERVICE, UNWANTED GROUP STAFF TURNOVER BY GENDER**

	2019		2018	
	Men	Women	Men	Women
New hires	41.7%	58.3%	40.6%	59.4%
Average age	41.5	39.5	40.9	38.9
Average length of service	11.6	10.3	11.2	9.9
Unwanted staff turnover <sup>(*)</sup>	7.3%	8.2%	8.7%	8.9%
Total staff turnover	16%	17.9%	17.3%	18.2%

(\*) Unwanted turnover is calculated using the following formula: voluntary resignations/average headcount. Considering the size of the Group, the level is considered low.

**TYPE OF CONTRACT, BY GENDER, AGE AND PROFESSIONAL CATEGORY**

Job position	Contract type	Baby Boomers		Generation X		Generation Y		Generation Z		Veterans		TOTAL
		Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	
C-Suite	Permanent	33	3	14	9							59
	Temporary											
Senior Management	Permanent	403	114	611	319	94	51	1		12	4	1,609
	Temporary											
Middle Managers	Permanent	571	302	1,206	1,027	524	481	10	8	9	8	4,146
	Temporary											
Advisors	Permanent	1,463	1,066	3,175	3,562	2,640	2,727	364	459	45	41	15,542
	Temporary	5	4	22	35	76	100	47	33		1	
Associates	Permanent	468	793	936	2,485	1,337	2,554	521	898	38	47	10,067
	Temporary	3	8	35	38	129	215	69	96		1	
<b>TOTALS</b>		<b>2,946</b>	<b>2,290</b>	<b>5,999</b>	<b>7,475</b>	<b>4,800</b>	<b>6,118</b>	<b>1,012</b>	<b>1,494</b>	<b>104</b>	<b>102</b>	<b>32,340</b>

In this table, the entire workforce (94.2%) is represented, except for 1,984 employees of Banco do Brasil.

Managing the different generations that work together, offering employees the opportunity to develop their professional career and personalizing their options, fostering collaboration in work and knowledge management and introducing new technologies as a tool for providing efficiency and effectiveness are just some of the challenges that MAPFRE has implemented solutions for to contribute to reaching its objectives through four pillars: diversity and inclusion, the continuing talent challenge, transformation and organization and employee experience.

**DIVERSITY AND INCLUSION**

[GRI 102-8, 102-22, 405-1, 405-2; L.11/2018]

A diverse workforce adds value to the company since it fosters learning, supports experience and simultaneously enriches project planning and execution.

MAPFRE has a Global Diversity and Equal Opportunity Policy in place, approved by the Board of Directors of MAPFRE on July 23, 2015, and for three years now, the company has been publicly committed to both gender diversity and functional diversity.

**Gender diversity**

[GRI 405-1; L.11/2018]

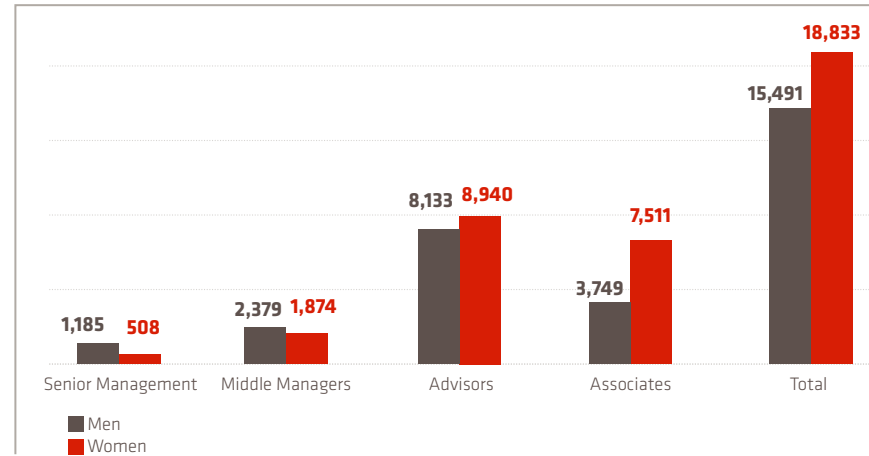
In 2019, 40.1 percent of positions of responsibility were held by women. All countries have an action policy that promotes equality in each of the personnel management processes.

For the three-year period 2019-2021, MAPFRE has publicly committed ensuring that at least 45 percent of annual vacancies in managerial positions are filled by women by 2021. In 2019, the result was 48.3 percent.

**WORKFORCE DISTRIBUTION BY JOB POSITION LEVEL**

	2019	2018
Percentage of women in positions of responsibility	40.1%	40.8 %
Number of women in managerial positions	2,382	2,584

**WORKFORCE DISTRIBUTION BY JOB POSITION LEVEL**



In 2019:

- 58.3 percent of new hires were women.
- 81 women occupy C-Suite positions or positions on Boards of Directors. The Board of Directors of MAPFRE S.A. includes five women among its members, which equates to 33.3 percent of its members as on December 31, 2019.
- 25 percent of employees in managerial positions classified as “Top Management” are women, in addition to 41 percent of employees in positions classed as “Junior Management.”

2019

**40.1%**  
POSITIONS OF RESPONSIBILITY

- 40.6 percent of job positions of responsibility in business are held by women.

There are networks in place in Mexico, the United States, Brazil, Turkey and Spain to foster women’s leadership, which take the form of inclusive dialog spaces designed to promote initiatives related to gender diversity.

In Spain, one of the initiatives executed in 2019 was the first internal program aimed at female leadership, in which 18 women participated.

**Cultural diversity**

MAPFRE has 34,324 employees of 84 nationalities, which brings great cultural and knowledge diversity to the company.

International mobility is actively encouraged, and in 2019 this enabled 129 employees to relocate to another country. These employees originate from 25 countries and have been seconded to 24 countries.

With regard to C-Suite and executives who work in the Group companies outside Spain, 80.5 percent are hired locally.



**Generational diversity**

At MAPFRE, different generations work together with different values, expectations and motivations, brings great cultural and knowledge diversity to the company.

Challenges in this area are:

- To build an inclusive culture and enable different generations to share knowledge.
- To recognize and maximize everyone’s strengths and capabilities so that they give the best of themselves.
- To implement work models that address the needs of the different generations.
- In 2019, the Aging project was launched in Spain, with the objective of working on specific programs for the group of senior workers, based on three fundamental principles: professional development, employee experience and social protection.

Several generations work together at MAPFRE, as shown in the accompanying graph:

The global mentoring program also continued during the year, both traditional and inverse, as part of an initiative that began in 2016 and which promotes a development process across different generations. The mentoring plan involved 211 mentors and 247 mentees over the course of this year.

**Functional diversity**

MAPFRE is firmly committed to integrating people with disabilities into the workplace with a global program implemented in all countries since 2015 with measures to enable true consolidation of this group within the business.

This program has, among others, measures to improve the quality of life of people with disabilities who are part of the Company. These measures range from personalized attention to employees with disabilities, to the review of the accessibility of work centers and environments, in order to propose the necessary reforms and adaptations. In addition, periodic information campaigns are carried out for the emergence of possible cases of employees with disabilities who have not yet communicated to the company, in order to provide them with the necessary support and access to all the measures at their disposal.

For three years, MAPFRE has publicly committed to having its workforce comprised of a minimum percentage of people with disabilities working in the company. By 2021, the commitment is to have 3 percent of people with disabilities in the workforce.

**By 2021, the commitment is to have 3% of people with disabilities in the workforce**

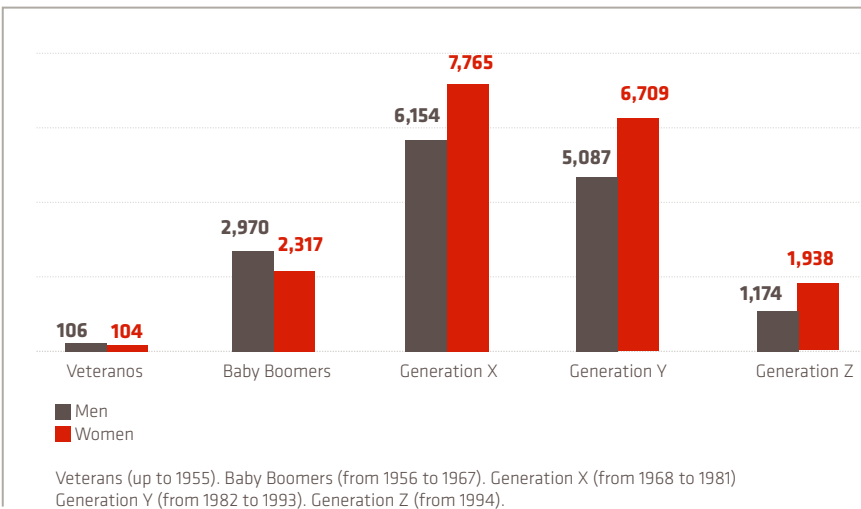
Principal activities undertaken in 2019 regarding disability:

**Awareness:**

- 827 employees trained via the 2019 e-learning course on disability.
- 164 volunteer activities involving disabled people.
- 72 discussions and awareness activities in development training programs.
- 42 reports on the Intranet.

**Workplace integration actions:**

- In 2019, 96 people with disabilities joined the workforce.
- 82 interns with a disability gained work experience at MAPFRE.
- Donations totaling 289,603 euros.
- Promotion of indirect employment through contracts with special employment centers or similar companies totaling 151,255 euros.



	2019		2018	
	No.	%	No.	%
People with a disability on the workforce	938	2.9	902	2.5

### THE CONTINUING TALENT CHALLENGE

[GRI 404-2, FS4; L.11/2018]

MAPFRE has a Promotion, Selection and Mobility Policy in place approved on July 23, 2015. This policy manages talent by promoting the professional development of all employees. Three years ago, a global project was implemented that identified the necessary profiles for the business strategy and the talent of the organization. It defines the individual development plans of each employee, while ensuring succession and management plans, as well ensuring strategic needs are covered. These plans help to develop employees with the necessary knowledge and skills, depending on business needs. The plans include training, mentoring, mobility, recognition and remuneration. Development plans were formulated in 2019 for 3,806 employees, involving the implementation of 5,561 activities.

The company continues to roll out professional career plans, which 4,778 employees had in 2019. These included underwriters, actuaries, auditors and sales advisors. In addition, in 2019, 2,907 employees developed their careers through training paths for claims handlers, issuers and telephone agents, incorporating new collectives to acquire the knowledge established by these paths.

These itineraries establish common technical training worldwide for all countries.

### PERSONAL DEVELOPMENT PLANS

		% sobre el total
IBERIA	1,225	32.2%
NORTH AMERICA	294	7.7%
BRAZIL	274	7.2%
LATAM NORTH	524	13.8%
LATAM SOUTH	469	12.3%
EURASIA	293	7.7%
Corporate Areas	249	6.5%
Reinsurance Unit	130	3.4%
Global Risks Unit	57	1.5%
Asistencia Unit	291	7.6%
<b>Total</b>	<b>3,806</b>	<b>100%</b>

### CAREER PLANS

Group	No. of employees
Actuaries	303
Auditors	188
Sales advisors	1,985
Specialized underwriters	670

**Attracting external talent:** In 2019, the launch of the new Career page was completed globally, with additional features and a more attractive design the referral channel was activated as an additional source of recruitment, involving the employees of the company in the process; this was recognized by the SAP Quality Awards 2019

owing to its high level of innovation and quality.

A total of 898 selection processes were published in 2019, and the number of followers on online portals increased from 179,138 to 282,708.

MAPFRE continues its commitment to young talent, promoting its global “Grow with Us” program to implement practices in the company, and two new training programs were launched for trainees in 2019.

- **Global Internship Plan:** 259 agreements with universities, business schools and third-level institutions. In 2019, 1,179 students completed internships in various areas and across 28 countries.
- **Trainee Programs:** the main objective of these programs is to recruit recent graduates who are fully prepared and have high potential. In 2019, two Trainee initiatives (Global Actuarial and Tech & Learn) were developed, which involved 21 young people of five nationalities, who join the 125 employees selected from other programs in recent years.

### Functional mobility

[GRI 202-2, 404-2; L.11/2018]

Mobility remains key to successful employee development and employability. In 2019, 14.9 percent of the workforce enjoyed some form of mobility, representing 4,885 employees:

- Of total managerial movements, 84.1 percent were covered internally.
- Out of 5,326 job positions advertised, 33 percent were covered by internal mobility, and 46 percent involved a promotion.

- Through geographic mobility, namely international careers, global mobility and temporary transfers, 24 countries were able to benefit from the services of professionals from 25 other countries. Currently, 269 managers and employees are working outside their country of origin.

Employees may also participate in the temporary mobility program, Task Force, which involves the launch of new businesses or transversal transformation projects through the immediate and coordinated actions of a specialist team. This mobility encourages employee development and the development of global skills, thanks to its international scope. A total of 21 employees participated in related projects in 2019.

**Learning and knowledge management**

[GRI 404-1, 404-2; L.11/2018]

MAPFRE’s commitment to the training of its employees is included in its Code of Ethics and Conduct, as well as, in several of its policies, including the Promotion, Selection and Mobility Policy and the Diversity and Equal Opportunity Policy.

MAPFRE promotes employee learning through the Corporate University, focusing on strategy and business objectives.

The implementation of the MAPFRE Knowledge Management Model was completed in 2019, and the Eureka knowledge repository was created on the Corporate Intranet.

Since 2014, the Corporate University has deployed all learning actions globally through its 17 Schools, 14 Learning Rooms and an InnoLAB. The Corporate University is in operation in all countries where MAPFRE

**TECHNICAL KNOWLEDGE SCHOOLS**

SCHOOLS	ROOMS
Insurance School	Life Room
	Business Room
	Digital Business Room
	Automobile Room
	Assets Room
	Health Room
Sales and Business Development School	Assistance Room
	Sales Room
Reinsurance School	Clients Room
Operations School	
Actuarial School	
Finance School	Investments Room
	Risks Room
Strategy School	
Technology and Processes School	
Auditing School	
Human Resources School	
Legal School	
Digital Technical Knowledge Room	
CROSS-DISCIPLINARY SCHOOLS	
Skills School	Digital Skills Room
Culture School	
Global Policy School	
Language School	
Leadership School	
Professional Development School	
<b>Innolab</b>	
<b>Director’s Room</b>	

operates, providing training in the three corporate languages and five local languages.

Some relevant information:

- In 2019, training was provided to 100 percent of the workforce through 1,518,412 hours of training, representing an average of 44.2 hours of training per employee.
- More than 60 global technical and transversal programs were carried out.
- A total of 18.41 million euros was invested in training, an average of 536 euros per employee. Investment in training has declined in recent years due to the increased use of virtual courses and training with in-house professionals. However, the number of hours and people trained increases year after year.
- The Culture in a Digital World program provided training in the new MAPFRE behaviors and habits. A total of 8,685 employees have completed e-learning training and 19,038 have completed classroom training.
- Technical sales training represented 76.9 percent of the total training provided and is fully aligned with the needs of the business.

**1,518,412**  
hours of training

The transfer of knowledge in the workplace is assessed taking into account the effective use of the knowledge, skills, abilities and attitudes learned as a result of the training initiatives carried out. This evaluation is carried out by those responsible for the training received by their employees. On a global level in 2019, 3,796 questionnaires were completed by those responsible for attending these programs, and the percentage of responses with an assessment of at least four out of six in the degree of knowledge application to the job position was 88.3 percent.

Self-learning, implemented in MAPFRE globally, offers employees training content through open catalogs that enable them to design their own learning path

HOURS OF TRAINING	Men	Women
Executives	48,192	27,347
Middle Managers	106,893	92,203
Advisors	375,727	416,465
Associates	147,341	304,244
<b>Total</b>	<b>678,153</b>	<b>840,259</b>

Self-learning, implemented in MAPFRE globally, offers employees training content through open catalogs that enable them to design their own learning path. In 2019, more than 44,700 self-enrolled employees registered to make use of the 230 training resources available.

TRAINING PROVIDED TO <b>100%</b> OF THE WORKFORCE	AVERAGE TRAINING <b>44.2 HRS</b> PER EMPLOYEE
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E-LEARNING <b>8,685</b> EMPLOYEES	ON-SITE <b>19,038</b> EMPLOYEES
---	---------------------------------------

<b>+60</b> GLOBAL PROGRAMS WERE CARRIED OUT	AVERAGE INVESTMENT <b>€536</b> PER EMPLOYEE
---	---

**€18.5M**  
invested in training

**Mentoring programs**

Throughout 2019, development of the mentoring program continued, both traditional and inverse, as a form of development, collaboration and transmission of knowledge among teams. Mentoring not only promotes development but also transmits the company culture and collaborative, respectful and accepting behavior.

- **Traditional mentoring**, where the mentor (the senior partner) transfers their knowledge, experience and culture to the mentee (junior partner). In 2019, there were 158 mentors and 190 mentees.
- **Inverse mentoring**, where the mentor (junior digital partner) supports the mentee (senior partner) in developing digital skills, the use of technological tools and collaborative platforms, knowledge of digital trends and use of social networks. In 2019, there were 53 mentors and 57 mentees.

**Culture and talent index**

En 2019, an internal index was defined to measure the engagement and development of employees across the organization. The Culture and Talent Index measures two main variables:

- **Culture** (engagement), through:
  - ENGAGEMENT SURVEY:** a new survey that is used to measure employee satisfaction through the evaluation of their knowledge of the objectives, pride in work done, recognition received for work done, contribution to the company, receiving quality feedback, development opportunities, collaboration, work-related tools, caring for people and pride in MAPFRE's social footprint.

The scoring scale of the survey is 0 to 100, and based on the scores the following engagement levels were defined:

**MAIN RESULTS OF THE ENGAGEMENT SURVEY IN 2019:**

Percentage of employees engaged (score greater than 66)	68%
Global objective for 2019	50.5%
Percentage of employees covered by the survey	23,336 employees 68% percent of the total workforce

**TURNOVER:** the percentage of employees who leave the company, voluntarily or involuntarily.

**SENIORITY:** the number of years of service of MAPFRE employees.



**68%**  
SURVEYED

- **Talent** (development), through:

**MOBILITY:** the number of people who have enjoyed functional or geographical mobility.

**DEVELOPMENT PLANS:** employees who have career and development plans assigned to them.

**INTERNAL PROMOTION:** percentage of managerial positions that are covered internally.



**23,336**  
EMPLOYEES

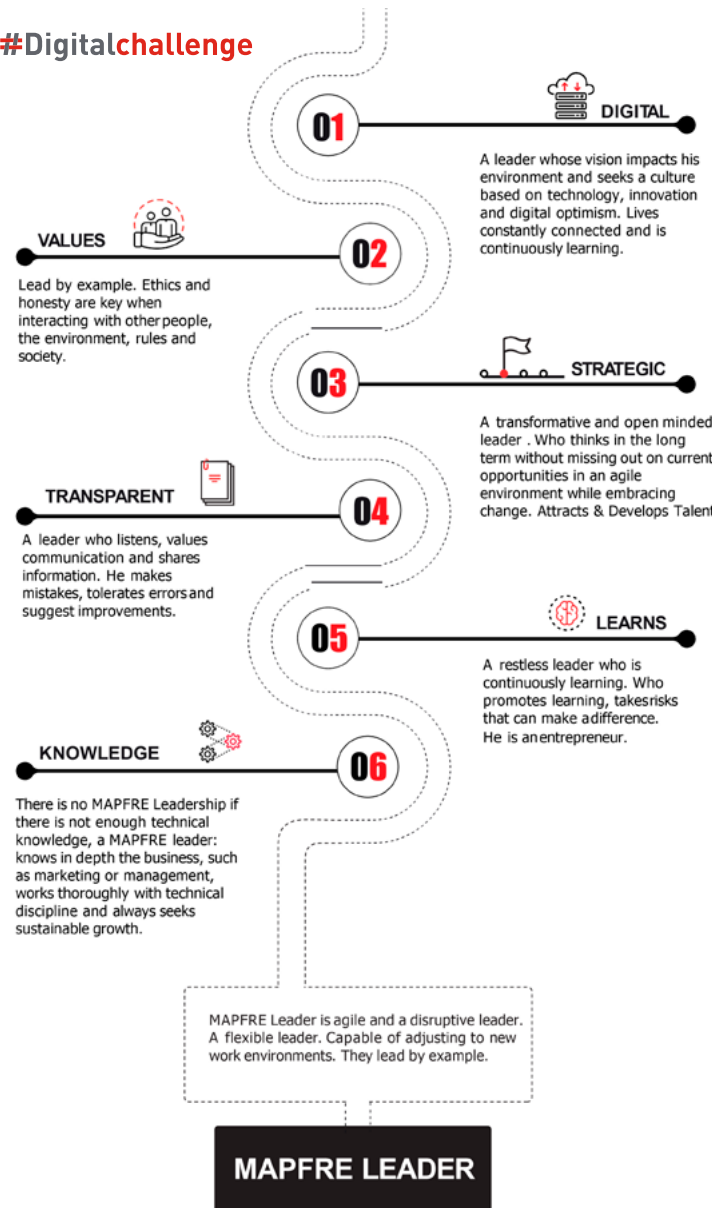
**DIGITAL CHALLENGE**

**The digital challenge**

The Digital Challenge strategic initiative was created at MAPFRE in mid-2017 to champion the transformation and change that the organization needs in order to adapt to new digital requirements, involving a flexible working environment with tools that facilitated collaborative working, the development of digital profiles and new forms of leadership. This project involved work along four lines:

- **Work environment**, where progress has been made in the implementation of flexible hours and remote working, technological mobility and open and collaborative physical spaces. At the end of 2019, a total of 19,290 employees in the organization were availing of a flexible schedule, 6,704 were able to work remotely and 11,613 were working in open-plan spaces.
- **Collaborative work and knowledge management.** In 2019 there were 452 active communities, where 6,310 employees from numerous countries interact continuously. In addition, the eureka knowledge repository was created, where at year-end, 510 pieces of knowledge were stored.
- **Culture in a digital world.** Three approaches were defined for all employees: collaborating, innovating and streamlining. These were promoted throughout the organization through different communication and learning actions, including an e-learning course that by the end of 2019 had been completed by 8,685 employees. Team leaders, in addition to these three behaviors, are trained in two more ways: respect and communicate. In 2019, 89 MAPFRE

**#Digitalchallenge**



executives attended the MAPFRE Leader Program, where participants worked on the characteristics that a MAPFRE leader must possess: be a digital leader, be a role model in terms of values, be strategic, be transparent, care about learning and be a leader of technical knowledge.

- **New forms of remuneration and recognition.** The new evaluation system was implemented globally throughout 2019. This system covers objectives, quarterly activities related to objectives and key results (OKR methodology), continuous feedback and the evaluation of new behaviors. By the close of the year, 53,629 activities had been added, 251 employees had per-project bonuses assigned to them and 16,592 employees had a defined recognition plan.

In 2019, the People App was launched in Spain as a new channel, which can be accessed by 5,000 employees, and which facilitates a more agile and immediate dialog with employees while promoting communication and transparency through a series of functionalities:

- Notifications that arrive immediately to mobile devices.
- Procedures such as requesting authorizations, vacations and medical appointments, and consulting and downloading your paycheck.
- Operational information about the site at which the employee is located.
- Quick learning: these are information capsules for learning about a topic in a quick and fun way.
- Surveys.

Additional features will be added in 2020, and will be rolled out in other countries.

## REMUNERATION AND RECOGNITION

[GRI 102-35, 102-36, 102-37, 201-3, 401-2, 404-3, 405-2; L.11/2018]

MAPFRE has a global compensation policy in place that is applicable to all Group companies, and which is designed to establish adequate remuneration based on the function and job position and the performance of its professional staff. This policy also acts as a motivating and satisfaction component that enables the achievement of defined objectives and compliance with company strategy.

The MAPFRE Group compensation policy, approved by the Board of Directors of MAPFRE S.A. on December 21, 2016, guarantees equality and internal and external competitiveness in all markets. The pay structure comprises the following items:

- Fixed remuneration
- Annual variable remuneration tied to objectives
- Multi-year variable remuneration, and a three-year cash and stock plan for 260 managers at global level, with the aim of enhancing the medium-term strategic objectives and commitment from the organization's top managers
- Bonus by project and recognition programs
- Social benefits
- Other allowances

In order to determine the percentage of variable remuneration compared to fixed remuneration, the following optimal target percentages of variable remuneration have been established with respect to fixed remuneration for each job position level.

The assignment and settlement of annual variable remuneration happens through the objectives-based management model implemented worldwide, which determines the weight of the various categories of objectives for each job position level. In this way it is possible to align each person with the strategic objectives, those of MAPFRE as a whole, or those of their region or country. Increasing weight is assigned for this type of objective based on the greater responsibility of the job position, and lending - in the case of the advisory and associate teams - greater weight related to the specific functions with which they contribute to the general objectives.

### VARIABLE REMUNERATION OF TOTAL FIXED REMUNERATION

Job position level	Variable remuneration as a percentage of total fixed remuneration
Executives	40%
Middle managers	30%
Advisors	20%
Associates	10%

### MANAGEMENT BY OBJECTIVES

Job position	Group Objectives				Individual Objectives
	(*)Global BSC	Corp. Area/Business Unit/Regional/Territorial	Area / Department	Country/Company	
Chairman and CEO	100%				
Executive committee	60%	40%			
C-suite	40%	30%	30%		
Senior management	10%	10%	40%	40%	
Middle managers	5%	5%	30%	60%	
Advisors and associates	5%	5%	10%	20%	60%

\* BSC refers to goals related to the mapfre strategic plan on a global level. The figure for earnings after taxes and non-controlling interests of mapfre S.A. is generally applied.

**NEW PERFORMANCE ASSESSMENT SYSTEM**

[GRI 102-37]

MAPFRE has put in place a global, standardized performance evaluation process in which 26,416 employees participated in 2019, representing 84 percent of the workforce.

Over the course of 2019, the new Performance Evaluation model was rolled out at MAPFRE, which complies with the prerequisites of agility, continuous feedback and a multi-source system. After an intense communication program, all phases of the 2019 process were covered, and the 360° evaluation was initiated. In this phase, an intense evaluation activity takes place among peers and internal clients, which were selected in November. This is one of the most innovative aspects within the model, and it will offer the widest vision of the perception of employee performance from every angle. The process will be completed at the end of January, with the overall assessment and potential of the employee.

**Pay gap**

[L.11/2018]

In 2018, a methodology for calculating the pay gap was defined, applied and verified by the consultant Ernst & Young (EY), which calculates two types: the gross gap and the adjusted Gap. The terms 'Gender pay gap' and 'Equal pay gap' are used, respectively.

The gross Gap is calculated as follows:

**GROSS GAP CALCULATION**

$$\text{GENDER PAY GAP} = \frac{\text{MEDIAN SALARY MEN} - \text{MEDIAN SALARY WOMEN}}{\text{MEDIAN SALARY MEN}}$$

The most precise measure is one in which the detail can be obtained by homogeneous comparable groups: the adjusted gap. Three factors are used to calculate this: job position level, family and seniority. These three factors create comparison groups or clusters within which people with the same comparison criteria are grouped. The formula for calculating this type of gap is:

**ADJUSTED GAP CALCULATION**

$$\text{EQUAL PAY GAP} = \sum_{n=1}^N \left( \frac{\text{GENDER PAY GAP IN EACH CLUSTER} \times \text{NUMBER OF EMPLOYEES IN THE CLUSTER}}{\text{TOTAL NUMBER OF EMPLOYEES ANALYZED}} \right)$$

Clusters are established locally based on these factors. If a pay gap is determined when these calculations are made, an action plan will be established.

The Corporate People and Organization Area is currently working on an action plan that includes a series of recommendations to address the wage gap situations.





There follows details of the adjusted gap on fixed remuneration in the main countries where this methodology is already applied<sup>2</sup>:

**ADJUSTED GLOBAL GAP IN FIXED REMUNERATION**

Country	Equal Pay Gap
Spain	5.96%
Brazil	1.17 %
Peru	2.96%
Turkey	0.42%
Italy	0.68%
Germany	1.89%

The adjusted global gap in fixed remuneration for the Group, as calculated for 90 percent of the workforce, is 3.06%<sup>2</sup>.

(See Note 3 and Note 4 for information on average remuneration.)

2. In the rest of the countries, an analysis has been carried out using clusters that exclusively take into account the professional level factor, generally due to the small workforce.

3. The calculation does not include the following countries: China, Egypt, United States, Japan, Singapore and Sweden.

**Organization**

Fostering team work culture and collaboration, all through an agile organization, is one of MAPFRE’s objectives, MAPFRE has a universal task and job position map in place, which assists in the definition of strategic profiles and knowledge within the organization.

In 2019, work began on the dynamic structures project and progressed in the definition of the roles of each job position, implementing collaborative tools for both project management and knowledge management.

In 2019, 1,200 people worked with agile methodologies, and 59 projects were deployed to and through them.

**EMPLOYEE EXPERIENCE**

[GRI 403-1, 403-2, 403-4, 404-3; L.11/2018]

Employee experience is a transversal element in the people management strategy. This is a new people management approach, in which the employee is at the center of our processes and in which the company empathizes with the employee at each life cycle touchpoint in the company, so as to offer workers what they need, when they need it and the way they need it, in order to help them to perform at their best (talent and productivity) and commit to MAPFRE (engagement).

The MAPFRE employee experience management model considers the design of an Employee Journey (employee life cycle) that identifies the different moments of employee interaction with the company, from before joining the company until the moment they leave, and a system that facilitates continuous analysis.

With the objective of personalizing and segmenting employee proposals and thus improving their

experience, the HR Analytics project was launched to enhance people management. The first predictive model for identifying job positions and employees with a higher probability of rotation was established in 2018, and parameters and levers to work on each situation were defined. The predictive compensation model was developed during 2019.

Additionally, in 2019 an analysis model of the different touchpoints in the employee’s life cycle was designed and this will be launched in 2020.

**Conciliation and well-being**

[GRI 401-2, 401-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-8; L.11/2018]

All benefits are offered regardless of whether employees are on permanent or temporary contracts. The total amount allocated to social benefits in 2019 amounted to 178.3 million euros.

Work-life balance measures	No. of employees benefiting
Flexible work schedule	19,290
Part-time work arrangements	2,553
Reduced workday	1,073
Teleworking	1,529
Paid and unpaid leave	16,198
Parental leave	560
Maternity leave	837
Sabbaticals for study/family purposes	47
Employee reintegration program following a protracted leave of absence	79

Type of social benefit	Percentage of employees who enjoyed social benefits from among the entitled employees
Health insurance	95.3%
Retirement/Life insurance systems	96.6%
Insurance discounts	67.2%
Length of service awards	21.6%
Educational grants for the children of employees	42.9%
Newborn child bonus	4.1%
Loans	19.2%

Aid was also made available to employees for special situations, normally resulting from health problems. In 2019, the total for this aid amounted to 78.123 euros. Likewise, financial aid was granted to retired employees in the amount of 671.647 euros.

MAPFRE has a Health and Well-Being Policy and a Occupational Risk Prevention Policy in place, approved by the MAPFRE S.A. Board of Directors on July 23, 2015, the general principles of which are:

1. Achieving a healthy working environment that ensures well-being and allows all employees to carry out their work in the best physical, mental and social conditions.
2. Achieving an optimal level of occupational safety, beyond mere compliance with regulations in the area of prevention of occupational risk.

It also adopts a prevention model through which workers may actively participate in everything that might affect their health and safety at work, for which there are legally established representation channels.

A total of 29,552 employees, or 86.10 percent of the workforce, are represented on joint management-employee health and safety committees, which have been set up to help, monitor and advise on this issue. Some of the main issues discussed in these committees are:

- Evacuation and emergency control plans.
- Frequency and content of medical examinations for employees.
- Occupational Health and Safety Management Systems.
- Return after long-term injuries.
- Specific studies of certain job positions.
- Health monitoring plans.
- Performing occupational risk assessments in the workplace.
- Analysis of labor casualties and absenteeism.

MAPFRE has a healthy company model that systematizes the actions to be carried out in terms of promoting both physical and mental health, and

in the work environment as well as in the personal and family life of employees. The model considers five areas in which the company can work in terms of health: work environment, personal environment, health promotion, nutrition and physical activity, and mental well-being. The MAPFRE Health Promotion strategy involves working on the main causes of death and illness worldwide, which according to the WHO and other international organizations essentially means intervening for the prevention of non-communicable diseases and for psychological-emotional well-being.

Maternity leave was taken by 837 employees in 2019, while paternity leave was taken by 560 employees. At the end of this leave<sup>3</sup>, 83 percent of women and 98 percent of men returned to work. Out of the 1,832 employees taking maternity or paternity leave in 2018, 1,095 remained in the workforce, resulting in a retention rate<sup>4</sup> of 59.8 percent.

3. Return-to-work rate: (total number of employees who returned to work after parental leave/total figure of employees who were due to return to work after parental leave) \*100

4. Retention rate: (total number of employees retained 12 months after returning from parental leave/total number of employees who return after parental leave during the reporting period) \*100.

Accident data

[GRI 403-9, 403-10; L.11/2018]

	2019	
	Men	Women
WORK-RELATED ACCIDENT FREQUENCY RATE	26.14	21.71
OCCUPATIONAL ILLNESS FREQUENCY RATE	0.52	0.86
INCIDENCE RATE OF OCCUPATIONAL ILLNESSES	12.79	21.04
INCIDENCE RATE OF WORK-RELATED ACCIDENTS	639.67	531.24
RATE OF LOST DAYS	1.13	2.27
EMPLOYMENT ABSENTEEISM RATE	0.11	0.23
FREQUENCY INDEX	3.91	3.25
SEVERITY INDEX	0.16	0.32
DEATHS FROM WORK-RELATED ACCIDENTS	0	0
DEATHS FROM OCCUPATIONAL ILLNESS	0	0
NO. OF WORK-RELATED ACCIDENTS	100	101
NO. OF OCCUPATIONAL ILLNESSES	2	4
<b>No. of hours lost through absenteeism due to non-workplace accidents and common illnesses</b>	<b>491,469</b>	<b>1,299,069</b>

See Note 5 of this report: calculation method.

One of the key factors in the healthy company model is training in health and healthy habits, and prevention of work-related risks. In this regard, in this fiscal year:

- Employees received a total of 13,015 hours of specific training.
- During the week of June 10 to 14, 2019, the fourth edition of MAPFRE Week was held, covering the

topics of health and well-being, in 31 countries and representing 84.7 percent of the workforce. A total of 862 activities were organized: 806 in Health and Well-being, 36 in the field of the work environment, 208 in health promotion, 269 in physical activity and nutrition, 138 in mental well-being, 155 in personal environment and 56 in Diversity.

- Global campaigns were organized on the Corporate Intranet related to Stroke and Gender Health and Breast Cancer prevention (the Think Pink movement), and 9 volumes of the Choose Health campaign of Fundación MAPFRE were distributed.

To find out more about the Group's campaigns, please consult the MAPFRE People and Organization 2019 report.

Internal climate: Organizational climate surveys

In 2019, a new model was introduced to measure the employee experience, which enables a more in-depth analysis on a continuous basis. This model is based on three types of measurements that provide agility for implementing improvement actions:

Through a survey performed twice a year, different indicators are obtained:

- **Relational eNPS®:** this shows how likely employees are to recommend MAPFRE as a company to work for, In 2019 it was measured in 11 countries, in addition to the Business Units and Corporate Areas. Of the total staff of these groups, 86 percent are in countries that have a very good or excellent Employee Net Promoter Score.
- **Root causes level 1 and level 2:** the main reasons why an employee recommends MAPFRE

to a lesser or greater extent as a company to work for. They highlight as the reason for their highest level of recommendation, first of all, the conditions and benefits that MAPFRE offers to its employees, specifically job stability and work-life balance, and secondly, the company's culture and vision, stressing the employees' appreciation of the way in which the company's values are put into practice on a day-to-day basis and MAPFRE's ability to transform itself.

- **Supervisor's recommendation:** Leader Index measures the extent to which employees would recommend their supervisors. In 2019, on a recommendation scale of 0 to 10, 57 percent of employees gave a score of 9 or 10.

- **Employee Satisfaction Index:** measures employee satisfaction through the assessment of 10 factors: Knowledge of objectives; Pride in work carried out; Recognition of one's work; Contribution to the company; Receiving quality feedback; Development opportunities; Collaboration; Work-related tools; Taking care of people; Pride in the corporate footprint. In 2019, 68 percent of employees scored these variables with an average of 8, 9 or 10 (on a scale of 0 to 10).

- **General Satisfaction Index:** measures the overall satisfaction of employees. In 2019, 72 percent of employees rated their level of satisfaction with the company at 8, 9 or 10 (on a scale of 0 to 10).

- **Index of perceived quality of people management in MAPFRE:** In the year 2019, for the first time, a survey of Perceived Quality of HR was launched in order to assess how employees perceive the quality of service provided by the Human Resources areas.

**Volunteering**

[GRI 413-1, 413-2; L.11/2018]

MAPFRE has a Corporate Volunteering Program in place that is integrated into the Human Resources and Sustainability strategies, aligned with the Sustainable Development Goals. This program has been developed in 28 countries through Fundación MAPFRE.

Throughout 2019, more than 10,380 volunteers took part, including employees and family members, and more than 1,610 activities were developed throughout the world in relation to education, nutrition, health, emergency assistance, etc, that directly impacted more than 125,000 people. More than 20 percent of the workforce has had volunteering experience.

Among the activities carried out in 2019, it is worth highlighting the following global activities:

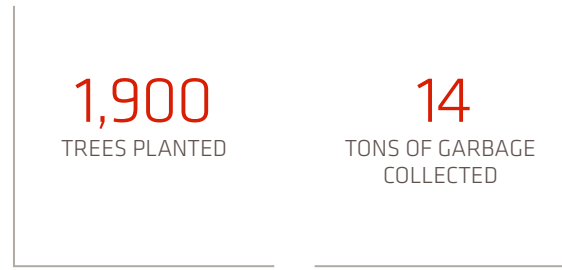
MAPFRE's Global Volunteering Day, in which, under the slogan "United for the Environment," more than 2,300 volunteers from 25 countries participated in 78 activities with an environmental theme. More than 1,900 trees were planted and more than 14 tons of garbage were collected.

24-hour blood drive, in which more than 870 liters of blood were collected, with the participation of 1,936 donors in 25 countries and benefiting more than 5,800 people.

MAPFRE has several bodies that encourage and monitor Volunteering, the Volunteering Committee and the Work Group, made up of MAPFRE senior management representatives from corporate areas, regional areas and business units, and with the participation of Fundación MAPFRE.

It should be outlined that in Spain the AENOR certificate has been obtained for the management of this program. and in the United States, volunteers have been recognized by Webster Public Schools, by the Worcester Community Action Council, by the Commonwealth of Massachusetts State Senate, and the Best Buddies Spirit of Inclusion Award has also been awarded to the company for the Identity Dissociative Disorder adult training program, in which volunteers served as mentors. In China, volunteers have been recognized for their efforts by the Changing Special School.

In addition, employees take part in other social projects such as the "Solidarity Euro" in Spain and "Dollar for Dollar" in the United States. This initiative offers employees the opportunity to donate one euro/dollar per month from their paycheck to a non-profit project



of their choice, with MAPFRE matching every euro/dollar donated.

To date in Spain, a total of 346,696 euros have been donated to social projects. The projects benefitting in 2019 were the APACU (Association of Parents with Children with Autism of Cuenca) and Fundación Aladina (an organization that fights against childhood cancer), receiving a total of 128,332 euros.

In the United States, the project that benefited in 2019 was "The Adam Bullen Memorial Foundation," which supports people with cancer and their families, and which received 22,719 dollars.

See Note 9, Contribution of Volunteering to the 2030 Agenda

# 6.4. Intellectual dimension

WE ARE  
**Innovation**

We generate differentiated value propositions for clients, from a transversal and integral vision that allows us to respond to business challenges involving our stakeholders

**What are we working on to create value?**

- Innovation
- Cybersecurity
- Brand and reputation

## Link to MAPFRE's priority SDGs:



**INNOVATION**

[GRI 403-1. 403-2. 403-4. 404-3; L.11/2018]

MAPFRE has a long history of being an innovative company. Innovation is in its DNA and is one of its main levers to boost organic growth and project its strategic outlook. This permanently generates differential value propositions for clients, with a transversal and integral vision that means it can respond to business challenges.

In 2018, a further step was taken when the MAPFRE innovation model was articulated to consider the proven internal strategic capabilities and digitalization of models and solutions for clients. An open relationship model was also set up that connects with external agents and the innovation ecosystem (technology-based startups and other players in the market that are capable of offering disruptive solutions at some link in the insurance value chain - insurtechs). This is why it is called MAPFRE Open Innovation.

In 2019, concrete steps were taken to accelerate the transformation in MAPFRE and strengthen its leadership position, adapting more swiftly and moving toward new business models and innovative solutions that arise from the digital and technological changes that are taking place, with the ultimate goal of offering the best solutions and services to clients. The evolution of MAPFRE Open Innovation in such a short time has achieved excellent results in each of its elements.

CESVIMAP, MAPFRE's Road Safety and Experimentation Center, which is a global benchmark technology center for the design, safety, use, maintenance, repair and recycling of vehicles and

other mobility solutions. It focuses its technological research on the reduction of the accident rate and the definition of more efficient repair processes, reducing the cost and environmental impact of same, and is MAPFRE's research laboratory in new products and services focusing on Usage-Based Insurance (UBI) and Advanced Driver Assistance Systems (ADAS) in combination with crash test or traffic accident reconstruction, etc. It plays an important role in the development of MAPFRE's value proposition regarding automobile insurance and new mobility business.

🔗 **Disruptive Innovation**, which represents the closest link to the insurtech ecosystem, focuses on three pillars: the insur\_space accelerator, which facilitates direct interaction with selected startups that are relevant for MAPFRE; venture capital stakes that allow for a broader knowledge of disruptive innovation in insurtech, as well as being in a favorable position during its success; and finally agreements with universities and research centers that facilitate access to talent and knowledge.

🔗 **Strategic innovation**, where the value proposition focuses on achieving the short-term business challenges and objectives identified in the strategic plans and driving the business of countries, units and corporate areas with measurable objectives. It has a transversal vision and vocation, keeping different types of clients at the center of the entire life cycle of projects.

Of the relevant actions taken in 2019, the following are highlighted:

- Launch of two calls for insur\_space, with the participation of various startups in its two programs: Acceleration and Adoption.

- MAPFRE's participation as an anchor investor in the venture capital fund "Alma Mundi Insurtech Fund. FCRE." which focused exclusively on the insurtech space and has taken part in seven startups in the industry.

- Consolidation of #innova. MAPFRE's intrapreneurship program, the second edition of which ended with 25 percent of employees invited from LATAM-Caribbean countries taking part in face-to-face ideation workshops.

- Decontamination by CESVIMAP of a total of 2.556 vehicles in the year, with more than 71.000 parts removed which generated a saving in CO<sub>2</sub> emissions due to the second life of these parts totaling 50.260 metric tons.

MAPFRE Open Innovation  
has produced excellent results  
in every respect

For another year, MAPFRE has reinforced its strategic vision and client orientation with an open innovation model that positions the Group before the market to face the challenges and changes of the insurance industry.

**CYBERSECURITY**

[GRI 418-1; L.11/2018]

In the current context, in which companies and individuals are increasingly dependent on information and communications systems, the issue of technological disruption is ever present, which impacts on a large part of the areas that make up our community. MAPFRE views cybersecurity as a key factor and a priority, and has identified that the following are in critical need of protection:

- Information regarding third parties (clients, employees and other stakeholders) that is provided by them so that MAPFRE can satisfy their requirements and so that they can be provided with the services they purchase as and when needed.
- The information owned by MAPFRE that gives it a competitive advantage and/or contributes to brand value.
- The technological systems and the information that support the company's business processes.

In order to achieve the foregoing, MAPFRE has in place a series of strategic lines that are articulated through cybersecurity and which are intended to contribute to the sustainability and resilience of operations:

## Protection against cyber risks

- Evaluation and improvement of prevention, detection and response mechanisms against cyber attacks, including those that may occur in cloud computing environments.
- Continuous development of information systems and communication networks protection mechanisms.
- Evaluation and improvement of disaster recovery mechanisms.

## Proactive Privacy

- Timely conformity with privacy regulations applicable in the different areas where we operate.
- Centralization and concentration of capacities at the Corporate Office for Privacy and Data Protection.

## Culture of cybersecurity and privacy

- Activities to raise the awareness of employees, clients and other stakeholders.
- Educational and training activities for employees and agents.
- Promotion of the attainment of recognized certifications in terms of security, privacy and data protection.

## Cybersecurity and privacy from the start

- Integrating cybersecurity and privacy in the life cycle of new initiatives of the company, guaranteeing protection by design and default, including analyzing the impact on privacy of new procedures and the corresponding implementation of controls and measures.
- Evaluation of cybersecurity and privacy in processes covering the procurement of technology solutions and the contracting of technology services.

The lines of action include the protection of information when gathered, transmitted, stored or processed that makes it possible to exercise diligence when establishing preventive measures and detecting and responding to cyber attacks or business interruption incidents.

They also include mechanisms intended to provide early identification and to monitor and respond to essential external factors that may necessitate modification in the protection needs of various assets:

- Cyber threats, with increasingly lower barriers for hackers and the more common appearance of systemic vulnerabilities and/or "zero-day" and advanced attacks.

## The MAPFRE Group has specific insurance protection for cyber risks, in order to reduce the economic impact of a potential cyber incident

- Regulatory or legislative changes, such as the Brazilian Data Protection Law or new security, privacy or data protection laws in the various countries in which MAPFRE operates, as well as the growing demand and requirements of large clients that MAPFRE services, with respect to protecting information in general and clients' personal data in particular.

- Business initiatives associated with the need for agility and the use of new technological trends involved in the digital transformation of companies.



In addition to the above, the MAPFRE Group has specific insurance protection for cyber risks, in order to reduce the economic impact of a potential cyber incident.

Furthermore, MAPFRE makes use of its cybersecurity capacities to generate added value in business terms through efforts such as process digitalization, harnessing the capabilities of electronic signatures, the fight against fraud or the defining and underwriting of cyber-risk products.

To carry out its strategy in this area, MAPFRE, through the Corporate Security and Environment Division, has advanced capabilities aimed at increasing the "cyber-resilience" of the company. These capacities include:

- Highly specialized and accredited personnel (176 personal certifications in cybersecurity and privacy, with a total of 74 certified employees), in charge of identifying, defining, designing and, where appropriate, implementing and operating both the various security controls and technological tools





designed to protect the company's digital assets; as well as incorporating cybersecurity requirements, controls and functionalities (including privacy) into the company's new initiatives.

- Specific monitoring, detection and protection technologies covering security incidents that have been integrated into the corporate technology platform.
- Tools, methodologies and specialists continually reviewing and evaluating the level of cybersecurity, covering all assets and participants involved (information systems, people, etc.) and identifying deficiencies and absences of control in a timely manner.

➤ A General Control Center (CCG-CERT), integrated into the FIRST network and the CSIRT.es group, which receives alerts of global threats and attacks for 24/7 monitoring both of the information contained in the technology platform operated by MAPFRE as well as the information that it owns that is accessible via third-party systems, acting as a global SOC and thereby enabling the early detection of any cyber incidents and providing a swift response to them. The CCG-CERT is certified in ISO 9001 and ISO 27001 standards.

➤ Incident and crisis situation response plans, which are subject to constant and systematic updating. In this area, three cyber incident management drills with different scopes have been carried out, ranging from global and corporate, involving the main corporate areas, to more technical drills, aimed at verifying the effectiveness of technologies, tools and internal procedures.

Specifically, in relation to protecting the privacy of the data entrusted to it by clients and other stakeholders, MAPFRE has a Corporate Data Protection and Privacy Committee, a Corporate Data Protection Officer and a specific area within the Corporate Security Office responsible for ensuring compliance with existing regulations regarding privacy and personal data protection. In this area, throughout 2019 we have worked on:

- The automation and optimization of the processes associated with compliance with the European Data Protection Regulation.
- Timely compliance with the Brazilian Data Protection Act (LGPD).
- The adaptation to specific cybersecurity regulations in Colombia.

➤ Consolidation of the Corporate Office for Privacy and Data Protection (OCPPD), whose mission is to be the point of reference for all activities relating to privacy and data protection in the MAPFRE Group, providing a single comprehensive view of the subject, encouraging uniformity in all processes and criteria relating to this area and improving its efficiency.

Throughout 2019, three security incidents were reported to the Control Authority in compliance with the provisions of the General Data Protection Regulation (GDPR).

MAPFRE's stance on the subject of cybersecurity is integrated within the corporate security model, based on risk management and the comprehensive protection of tangible and intangible assets, via the establishment of measures linked to the value of these assets and also to all those elements that interact with same (people, information systems, facilities and processes).



**BRAND AND REPUTATION**

In today's society, in an environment of excessive supply where standing out from the crowd is not only essential but increasingly difficult, intangibles are becoming more important and are a competitive advantage for companies. The brand must therefore be a true reflection of the company it represents. At MAPFRE, brand positioning is defined based on the business strategy, its vision and its corporate values.

According to MAPFRE's vision, trust is the most important aspect, but it must also have substance. Credible content that brings value to the company, with a general approach, but which can be adapted to the local characteristics of each market. Therefore, content is being designed by listening to the client, through advertising, communication and sponsorship.

An example of this is the various activities carried out around corporate sponsorships such as Rafael Nadal or the F-1 Renault team. Through all the actions carried out, the aim is to increase visibility, i.e. the knowledge of the brand in each market, and its recognition and appreciation.

MAPFRE is the ninth most valuable brand in Spain and the leader in the insurance industry in 2019, according to the international consultancy firm Brand Finance. It was selected as the most successful and most reputable insurance brand in Spain by the Advice Strategic Consultant economic consultancy firm. In addition, according to BranZ España, MAPFRE was the most valuable Spanish insurance brand in its 2019 ranking, and ranked 18 in the overall ranking with a value of 737 million euros.

Since the brand image is how a company manifests itself, and reputation is how it is perceived, MAPFRE is aware of the importance of maintaining a good reputation among its stakeholders, since it is a key intangible element in the development and existence of companies.

In 2019, the new corporate reputation measurement model, created specifically for MAPFRE, was consolidated. This model, which was implemented in several countries, includes the strategic indicator of reputational relevance, which reflects MAPFRE's reputation among its clients, employees and the general public, major stakeholders for the company. The results in 2019 place MAPFRE with a good reputation, which is synonymous with trust



and respect. In addition, it also allows society's perception of the main brand attributes of MAPFRE to be measured.

In 2019, MAPFRE in Spain was included in the ten companies with the best reputation, and was ranked first in the insurance industry, on the Business Corporate Reputation Monitor (MERCOS). In Argentina, Ecuador, Mexico, Panama, Peru, Portugal and Uruguay the company is ranked among the 100 best companies. MAPFRE in Spain held tenth position in the Merco Talent ranking, and once again led the insurance sector, while in Peru and Argentina it remained one of the 100 best-rated companies.

MAPFRE was recognized as Best Workplace in 2019 in Costa Rica, Ecuador, El Salvador, Spain, Guatemala, Honduras, Mexico, Panama, Peru, the Dominican Republic and Turkey and, in general, in Latin and Central America and the Caribbean.

## The MERCOS 2019 ranking places MAPFRE among the top 10 companies in terms of reputation

Lastly, it should be noted that MAPFRE belongs to Corporate Excellence, a platform composed of a relevant group of multinationals working to promote and measure corporate branding and reputation management as strategic values for companies. This enables us to share best practices and to discover the latest trends in this field.

# 6.5. Natural dimension

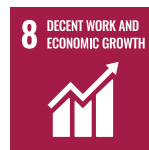
WE ARE  
**the environment**

**What are we working on to create value?**

- Environmental strategy model
- Climate change action strategy

We do business in such a way that respects the environment. We take care of the environment and minimize our environmental footprint. We have an action strategy against climate change in place and we promote environmental culture.

## Link to MAPFRE's priority SDGs:



As a company, we are aware that environmental topics, such as climate change, have an impact on people, their environment and their quality of life and that everyone has the right to enjoy an adequate and healthy environment. Therefore, MAPFRE is firmly committed to climate action, strategically addressing the reduction of its carbon footprint, efficient management of its resources, protection of biodiversity, social and environmental awareness, as well as the integration of environmental, social and governance aspects in its business.

The Group's Sustainability Plan 2019-2021 incorporates the three dimensions of Sustainability (environmental, social and governance). In terms of the environmental dimension, the plan focuses on climate change, the circular economy and the integration of environmental, social and governance aspects, as a risk and as an opportunity in the business, and the United Nations 2030 Agenda. (See section 5. Risks and opportunities, and 6.6. Social dimension).

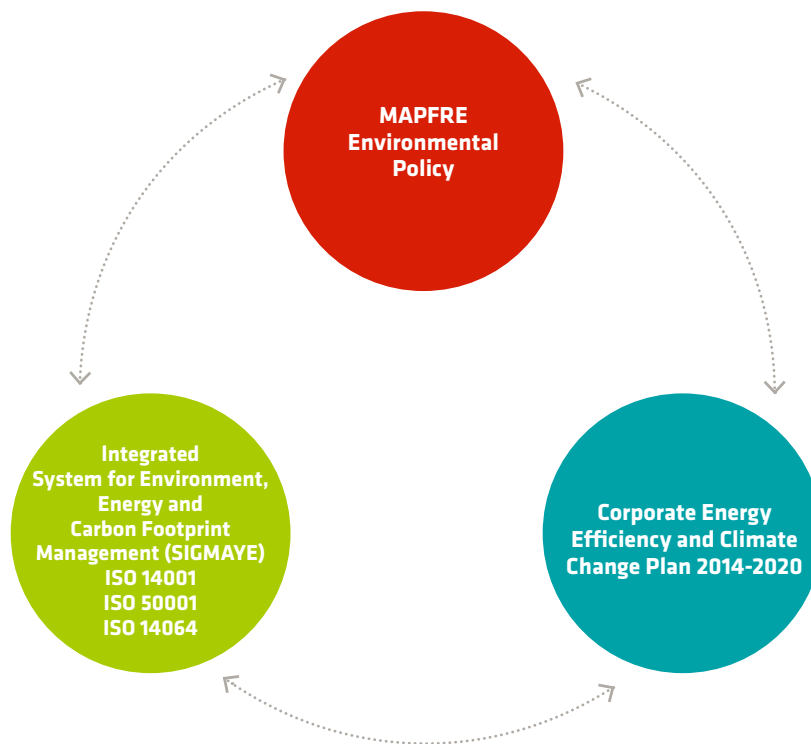
**ENVIRONMENTAL STRATEGY MODEL**

[GRI 102-11. FS1. FS3. FS4. FS9. L.11/2018]

MAPFRE has an Environmental Policy in place that was approved by the Board of Directors of MAPFRE S.A. on December 13, 2018, which is implemented in all Group companies. It also has an integrated management model called **SIGMAYE**, in which risks are identified and specific action plans are defined to prevent and minimize the impact of the company on the environment, thereby complying with the principle of precaution.

**SIGMAYE** is an integrated management system that incorporates environmental, energy and carbon footprint management. In 2019 it was considered necessary to incorporate the circular economy and

**STRUCTURE OF THE CORPORATE ENVIRONMENTAL MANAGEMENT MODEL:**



**SIGMAYE is an integrated management system that incorporates environmental, energy and carbon footprint management**

natural capital into this current system, which will result in the new **SIGMAYEc<sup>3</sup>** operational from 2020.

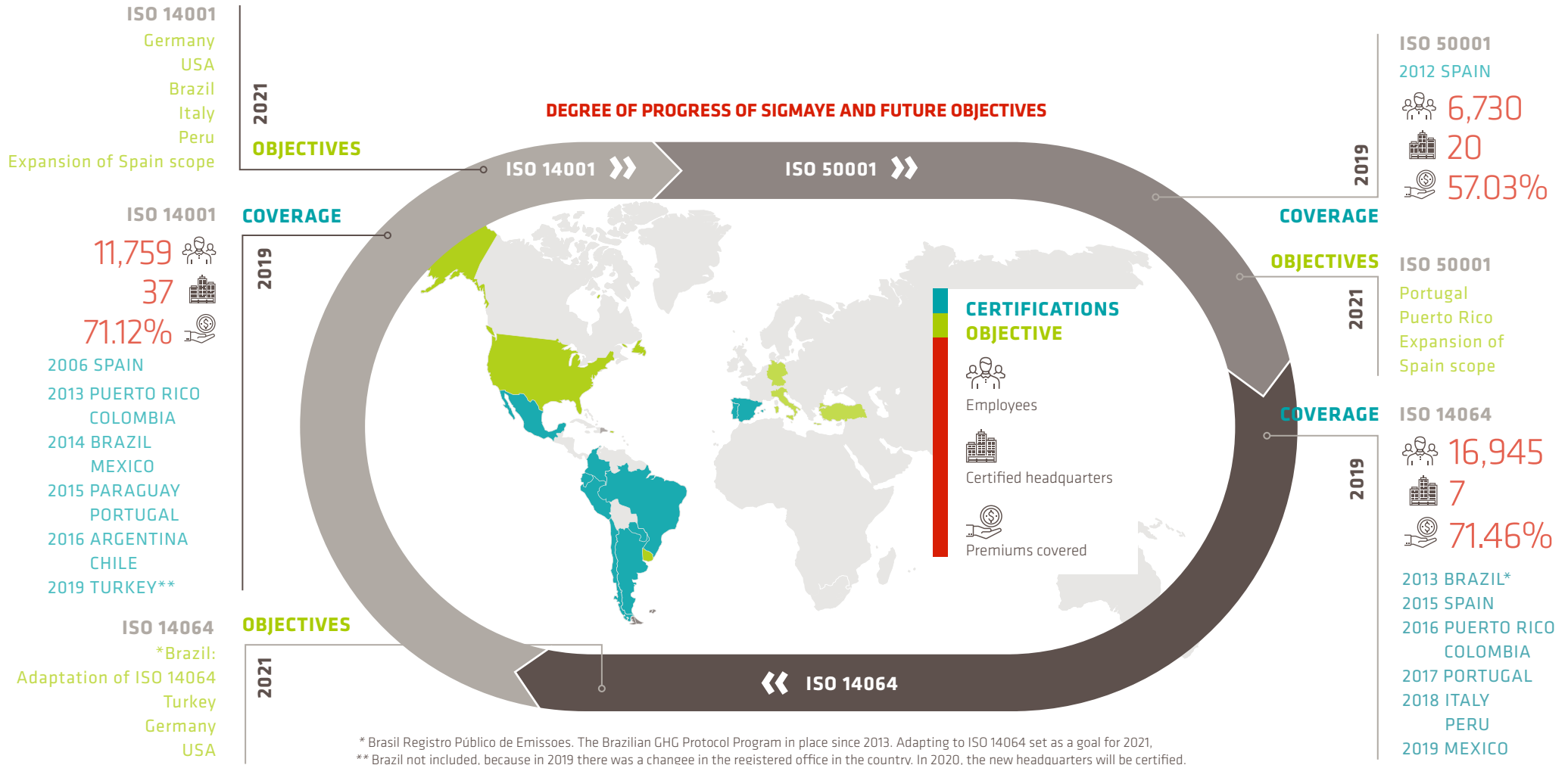
This comprehensive system includes the reference standards ISO 14001, ISO 50001, ISO 14064 and, throughout 2020, the AENOR Zero Waste regulation will be included, increasing the effectiveness and efficiency of the strategic model in the detection and minimization of risks and in the identification of opportunities for continuous improvement.

In addition, the system can define plans and programs for each of the Group's companies in the short- medium- and long-term, taking as a baseline the control of legal requirements, the optimization of resources (water, energy, raw materials), the minimization of the environmental footprint, zero waste, the identification of environmental risks and opportunities for the organization, sustainable mobility, the promotion of low carbon products and services, as well as the generation of value in the supply chain.

The soundness of the management system, and its evolution in recent years, is a guarantee for success. This is because its transversal design allows for the environmental management of corporate processes in a coordinated and transparent manner, ensuring evolution in the process of continuous improvement and reaching all activities carried out by the Group in the countries where it operates.

MAPFRE's strategy is based on transparency and trust toward different stakeholders, so all actions in this area are verified annually by accredited third parties according to the main baseline standards.

The degree of progress in implementation of the system, as well as future development objectives, is shown below.



The integrated system is the common framework for managing all aspects associated with environmental sustainability, including energy and greenhouse gas emissions.

In line with this system, the new corporate Environmental Footprint Plan 2020-2030, which will lead on from the current corporate Energy Efficiency

and Climate Change Plan 2014-2020, was established in 2019.

The new plan will cover strategic lines related to aspects such as water, energy, greenhouse gas emissions, the circular economy, green purchasing, construction and sustainable mobility, and will take on the main actions and commitments of the MAPFRE Group.

This Plan will establish new reduction objectives aimed at minimizing environmental, energy and carbon footprint impacts, as well as contributing to the Sustainable Development Goals.

In addition, the corporate Environmental Footprint Plan 2020-2030 will be aligned with the Sustainability Plan of the MAPFRE Group 2019-2021 in environmental matters.

**ENVIRONMENTAL PERFORMANCE OF THE MAPFRE GROUP**

The following are the most relevant milestones achieved in 2019 arising from environmental plans, aimed at minimizing environmental impacts, energy impacts and the carbon footprint.

**Energy Efficiency and Climate Change Strategic Plan**

**Energy:**

- 1,258,148 kWh of savings thanks to the CoolBiz campaign in Spain.
- 926,339 kWh of savings in electricity consumption at the corporate headquarters (Majadahonda and Aravaca) through the implementation of energy efficiency measures in 2019.
- 20 countries became members of Earth Hour.

**Emissions:**

- Annual General Meeting 2019: carbon neutral event for the offsetting of 107 TmCO<sub>2</sub>eq through a certified emission reduction project in Chile.

**Sustainable mobility:**

- 46 hybrid and electric cranes are part of the provider network.

**Sustainable construction:**

- 12 international offices with sustainable construction certification.

**Responsible consumption and green purchasing:**

- Reduction of paper consumption by biometric electronic signature, avoiding the emission of 142,27 TmCO<sub>2</sub>eq in Spain and Portugal.
- 67.58 percent green-certified paper consumption.

**Environmental Expansion Plan:**

**Water:**

- 68 percent savings in water consumption in car repair shops in Spain due to the implementation of best practices.
- Saving of 7,238 m<sup>3</sup> in the consumption of the Headquarters Building in Mexico through the installation of water recovery equipment (57 percent of consumption of the installation).

**Training and awareness-raising:**

- Participation of 2,300 volunteers from 25 countries in the Global Environmental Volunteering Day. Planting of 1,800 trees and collection of 14 tons of garbage. On the occasion of World Environment Day, MAPFRE BRAZIL offset the carbon footprint of 50 employees (530 TmCO<sub>2</sub>eq). The carbon credits have been invested in the Ecomapuá project, which, in addition to conserving the biodiversity of the Amazon, collaborates with local communities to contribute to the sustainable development of the region.
- For the fifth consecutive year, collaboration with the NGO WWF Spain, with participating employees choosing the species and habitat to protect, namely the tiger. In addition, MAPFRE collaborates at the local level with other organizations in the preservation of biodiversity: Funzel (El Salvador), Bird Life and Nature Trust (Malta), and Para la Naturaleza (Puerto Rico).
- For the third year, contribution in the “100 Companies for Forests” initiative for the reforestation of three hectares in the Doñana National Park.
- Environmental training for 2,495 employees in 2019.



**7,238**

CUBIC METERS OF WATER SAVED IN MEXICO HEADQUARTERS

**926,339**

KWH OF ELECTRICITY CONSUMPTION SAVINGS IN CORPORATE HEADQUARTERS IN MADRID

📍 Resource Management and Optimization Plan:

**Circular Economy:**

- Campaign MAPFRE Sin Plástico pledge, which meant that generation of 25,8 tons of plastic waste was avoided, along with the emission of 104 TmCO<sub>2</sub>eq into the atmosphere.
- Installation of collection points for used clothing and glasses at Corporate Headquarters (Majadahonda, Madrid).
- Handling of 2,556 out-of-use vehicles, from which a total of 73,544 parts and components were recovered for reuse in Spain.
- Donation of 1,447 pieces of office equipment and internal reuse of 225 units in Spain.

The milestones included in the Energy Efficiency and Climate Change Strategic Plan 2014-2020 have allowed us to reach and largely exceed the expected objective of 20 percent, defined for 2020, achieving a reduction of 56 percent in the footprint up to 2019.

[For more information about the environmental performance indicators, see Note 6 in the Annex to this document.](#)

Reduction of  
**56%**  
in the footprint

**CLIMATE CHANGE ACTION STRATEGY**

[GRI 201-2, 305-5, FS2, FS5, L.11/2018]

Climate change is one of the great challenges of our time, and the term “climate emergency” has recently been coined to reflect both its magnitude and the need to act urgently on adaptation and mitigation. The scientific consensus puts us at a decisive moment if we want to avoid irreversible changes in important ecosystems and the planet’s climate system.

With the objective of being an active player in this necessary and urgent transformation, MAPFRE defines its strategy to combat climate change through the following levers:

📍 **Decreasing the group’s environmental footprint** through the rigorous measurement of its environmental footprint and the establishment of ambitious objectives for emission reductions and carbon neutrality.

📍 **Integration of the climate change variable within the business**, by incorporating the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in financial planning, as well as including environmental, social and governance (ESG) aspects in both investment and underwriting and defining low carbon products.

📍 **Promotion of the circular economy**, minimizing the generation of waste from activity and positioning the company as an agent of change in the transition to this type of economy, by promoting products and services and supporting companies specialized in the sector.

📍 **Preservation of biodiversity**, raising awareness and supporting initiatives to protect ecosystems that are more sensitive to the effects of climate change.

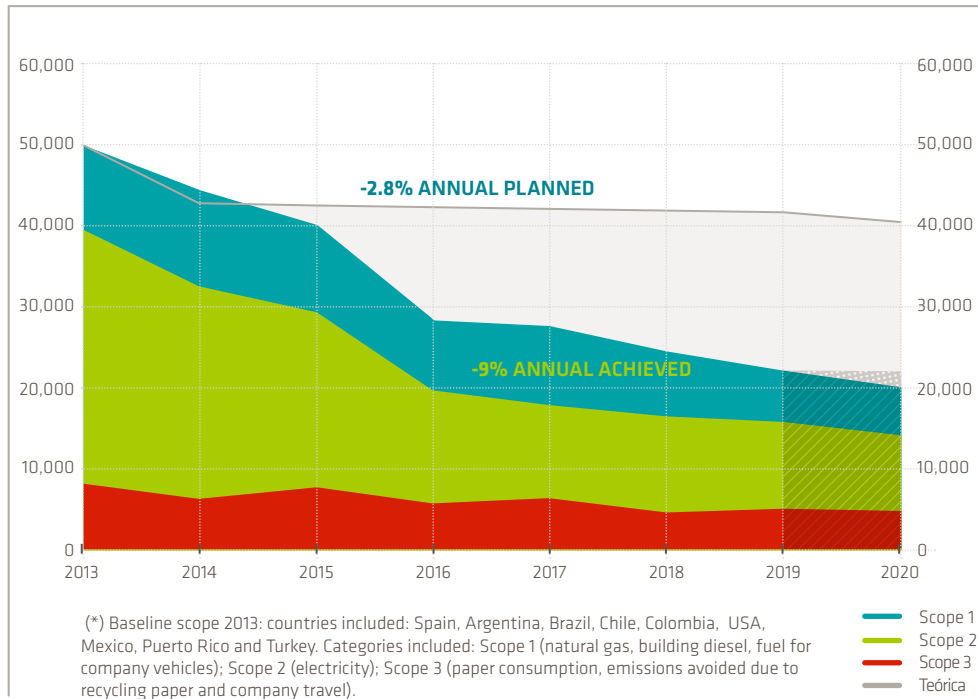
**Decreasing the Group’s environmental footprint**  
Contributing to decreasing greenhouse gas (GHG) emissions generated by the organization in its business is a key element of its actions concerning environmental responsibility.

In 2014, MAPFRE launched its Energy Efficiency and Climate Change Strategic Plan, with a time frame to 2020, calling for a 20% reduction in tons of CO<sub>2</sub>e compared to the Group’s 2013 carbon footprint (9,924 MtCO<sub>2</sub>eq; 14.710.519 kWh; ranges 1 + 2 + 3). This plan meant an annual reduction rate of the carbon footprint of **2.8 percent**.

The lines of action taken during these six years have meant that the Group’s tons of CO<sub>2</sub>eq (27,803 TmCO<sub>2</sub>eq) have been reduced by **56 percent** since 2013. The annual global carbon footprint reduction rate has been **9 percent**, almost three times higher than planned, and 2 points higher than the new requirements identified by the Intergovernmental Panel on Climate Change (IPCC).



**EVOLUTION OF MAPFRE GROUP CARBON FOOTPRINT ASSOCIATED WITH THE ENERGY EFFICIENCY AND CLIMATE CHANGE STRATEGIC PLAN 2014-2020\***



In 2019, MAPFRE set new and ambitious targets for minimizing its global environmental footprint:

🕒 In the medium- and long-term, MAPFRE is committed to being a **carbon-neutral company by 2030**.<sup>5</sup>

🕒 In the short-term, MAPFRE will accelerate the decarbonization of the Group's activities by **neutralizing the Group's Iberia territorial area up to 2021**.<sup>6</sup>

Both objectives are part of the company's Sustainability Plan 2019-2021 (referenced on page 49) and are being implemented through the current Energy Efficiency and Climate Change Plan.

**Integration of the climate change variable within the business**

The adaptation of the company's financial planning to climate change, both from a risk and an opportunity

approach, will be implemented according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) set up by the Financial Stability Board (FSB). For this reason, MAPFRE, along with other global insurers and reinsurers, is part of the UNEP-FI Working Group. The main objective of this group is to analyze scenarios that allow metrics and financial models to be developed to adequately estimate the possible implications of climate change on business.

For more information on how the company has begun implementing the TCFD's recommendations, see paragraph 5. Risks and opportunities.

MAPFRE is part of the Carbon Footprinting Working Group, promoted by the CRO Forum. The objective of the Working Group is to define a methodology for calculating the carbon footprint of the risks underwritten by insurance and reinsurance companies that can serve as a standard for the industry.

MAPFRE demonstrates its commitment through the creation and promotion of products and services with environmental content. For more information, see Note 7 of this Report.

Since March 2019, the company has not invested in electricity companies with more than 30 percent of their revenues coming from coal, and has ceased to insure the construction of new coal thermal plants or mines for extracting this mineral. (See paragraph 5. Risks and opportunities.)

5. Emissions correspond to the activity carried out by the MAPFRE Group in 26 countries using 2017 emissions as a baseline: 62,920,59 TmCO2eq.

6. Emissions corresponding to the activity carried out in Spain and Portugal (MAPFRE IBERIA). Using 2017 emissions as a baseline: 38,574 TmCO2eq (61 percent of the Group's emissions).

**Promotion of the circular economy**

The transition to a circular economy is one of the main global challenges to streamlining the use and consumption of natural resources, which will contribute to reducing the environmental impact of economic activity.

MAPFRE has included a specific line of work in the Sustainability Plan 2019-2021 and has created an internal working group on the circular economy, to address this issue both from an internal and a business perspective.

From the perspective of internal management, MAPFRE focuses its priorities on the use of sustainable materials, the promotion of responsible consumption and the proper management of waste. Of particular note in this regard is the recovery of waste generated for its transformation into raw material, which can be returned to production cycles, thereby avoiding the consumption of natural resources, and the recovery of out-of-use vehicles that is carried out in CESVI RECAMBIOS.

For 2021, MAPFRE has set itself the objective of certifying the company's registered office under the AENOR Zero Waste standard, which includes actions to combat food waste, despite this not being a significant issue for MAPFRE. For this reason, the need to integrate this regulation into the company's integrated management system (new SIGMAYEc<sup>3</sup>) has been identified.



**Biodiversity preservation**

[GRI 304-1. FS4. L.11/2018]

Although MAPFRE work centers are not located in protected or cataloged spaces of high diversity, the development of the business depends directly on natural capital, which includes both biodiversity and the services provided by ecosystems, as well as natural resources (water, energy, fuels, etc.). Therefore, there is also an indirect dependence on natural capital, through the activities insured and those in which the group invests.

MAPFRE believes that biological diversity is of common interest to humanity, given its importance for life on the planet, social well-being and economic development, and even more so in a context of climatic emergency in which the planet's ecosystems and climate system face irreversible changes with the consequent extinction of species.

Since 2014, the Group's Environmental Policy includes among its commitments the preservation of biodiversity, and in 2015 MAPFRE joined the Pact for Biodiversity of the Spanish Business and Biodiversity Initiative, under the slogan "Without biological diversity there is no economic diversity".

The Group's commitment to the conservation and sustainable use of natural capital, specifically with biological diversity, translates into the development of actions that are integrated into actions developed to manage climate change and that are contained in the Energy Efficiency and Climate Change Plan 2014-2020.

# 6.6. Relational and social dimension

## WE ARE **Commitment**

We are sustainable and we undertake the challenges presented by the United Nations 2030 Agenda with the involvement of our stakeholders.

### What are we working on to create value?

**Management of the relationship with stakeholders:**

- Stakeholders
- Stakeholder relationship channels

**Human Rights and United Nations 2030 Agenda**

**MANAGEMENT OF THE RELATIONSHIP WITH STAKEHOLDERS**

[GRI 102-40. 102-42. 102-43. 102-44. 103-1. 103-2; L.11/2018]

**Stakeholders**

MAPFRE’s strategy with the various stakeholders has already been covered in the very definition of its mission and vision, the objective being to create long-term trust relationships based on commitment and dialog and developed from integrity, responsibility and transparency, thereby contributing to the creation of a sustainable value model pursued by the Group.

**STAKEHOLDER MAP**

**Employees**

- ➔ C-Suite
- ➔ Senior Management
- ➔ Middle Managers
- ➔ Advisors
- ➔ Associates and Support Staff
- ➔ Employee Legal Representatives

**Society**

- ➔ Third Sector- Social: NGO, foundations, non-profit organizations, etc.
- ➔ Third Sector - Institutional: Industry and Trade Associations, Chambers of Commerce etc.
- ➔ Society
- ➔ Communities

**Clients and insureds**

- ➔ Private client
- ➔ Corporate client

**Shareholders, investors and partners**

- ➔ Shareholders and Investors: Retail Institutional
- ➔ Analysts: financial, ratings agencies
- ➔ Partners: Joint venture, Holding, etc.

**Distributors, intermediaries and collaborators**

- ➔ Agents
- ➔ Delegates
- ➔ Brokers
- ➔ Other commercial collaborators

**Regulatory bodies**

- ➔ National and international Finance and Insurance regulators and supervisors
- ➔ Other national and international regulators and supervisors

**Providers**

- ➔ Support Providers
- ➔ Business Providers

**Media**

- ➔ Journalists
- ➔ Influencers

➔ Stakeholders included in the mission  
 ➔ Other stakeholders identified

**RELATIONSHIP CHANNELS**

[GRI 102-43. 102-44. 407-1; L.11/2018]

Management of relationships with stakeholders involves multiple factors, including having adequate relationship channels available. A summary of some of the relevant communication channels that MAPFRE has established with stakeholders included in the companies mission are as follows:

**Employees**

- ➔ Specific mailboxes
- ➔ Specific contact numbers
- ➔ Corporate and country-specific website
- ➔ Corporate Intranet
- ➔ People App
- ➔ Performance evaluation 360°
- ➔ Representative and participation bodies
- ➔ Regular meetings
- ➔ Lectures
- ➔ Survey regarding materiality
- ➔ Other surveys and polls
- ➔ Mailboxes and specific channel for complaints
- ➔ Generic and specific magazines and newsletters for stakeholders
- ➔ Social networks

**Clients and insureds**

- ➔ Specific mailboxes
- ➔ Specific contact numbers
- ➔ Client-specific web pages
- ➔ Network of offices, agents and intermediaries
- ➔ Online office
- ➔ Client-specific apps
- ➔ Survey regarding materiality
- ➔ Other surveys and polls
- ➔ Channels and mailboxes for grievances and complaints
- ➔ Generic and specific magazines and newsletters for stakeholders
- ➔ Social Networks

**Providers**

- ➔ Specific mailboxes
- ➔ Specific contact numbers
- ➔ Supervisor for specific providers and work groups
- ➔ Specific online tools and portals
- ➔ Specific app stakeholders
- ➔ Survey regarding materiality
- ➔ Other surveys and polls
- ➔ Social Networks

**Shareholders, investors and partners**

- ➔ Specific mailboxes
- ➔ Specific contact numbers
- ➔ Corporate website
- ➔ Specific online spaces for stakeholders
- ➔ Specific app
- ➔ Regular meetings
- ➔ Lectures
- ➔ Social Networks

**Distributors, intermediaries and collaborators**

- ➔ Specific mailboxes
- ➔ Specific contact numbers
- ➔ Specific online tools and portals
- ➔ Meetings and video conferences
- ➔ Survey regarding materiality
- ➔ Generic and specific magazines and newsletters for stakeholders
- ➔ Social Networks

**Society**

- ➔ Public and generic mailboxes and contact numbers
- ➔ Office Network
- ➔ Website
- ➔ Generic apps
- ➔ Survey regarding materiality
- ➔ Other polls and surveys
- ➔ Social Networks

**Investor and shareholders relation channels:**

Among the initiatives developed in 2019 to improve relationships with shareholders and investors, the following are noteworthy:

- The Investor Day in March, attended by some 60 investors, analysts and finance experts.
- Within the framework of “MAPFRE Shareholders, A Unique Value” plan, meetings were held during the year in Madrid and Barcelona to explain to shareholders the business’ performance and to answer their questions and listen to their comments.
- In collaboration with Club MAPFRE, the MAPFRE Te Cuidamos Accionista customer loyalty plan continues apace, which allows shareholders owning at least 1.000 shares to benefit from the advantages of this program.
- Quarterly publication of the infographic and interactive newsletter on the website with up-to-date information on MAPFRE, results and main corporate news.
- The “Shareholders and Investors” section of the website has been restructured to improve access to financial information, with the creation of a financial documentation center, as well as a repository of historical documentation.

**SUMMARY OF THE COMMUNICATION ACTIVITY WITH SHAREHOLDERS AND INVESTORS IN 2019:**

Relationship channels	No. of Interactions
The shareholder telephone service (toll-free Number 900 10 35 33)	1,009 queries
Mailbox enabled on corporate website. as well as email addresses <a href="mailto:relacionesconinversores@mapfre.com">relacionesconinversores@mapfre.com</a> and <a href="mailto:oficinadelaccionista@mapfre.com">oficinadelaccionista@mapfre.com</a>	724 contacts
The electronic shareholders’ forum	310 visits
	223 unique visits

**SUMMARY OF THE COMMUNICATION ACTIVITIES CONDUCTED WITH CAPITAL MARKETS IN 2019:**

Relationship channels	No. of activities conducted	No. of Interactions
Investor Day	1	60
Conferences and face-to-face meetings with investors	42	191
Telephone meetings with investors	31	42
Face-to-face meetings with analysts	7	14
Telephone meetings with analysts	100	118
Meetings with shareholders	4	121
<b>TOTAL</b>	<b>185</b>	<b>546</b>

**Relationship channels with insured parties and clients**

Identifying and understanding client needs is one of the MAPFRE strategic pillars. This is why communication channels are made available to stakeholders, including:

- The network of offices for face-to-face and personal services for our clients and policyholders:
- 5,110 own-use offices (direct and delegate)
- 7,914 bancassurance offices
- More than 79,000 delegates, agents and brokers
- 56 contact centers worldwide.
- The MAPFRE Portal and the MAPFRE Internet Office, both the web version and the cellphone App are digital tools through which they can consult and manage personal data and contracts, submit and manage claims, request and provide documentation, request contact, etc.
- The grievances and complaints channel which can be accessed via web/email. postal address and by using forms available at the offices.
- In Spain, clients can consult and download information from the website information on insurance, which gives them peace of mind at the time they are researching and buying.

**Relationship channels for employees and their representatives:**

[GRI 102-41 .402-1. 403-1. 407-1; L.11/2018]

**Employee relationship channels:** MAPFRE maintains a permanent and direct dialog with employees. reporting information on all relevant developments, listening to their opinions and requesting their active participation through different channels such as:

- The Corporate Intranet, where, in addition to all the news related to the Group and the business, there are contact mailboxes, blogs. forums, opinion spaces and the virtual assistant @Ane, which responds to employee queries and helps them use the different resources and features that the Intranet offers.
- The twice-yearly eNPS® survey (Employee Net Promoter Score), and the Employee Satisfaction

Index (ESI), which provide insight into the extent to which employees recommend the company, as well as their level of satisfaction and commitment to the company.

- The materiality survey, which seeks to understand the sustainability-related issues that they consider important.
- The HR perceived quality survey that assesses the service that the Human Resources areas provide to employees.

**Employee representative relationship channels:**

53.7 percent of the workforce are represented by legal representatives. Please note that in countries such as Venezuela, Uruguay, Greece, Spain and Italy, 100 percent of the MAPFRE workforce are represented in this way.

Since collective bargaining is not structured in the same way in every country. MAPFRE does not have a collective agreement applicable across several countries as it does not meet the legal or social conditions or the conditions regarding the type of business or sector that would enable the implementation of this. For this reason, in MAPFRE there are 20,005 employees covered by collective agreements in 11 countries (Argentina, Belgium, Brazil, Spain, Greece, Italy, Malta, Peru, Portugal, Uruguay and Venezuela).

However, the coverage by collective agreement that MAPFRE has in the countries indicated below is notable — a high percentage of the workforce are covered by a collective agreement.

Country	% Employees covered by a collective agreement
Belgium	52.38
Argentina	76.03
Brazil	51.65
Spain	100
Greece	100
Italy	100
Portugal	87.77
Uruguay	100
Venezuela	100
Malta	34.59

The relationship between the company and the employees' legal representatives is fostered through the following channels:

- Company participation bodies with the employees' legal representatives and formal committees.
- Periodic meetings agreed by both parties.
- Direct contact via phone or email.

Similarly, employees' legal representatives communicate with employees through specific email accounts or Intranet spaces, visits to work centers and meeting or assembly spaces that the company makes available for communication and dialog with employees.

In 2019, the main collective bargaining agreements reached with the employees' legal representatives were

(i) in Spain, the 2018-2021 Equality Plan, logging in and out, the Cajamurcia conditions agreement, the Caja Granada conditions agreement, the SAU Operations integration agreement and the Life Operations integration agreement.

MAPFRE has drafted a policy proposal on digital disconnection which is currently in a consultation phase with the workers' legal representatives in Spain.

**Distributor relationship channels:**

In order to develop the best relationship with distributors, various specific channels are available, including:

- Online tools that streamline and facilitate processes and sales activities.
- Broker portals with resources and features that promote sales activity.
- Meetings and video conferences.

**Provider relationship channels:**

In order to strengthen relationships and communication with providers, several specific channels are available, including:

- Web platforms and specific portals, such as the Corporate Procurement platform and the provider relationship management platform, Sygris.
- Provider and work group supervisors that manage the relationship with them.
- Specific newsletters.

**INSTITUTIONAL SUPERVISORS AND REGULATORY BODIES**

[GRI 102-12, 102-13; L.11/2018]

**Relationships with governments and authorities**

MAPFRE conducts its business activities in full compliance with current legislation and respects the regulatory bodies and all authorities in the countries in which it operates, adopting a neutral political stance.

In addition to strictly complying with all laws and contracts and obligations arising therefrom, MAPFRE adheres to the principles of ethical, transparent and socially committed action, in recognition of the function and responsibility of private companies in the proper development and progress of the communities in which they operate.

In 2019, MAPFRE formalized its registration in the European Union Transparency Register with the objective of promoting transparency and openness in interaction with European Community institutions, enabling it to participate in the decision-making and public-policy-making process and ultimately contribute to boosting trust in public institutions.

**Collaboration with industry and business organizations**

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.

This collaboration with institutions allows for an orderly and inclusive dialog with certain stakeholders on topics that are material for all parties involved in the company's business. This generates more value by building relationships with stakeholders in general, and with the regulatory authorities and bodies in particular.

To this end, MAPFRE promotes strict observance of the Group's Institutional Principle, values and Code of Ethics and Conduct, as well as the company's anti-corruption framework. In particular, the concept of integrity –understood as meaning the need to act in an ethical and socially responsible manner that generates long-term trust– is established as a core value in MAPFRE's institutional relationships.

There follows a list of the main business and industry associations, foundations, chambers of commerce, and other non-profit organizations through which the MAPFRE Group carries out its institutional activities:

Association	Country
The Spanish Chamber of Commerce	SPAIN
Spanish Confederation of Employers' Organizations (CEOE)	
Spanish Association of Insurers and Reinsurers (UNESPA)	
Foundation for Applied Economics Studies (FEDEA)	
Cooperative Research among Insurance Institutions and Pension Funds (ICEA)	
Spanish Association of Collective Investment Schemes and Pension Funds (INVERCO)	
Institute for the Development and Integration of Health (IDIS)	
Association of Self-employed Workers (ATA)	
Spanish Confederation of Young Entrepreneurs Associations (CEAJE)	
Business Council Alliance for Ibero-America (CEAPI)	
Ibero-American Business Foundation (FIE)	BRAZIL
Brazil-Spain Chamber Of Commerce	
US Chamber of Commerce in Spain	
Spain-ASEAN Business Association (ASEMPEA)	
Hispanic-Turkish Chamber of Commerce	
Federação Nacional de Capitalização (FENACAP)	MEXICO
Federação Nacional de Previdência Privado e Vida (FENAPREVI)	
Federação Nacional das Ressure Companies (FENABER)	
Federação Nacional de Seguros Gerais (FENSEG)	UNITED STATES
Mexican Insurance Institution Association (AMIS)	
Massachusetts Insurance Federation Inc.	PUERTO RICO
Ohio Insurance Institute	
Insurance Association Of Connecticut	
American Property Casualty Insurance Association	TURKEY
Puerto Rico Association of Insurance Companies	
Puerto Rico Chamber of Commerce	ITALY
Insurance Association of Turkey - TSB	
Istanbul Ticaret Odasi (Istanbul Chamber Of Commerce)	GERMANY
Associazione Nazionale fra Le Imprese Assicuratrici	
Gesamtverband Der Deutschen Versicherungswirtschaft (German Insurance Association)	GERMANY
Industrie - und Handelskammertag (Chamber of Commerce and Industry)	



Additionally, MAPFRE is a partner of the following industry organizations at 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 Insurance CFO Forum

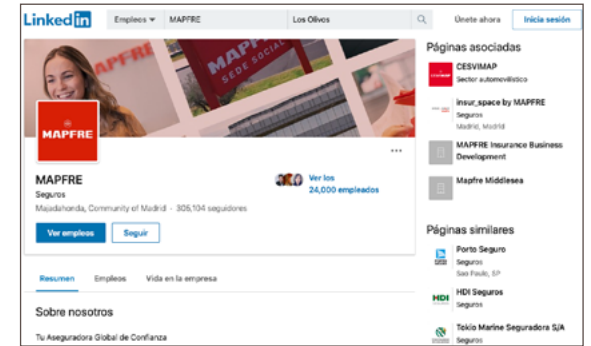
Spending on contributions to the aforementioned industry and institutional entities was approximately 2,93 million euros in 2019.



**2,550,532**  
SOCIAL MEDIA USERS

**Relationship channels relevant to all stakeholders: presence on social networks.**

MAPFRE has a social network community of 2,550,532 users, 8 percent more than the previous year. In 2019, over 15,000 items were published on different social networks, and users interacted 27 million times with MAPFRE profiles. On Facebook alone, 1,1 billion users were reached, and content was viewed more than 1,37 billion times, generating an engagement rate of 1,16 percent.



	f	t	ig	yt	in	TOTAL
Followers	2,020,530	137,394	67,069	29,338	296,201	<b>2,550,532</b>
Posts	5,580	6,745	2,017	1,171		<b>15,513</b>
Interactions	15,900,728	151,342	128,211	11,019,272		<b>27,199,553</b>

\* Interactions in each network have been used.

**Success stories:**

• **Corporate bot:** Has registered 5,590 interactions. Information for journalists is the most requested item, and specifically, press releases. The most consulted item within shareholder information was the share price.

• **Rafa Nadal automated responses:** This bot provides automatic responses with information on the matches that Rafa Nadal is playing, 16,000 mentions of 249 unique authors have been collected.

• **An economic KPI** has been developed to measure brand presence on social networks economically, which represents the investment that you would need to get the impressions that you have obtained. The economic value of MAPFRE's presence on Facebook is 3,3 million euros.

**15,000**  
SOCIAL MEDIA CONTENT ITEMS

**1.37**  
BILLION VISUALIZATIONS

**HUMAN RIGHTS AND THE UNITED NATIONS 2030 AGENDA**

[GRI 406-1, 407-1, 408-1, 409-1, 410-1, 411-1, 412-1, 412-2, 412-3, 413-1, 413-2, 414-1, 414-2, 415-1; L.11/2018]

Respect for Human Rights is present in each of the Sustainable Development Goals of 2030 Agenda. An agenda that is based on prosperity, the planet and people as essential axes for sustainable development.

**MAPFRE's commitment to Human Rights:**

The protection of Human Rights is linked to the internal regulations of the Group, adopted at the highest level of the organization, and is expressly contained in MAPFRE'S Institutional, Business and Organizational Principles, the Code of Ethics and Conduct and the Corporate Social Responsibility Policy. It is also strengthened through adherence to international reference initiatives to which MAPFRE belongs or expressly assumes as the UN Global Compact, Principles for Sustainability Insurance (PSI) and also in the United Nations Principles of Responsible Investment (PRI).

This implies that within its sphere of influence, it must act resolutely to defend the Human Rights contained in the "International Bill of Human Rights" and ensure that none of the companies in the group is responsible, either by action or omission, for any form of violation of these rights.

Similarly, in regard to the principles related more specifically with the protection of workers' rights. MAPFRE's adherence to the Global Compact directly commits us to the respect, defense and protection of Human Rights in the conventions of the International Labor Organization (ILO) and the Declaration on Fundamental Principles and Rights at Work. To this

end, MAPFRE, and the people in it who are tasked with ensuring that these obligations are strictly fulfilled. therefore undertakes to:

- Avoid practices that are discriminatory or harm people's dignity.
- Reject child labor and forced or compulsory labor.
- Respect its employees' freedom of union, association and collective bargaining and the role and responsibilities that apply to workers' representation in accordance with the current legislation in each country.
- Offer decent employment.
- Implement supervisory procedures that allow the detection, with due diligence, of any possible situations of risk of Human Rights violations, and the introduction of mechanisms to prevent and mitigate these risks.

MAPFRE does everything within its power to involve the stakeholders it relates to, especially employees and collaborators, clients, providers and business partners in this commitment.

**Measures taken to ensure respect for Human Rights**

MAPFRE has, among others, the following due diligence mechanisms in place that facilitate monitoring and evaluation of Human Rights matters within the company and in its relationship with third parties:

- Internal systems and procedures established to detect cases of corruption, prevent fraud and prevent money laundering, (See p. 47-49.)
- Specific internal mechanisms guaranteeing equality and non-discrimination in the workplace and in terms of personal development and pay, among others: comprehensive and standardized performance



evaluation process, group-wide harassment protocol, equality plans (See Human dimension, pages 96, 54-55 and 88-89.)

- With regard to occupational health and safety, the MAPFRE prevention model is participatory, makes use of legally established worker-representation channels and joint senior management/employee health and safety committees established to help control and advise on this matter. (See p. 98.)
- In addition, MAPFRE has a healthy company model in place, in which the risk factors that statistically cause the most deaths, illness and suffering in the world are identified and tackled to reduce their impact on workers (See Note 144.)
- MAPFRE is in constant dialog with workers' legal representatives and encourages communication and dialog between them and employees, providing specific resources such as dedicated e-mail accounts or spaces on the Intranet, visits to work centers, and resources and spaces for meetings or assemblies. (See p. 119.)
- There is a Financial and Accounting Whistleblowing Channel open to employees, as well as different channels for lodging ethics-related complaints arising from non-compliance with the Code of Ethics and Conduct, which are available to employees and providers. (See p. 49-50.)
- MAPFRE has specific provider-approval processes in operation that factor in criteria such as Human Rights, non-discrimination and compliance with environmental and labor laws.
- MAPFRE has specific channels and resources in place to protect clients' rights and managing their complaints. (See p. 49-50.)
- The impact self-assessment was first introduced in 2016; it is based on the Guide to Implementing the United Nations Guiding Principles on Business and Human Rights, drawn up by the Spanish Global

## online course designed by the the Spanish Global Compact Network

403  
SECURITY  
PROVIDERS TRAINED

90%  
OF PROVIDERS  
TRAINED

Compact Network.

- The issues covered in the materiality study are correlated with the rights recognized in the Universal Declaration of Human Rights (See p. 131.)
- Environmental, social and governance (ESG) risk analysis is conducted for both the business and sustainable investment. (See p. 61-66.)
- Materiality survey: based on 18 issues that are directly related to fundamental rights recognized in the International Charter of Human Rights. The survey has been conducted in 15 countries, and employees, providers, clients, distributors and experts have participated. MAPFRE considers the protection of Human Rights as material.

For more information, see Note 8 of the summary table on compliance with the principles of the Global Compact and MAPFRE due diligence measures.

MAPFRE maintains a permanent, open and honest dialog policy with its stakeholders, as well as any other groups that may be affected by the impact of the company's activity. In 2019, MAPFRE, as a company, did not receive any complaints regarding Human Rights violations.

MAPFRE assumes the task of awareness-raising and training in this field as part of its commitment and, since 2017, it has had in place a specific online course designed by the Spanish Network of the United Nations Global Compact to train employees and also the providers with which MAPFRE works. In 2019, more than 11,311 employees and 478 providers were trained, 403 of whom were security and surveillance providers representing 90 percent of trained suppliers.

**United Nations 2030 Agenda.**

**MAPFRE strategy in SDGs**

Since the adoption of the United Nations 2030 Agenda in 2015, MAPFRE has included a specific line of work in its Sustainability plans, recognizing the importance of contributing to the largest global strategy for sustainable development.

Sustainability plan	Line of work	Target status
2016 - 2018	Identification of the priority action SDGs for MAPFRE. SDGs Map	100 percent met
	Dissemination and awareness of 2030 Agenda	<a href="#">See MAPFRE 2018 Integrated Report. pages 134 to 148</a>
2019 - 2021	Revision of SDGs map and measurement indicators	Objective 2019-2020
	Dissemination and knowledge of 2030 Agenda, internal (involving employees) and external (with other stakeholders).	Permanent objective throughout the plan period
	MAPFRE's contribution report to the SDGs.	Objective for 2021

**Revision of SDGs map and measurement indicators**

The 17 Sustainable Development Goals (SDGs), in addition to being interrelated, are dynamic goals that seek to evolve. Therefore, SDGs maps cannot be static, but must be periodically reviewed and aligned with the company's development.

In 2020, work will be completed to review the SDGs priority map for MAPFRE and its goals. This process began in 2019, in order to align, even more, MAPFRE's sustainability strategy with Agenda 2030.

In order to carry out this review, the internal working group of SDGs, which is operational since 2017, has been advised by Newlink, experts in this field. In addition, MAPFRE, as a member of the Global Compact, also receives advice from the Spanish Global Compact Network.

**MAPFRE's main milestones in its contribution to the SDGs**



**MAPFRE's main milestones in its contribution to the SDGs**

- With a commitment to sustainable economic growth and the continued mobilization of economic and human resources, it contributes to improving the quality of people and their environment.
- As institutional investors, promoting economic development and from their SRI products, social impact investment is encouraged.
- Insurance and reinsurance activity contributes to the development and protection of companies and people, their assets and their savings.
- The diversity of the workforce is managed: functional, gender related, cultural and generational. Inclusion is promoted from the business, with facilities for access to insurance for people and groups with low income.
- A healthy business model that takes care of and promotes the health of employees in the professional and personal fields is in place, improving flexibility and work-life balance.
- The health of clients and policyholders is protected through the different products and services on the market.
- Financial, technical and human resources are invested to provide new knowledge and develop the skills of employees.
- The talent of the employees and at their availability is showcased; tools that facilitate the exchange of knowledge.
- Providers are involved and made aware of sustainable development actions.
- Technological solutions are developed to get closer to MAPFRE clients and policyholders, while promoting constant connection.
- Innovative products and services are launched to meet the new needs of current and potential clients, MAPFRE's commitment to the fight against



climate change, efficient resource management, the circular economy and the protection of biodiversity is encouraged.

- Partnerships are promoted to facilitate the exchange of knowledge, information and the means necessary for the development of innovative and sustainable measures capable of meeting the new challenges.

**Dissemination and awareness of 2030 Agenda**

The current Sustainability Plan continues with the 2030 Agenda dissemination line to bring the SDGs closer to MAPFRE's stakeholders and society in general.

The materials of the COMPANIES4SDGs initiative, promoted by the Spanish United Nations Network, have been used with the aim of promoting the SDGs.

Below, the training activities that have been carried out this year are explained in detail:

- The videos of the COMPANIES4SDGs initiative have been released through MAPFRE's YouTube channel, accompanying the various news related to the SDGs that have been published internally and externally on the same.
- The 2019 table calendar has been fully devoted to the SDGs. The focus was promoting the origin and motivation of the 2030 Agenda. In addition, the pictures used were some of the photographs that won the creativity contest last year and which were based on the SDGs.
- On a daily basis, information displays in various buildings and lifts in Majadahonda have broadcasted different content to make the SDGs known to employees and visitors.
- Through the #COMparte platform, launched by the Spanish Network of the United Nations Global Compact, good practices related to the SDGs have been actively implemented.
- On the occasion of the fourth anniversary of the adoption of 2030 Agenda, MAPFRE has supported the #ODSeate and #AliadosdelosODS awareness campaigns promoted by the Spanish High Commissioner for 2030 Agenda and the Spanish Network of the United Nations Global Compact, respectively.
- The World of MAPFRE magazine has included a specific report on sustainability and the SDGs. urging everyone to contribute to this objective.
- In the new Eureka knowledge repository on the Corporate Intranet, a training capsule on 2030 Agenda, developed by the Spanish Global Compact Network, has been made available to all employees.
- All providers that are part of the ESG approval project have an awareness-raising capsule on the



## MAPFRE reports its contribution to the SDGs annually by means of the Integrated Report

Sustainable Development Goals, which includes access to the COMPANIES4SDGs campaign videos.

- Taking advantage of the COP25, in which MAPFRE participated actively, an internal and external communication campaign was conducted, through which news, videos and other information content were disseminated to publicize all environmental SDGs and, in particular, SDG 13.

### SDG contribution report

MAPFRE reports its contribution to the SDGs annually by means of the Integrated Report under the heading “Our Footprint: Social Value. Shared Value”, (See Annex. Note 9 of this document.) It also does so through the United Nations Global Compact Progress Report, which regularly reports on the impact and progress of this contribution. In order to carry out

these reports, the criteria of the GRI standard are being taken into account.

In addition, MAPFRE has set the goal to publish a specific and detailed report that will facilitate the analysis and follow-up of its contribution to the SDGs by 2021.

**FOR MORE INFORMATION**  
ON MAPFRE'S CONTRIBUTION TO THE  
SDGS SEE NOTE 9, OUR FOOTPRINT:  
SOCIAL VALUE, SHARED VALUE.

# 7

## Additional information

This Integrated Report corresponds to MAPFRE S.A. and its subsidiaries and investee companies



GRI 102-11, 102-32, 102-45, 102-46, 102-48, 102-49, 102-50, 102-51, 102-53, 102-54, FS9; L.11/2018

# 7.1. Basis 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).

Furthermore, the Report meets the reporting requirements established by Directive 2014/95/EU as regards the disclosure of non-financial and diversity information, as well as its respective transpositions in Spain (Law 11/2018 of December 28) and Italy (Legislative Decree No. 254/16 NFI). 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.](#)

The Consolidated Annual Accounts and Management Report have been taken into consideration, which is public

information and may be consulted in full on MAPFRE's corporate website.

The Report offers a complete overview of MAPFRE, its deployment, business model, the challenges and risks faced, and its performance regarding social, environmental, economic and governance aspects. It constitutes a first approximation to the creation of financial and social value that has allowed progress to continue and to establish a better relationship between the business model and the effect on the resources referred to.

This report was analyzed by the company's Audit and Compliance Committee and drafted and ratified by the MAPFRE S.A. Board of Directors, at its meeting held on February 11, 2020.

### Scope of information

The Integrated Report covers MAPFRE S.A. and its subsidiaries and investee companies, and has taken into consideration the scope of information established in the reports used as the basis for its preparation.





The Alternative Performance Measures (APMs) used in the Report, which refer to financial measures not defined or specified in the applicable financial reporting framework, can be found on our website at the following address: <https://www.mapfre.com/corporate/institutional-investors/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.

**Materiality, relevance and inclusiveness**

This Integrated Report includes all information pertinent to MAPFRE and its stakeholders. In 2019, a study was conducted in 15 countries to identify areas of greater interest for the company and its interest groups in terms of sustainability.

The relevant topics in the environmental, social and governance field are described in the material issues and information contained in this Integrated Report.

Furthermore, disclosures on certain issues are not included in this Report. They can be found in their entirety in:

IN SECTION 7.3 “NOTES” SECTION OF THIS SAME REPORT.

CONSOLIDATED ANNUAL ACCOUNTS, CONSOLIDATED MANAGEMENT REPORT;  
(PUBLISHED ON THE CORPORATE WEBSITE AT WWW.MAPFRE.COM).

ANNUAL REPORT OF FUNDACIÓN MAPFRE.  
(PUBLISHED ON THE WEBSITE WWW.FUNDACIONMAPFRE.ORG).

ANNUAL CORPORATE GOVERNANCE REPORT  
(PUBLISHED ON THE CORPORATE WEBSITE AT WWW.MAPFRE.COM).

ANNUAL REPORT ON REMUNERATION OF BOARD DIRECTORS OF LISTED COMPANIES  
(PUBLISHED ON THE CORPORATE WEBSITE AT WWW.MAPFRE.COM).

MAPFRE PEOPLE AND ORGANIZATION 2019 REPORT  
WWW.MAPFRE.COM.

Some figures included in this report have been rounded. There may be discrepancies between totals and quantities listed in the different tables



In 2019 a study was conducted in 15 countries in order to identify the topics of greatest interest to the company in terms of sustainability

Responsiveness

In addition to providing information that is of relevance to MAPFRE’s stakeholders, the Report responds to the observations conveyed to the organization by these stakeholders throughout the course of the year. However, anyone interested in consulting or completing the information provided in this Report can contact MAPFRE by means of the following:

The Group Sustainability Office: [responsabilidadesocial@mapfre.com](mailto:responsabilidadesocial@mapfre.com)

The Corporate External Relations and Communication Area: [comunicacion@mapfre.com](mailto:comunicacion@mapfre.com)

Environment Management: [medioambiente@mapfre.com](mailto:medioambiente@mapfre.com)

Investor Relations: [relacionesconinversores@mapfre.com](mailto:relacionesconinversores@mapfre.com)

MAPFRE’s corporate website: [www.mapfre.com](http://www.mapfre.com)

External verification:

The qualitative and quantitative data of the indicators respond to the new GRI standards and have been verified externally by the firm KPMG Asesores S.L., including the data submitted for the activities of MAPFRE ASISTENCIA, MAPFRE GLOBAL RISKS, MAPFRE RE and MAPFRE Seguros carried out in Germany, Brazil, Colombia, Spain, USA, Italy, Mexico, Peru and Turkey that together represent 91.20 percent of the Group’s business volume.

In addition, a limited review of the data provided by the rest of the MAPFRE companies has been carried out.

Balance

The Report reflects positive aspects of the organization’s performance, and when results fall short of initial expectations this under-performance is noted in the corresponding headings.

GRI 102-15, 103-1, 103-2, 103-3, 102-21, 102-29, 102-31, 102-43, 102-44, 102-47, 102-49, 412-1, F55; L.11/2018

# 7.2 Materiality

For MAPFRE, materiality services a double function; firstly, it is a requirement for the preparation of annual reports and, secondly, it is a tool that contributes to the internal operation of sustainability management, specifically the alignment of material issues with the sustainability strategy and the Group's Sustainability Plan. The 2018 Study was used for the definition of the 2019-2021 Sustainability Plan.

For the 2019 materiality study, the main topics related to sustainability have been classified according to two variables: impact and relevance. These two variables allow MAPFRE to understand how these topics should be managed to create opportunities and minimize risks.

MAPFRE has had an internal process in place since 2014, which is constantly being improved. Its review is also requested of GRI, which each year awards the MDS ([Materiality Disclosures Service, see page 161](#)) Seal that appears in the GRI Indicators ([see page 185 of this report](#)).

The materiality process for 2019 was executed in line with the following phases

### PHASE 1. IDENTIFICATION AND SELECTION OF TOPICS.

The topics included were based on the 2018 study and adjusted with the following sources in mind:

- ➔ External sources of sustainability information at a global level, including the 2030 Agenda, the Principles of the United Nations Global Compact, EU Directive 2014/95 as regards disclosure of non-financial and diversity information and Law 11/2018 on the same subject, the Dow Jones Sustainability Index (DJSI) and FTSE4Good indices as well as other sustainability analysts.
- ➔ Internal sources of the company, such as the MAPFRE Strategic Plan and public commitments, the Sustainability Plan 2019-2021 and the internal regulations as a whole, among others.

A total of 18 key themes for the study have been validated, which are directly related to fundamental rights recognized in the International Human Rights Charter. For this reason, a specific question related to this topic has not been included. MAPFRE considers the protection of Human Rights as material. ([See p. 122, MAPFRE's commitment to Human Rights.](#))



**PHASE 2. ANALYSIS VARIABLES.**

The following variables are used for the study:

➔ **Relevance:** this represents the subjective importance that stakeholders attach to the 18 topics in relation to MAPFRE.

This represents the combined result of consultation with employees, clients, providers, distributors and experts.

➔ **Impact:** this represents the influence of each of the 18 topics on MAPFRE and vice versa.

For the analysis, MAPFRE’s set of strategic plans, as well as the international commitments taken on by the Group and the public commitments entered into, have been considered. Sustainability standards, ESG reports from specialist analysts and investors, reports and regulatory activity at a national and international level on issues related to sustainability, and an assessment by the group of experts who participated in the study are also taken into account.



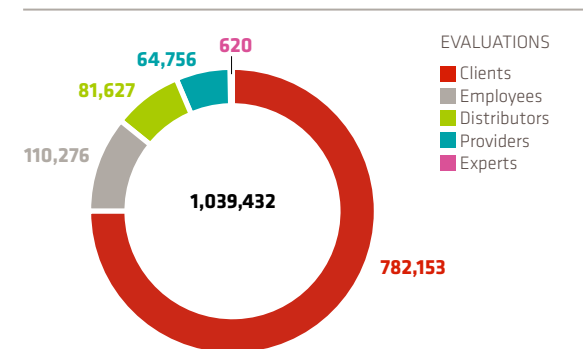
**PHASE 3. IDENTIFICATION OF STAKEHOLDERS AND DEFINITION OF SCOPE.**

➔ Employees, clients, distributors and providers (service and support) have been included in the study, and a new category was recently created of experts formed by organizations from the third sector and academic sector.

➔ The scope of the study has been extended to 15 countries, 2 more than in the previous fiscal year, which together represent 77.54 percent of revenues (Argentina, Brazil, Chile, Colombia, Spain, United States, Italy, Mexico, Paraguay, Peru, Portugal, Puerto Rico, Dominican Republic, Turkey and Venezuela).

The external consultation process was carried out by CBI via an online questionnaire, and their participation again this year guarantees the anonymity and confidentiality of the responses received. A total of 1,039,432 evaluations were recorded this year, which is considered a broadly representative sampling, divided as follows.

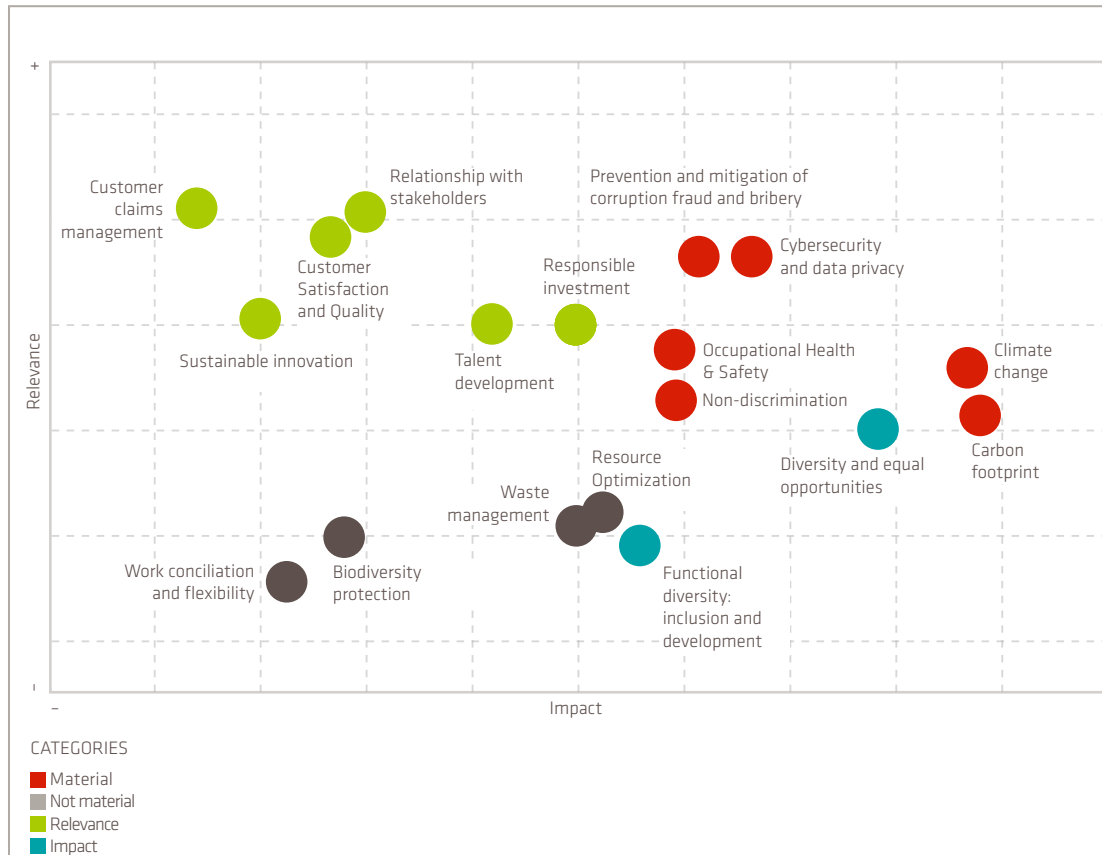
**EVALUATIONS**



**PHASE 4. RESULTS**

The materiality matrix of MAPFRE 2019 is shown below:

**CORPORATE MATERIALITY MATRIX**



Employees, clients, distributors and providers feature in the study, and additionally, in 2019 a category of experts was created, including academics and third sector organizations

**LOCALIZING MATERIAL ISSUES TABLE:**

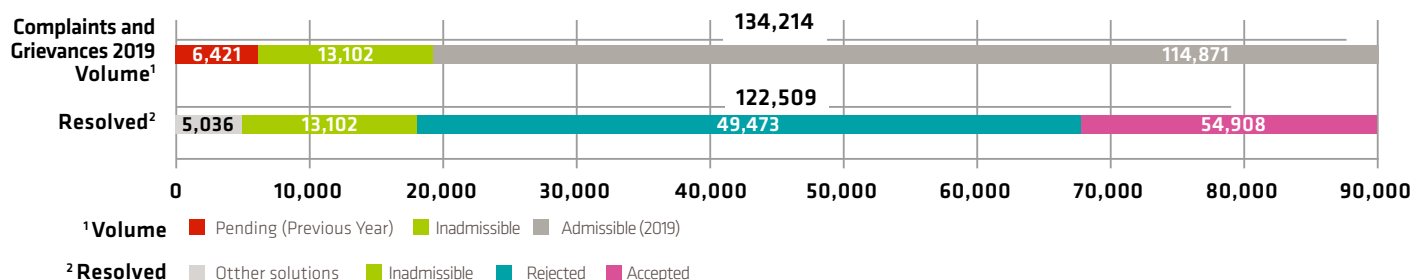
Material Issue	Location in the Report
Prevention and mitigation of corruption fraud and bribery	4.3. Ethical Behavior: main compliance and prevention measures / MAPFRE anti-corruption framework
Cybersecurity and data privacy	4.3. Ethical Behavior: main compliance and prevention / Security measures. 5. Risks and Opportunities / Risk management at MAPFRE 6.4 Intellectual Dimension - Cybersecurity
Occupational Health and Safety	6.3. Human Dimension: Employee experience
Non-discrimination	6.3. Human Dimension: Diversity and inclusion
Climate change	5. Risks and Opportunities 6.5 Natural Dimension
Carbon footprint	5. Risks and Opportunities 6.5 Natural Dimension

# 7.3 Notes

## NOTE 1. GRIEVANCES AND COMPLAINTS.

[GRI 102-33, 102-34, 417-2]

The main figures regarding grievances and complaints processed in the Group in 2019 are as follows:



**91.3%**  
RESOLUTION RATE

### Information for Spain

MAPFRE has an Insured Party Defense Counsel in place, which was created in 1984, and in 2003 the Complaints Division was set up, which is the body in charge of processing and resolving complaints and grievances made by users against the companies of the Group that adhere to the Customer Protection Regulation.

During 2019, the Complaints Division received 16,763 written files. Of this number, 11,342 were admitted for processing, of which 5,775 complaints with specific financial claims were considered, together with 5,567 grievances related to lack of attention or neglect in the handling of benefit processing or issuing/purchase of policies. The rest of the submissions were not admitted for processing since they did not meet the legally prescribed requirements.

Of the complaints and grievances made, 22.7 percent were approved, with 33.1 percent being dismissed and other solutions granted in 12.5 percent of the cases, with the remaining 31.7 percent having been deemed inadmissible. In addition, user service levels were improved by reducing the average resolution time by 0.2 days, compared to the previous fiscal year – it now stands at 7.9 days, compared to the maximum two months allowed by law.

The Insured Party Defense Counsel, in the second instance, received 1,313 complaints in 2019, of which he accepted 5.0 percent, with 93.9 percent being deemed inadmissible and other solutions granted in 1.1 percent of the cases. The mean time for resolution by this body was 29.4 days, less than the statutory month envisaged.

In 2019, the Complaints Division issued 24 operations-related general criteria in its Annual Report, and the Insured Party Defense Committee set down 24 recommendations in its report, all of them related to the drafting, editing and interpretation of contracts as well as in management procedures, so as to reduce the number of complaints and grievances received from consumers.

Meanwhile, VERTI and its affiliated companies have a Claims Processing Office that received 223 written files, and admitted 212 complaints and grievances for processing, of which 19.67 percent were approved, 59.56 percent were rejected and 20.76 percent were assigned other solutions.

**NOTE 2. NEW HIRES AND EMPLOYEE DEPARTURES IN 2019 AND DISMISSALS BY JOB POSITION LEVEL.**

[GRI 401-1]

**NEW HIRES AND EMPLOYEE DEPARTURES**

Reason for new hire	2019	2018
Merger or acquisition		
External recruitment	4,247	5,037
Return after leave of absence	132	142
Return from international posting	6	2
Temporary contract	437	359

Reason for departure	2019	2018
Transfer	143	2
Voluntary	2,708	3,131
Dismissal	2,385	2,543
Leave of absence	153	163
Retirement	103	87
Early retirement	7	3
Death	13	26
Disability	28	34
Termination of temporary contract	412	344



**DISMISSALS BY JOB POSITION LEVEL, GENDER AND AGE IN 2019**

	VETERANS			BABY BOOMERS			GENERATION X			GENERATION Y			GENERATION Z		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Senior management	1	0	1	32	4	36	32	6	38	2	2	4	0	0	0
Middle managers	2	0	2	24	18	42	73	39	112	29	27	56	1	1	2
Advisors	5	6	11	48	41	89	145	170	315	196	214	410	24	30	54
Associates	4	6	10	33	37	70	77	197	274	194	344	538	113	208	321
TOTAL	12	12	24	137	100	237	327	412	739	421	587	1,008	138	239	377

**NOTE 3 - AVERAGE REMUNERATION AND ITS EVOLUTION, BROKEN DOWN BY GENDER, AGE AND PROFESSIONAL CLASSIFICATION.**

**AVERAGE REMUNERATION FOR SPAIN**

Figures in euros

AGE AND JOB POSITION LEVEL	2019		No. OF PEOPLE		AVERAGE FIXED REMUNERATION	
	M	W	M	W	M	W
	<b>VETERANS</b>					
SENIOR MANAGEMENT	3				129,996	
MIDDLE MANAGERS						
ADVISORS	8	4			91,272	48,050
ASSOCIATES AND SUPPORT PERSONNEL	4	3			41,103	29,791
<b>BABY BOOMERS</b>						
SENIOR MANAGEMENT	233	39			135,534	105,060
MIDDLE MANAGERS	397	126			61,266	55,262
ADVISORS	1,033	590			48,908	41,356
ASSOCIATES AND SUPPORT PERSONNEL	245	296			36,885	34,420
<b>GENERATION X</b>						
SENIOR MANAGEMENT	209	94			100,534	89,744
MIDDLE MANAGERS	545	365			47,509	44,912
ADVISORS	1,692	1,917			38,598	34,418
ASSOCIATES AND SUPPORT PERSONNEL	280	1,109			29,568	28,771
<b>GENERATION Y</b>						
SENIOR MANAGEMENT	15	5			81,310	73,378
MIDDLE MANAGERS	56	51			44,970	37,513
ADVISORS	471	490			31,097	29,742
ASSOCIATES AND SUPPORT PERSONNEL	122	479			21,557	21,304
<b>GENERATION Z</b>						
ADVISORS	34	39			21,943	22,388
ASSOCIATES AND SUPPORT PERSONNEL	31	47			17,598	17,527

AGE AND JOB POSITION LEVEL	2018		No. OF PEOPLE		AVERAGE FIXED REMUNERATION	
	M	W	M	W	M	W
	<b>VETERANS</b>					
SENIOR MANAGEMENT	4				162,956	
MIDDLE MANAGERS	1				62,108	
ADVISORS	15	10			66,644	38,541
ASSOCIATES AND SUPPORT PERSONNEL	7	6			36,924	31,609
<b>BABY BOOMERS</b>						
SENIOR MANAGEMENT	247	39			130,620	102,306
MIDDLE MANAGERS	321	93			62,202	58,505
ADVISORS	1,140	619			48,010	40,618
ASSOCIATES AND SUPPORT PERSONNEL	249	313			35,685	33,874
<b>GENERATION X</b>						
SENIOR MANAGEMENT	177	76			98,883	88,226
MIDDLE MANAGERS	426	243			48,627	48,165
ADVISORS	1,812	2022			37,775	33,470
ASSOCIATES AND SUPPORT PERSONNEL	295	1,142			29,016	28,069
<b>GENERATION Y</b>						
SENIOR MANAGEMENT	11	3			74,455	61,500
MIDDLE MANAGERS	37	21			48,924	43,055
ADVISORS	459	470			29,376	28,665
ASSOCIATES AND SUPPORT PERSONNEL	118	446			20,658	20,862
<b>GENERATION Z</b>						
ADVISORS	18	19			18,220	20,983
ASSOCIATES AND SUPPORT PERSONNEL	23	36			16,570	16,188



**AVERAGE FIXED REMUNERATION PER COUNTRY, JOB POSITION LEVEL AND GENDER AT DECEMBER 2019**

Figures in local currency

Country	MANAGEMENT AND MIDDLE MANAGEMENT		ADVISORS		ASSOCIATES	
	Men	Women	Men	Women	Men	Women
GERMANY	91,039	69,934	47,500	40,930	31,036	29,866
ARGELIA ASISTENCIA	2,972,719	*	1,332,720	1,171,119	725,223	760,609
ARGENTINA	1,893,952	1,931,923	982,832	966,562	711,178	773,844
ARGENTINA ASISTENCIA	1,556,088	1,312,952	657,786	599,941	440,544	443,715
AUSTRALIA ASISTENCIA	116,457	83,423	51,666	57,395		63,942
BAHRAIN ASISTENCIA	13,632	*	*	*	5,454	*
BELGIUM ASISTENCIA	70,026	*	*	*	*	*
BRAZIL	191,031	160,615	70,579	61,441	35,471	25,451
BRAZIL ASISTENCIA	99,013	92,054	42,268	39,126	17,873	17,229
CANADA ASISTENCIA		*	*		27,370	30,618
CHILE	45,166,287	41,031,299	18,785,757	18,676,384	9,683,416	10,726,175
CHILE ASISTENCIA	35,081,788	33,166,532	15,844,542	19,181,015	9,837,711	9,254,906
CHINA ASISTENCIA	405,646	284,656	131,103	101,510	51,351	51,750
COLOMBIA	122,800,623	111,079,521	41,870,508	40,523,449	20,866,172	24,205,637
COLOMBIA ASISTENCIA	104,052,540	97,072,671	45,824,097	45,420,538	19,086,429	17,516,905
COSTA RICA	27,215,395	21,703,534	8,451,185	6,115,778	*	5,362,833
ECUADOR	40,467	28,997	11,227	12,406	9,257	9,388
ECUADOR ASISTENCIA	37,852	20,397	9,282	10,318	6,388	6,094
EL SALVADOR	40,746	41,462	14,461	14,562	8,625	8,527
EL SALVADOR ASISTENCIA	28,262	*	7,051	8,740	6,622	6,625
UNITED ARAB EMIRATES ASISTENCIA	294,304			169,932		*
SPAIN	73,343	56,131	40,751	34,874	30,287	27,515
UNITED STATES OF AMERICA	140,528	111,253	76,635	66,965	47,139	43,477
UNITED STATES OF AMERICA ASISTENCIA	93,868	77,269	52,983	42,569	33,640	33,123
PHILIPPINES	1,148,348	1,710,306	553,056	531,192	317,508	337,955
PHILIPPINES ASISTENCIA	1,479,231	892,322	223,532	234,011	*	288,275

Country	MANAGEMENT AND MIDDLE MANAGEMENT		ADVISORS		ASSOCIATES	
	Men	Women	Men	Women	Men	Women
FRANCE ASISTENCIA	55,931	52,820	37,010	26,931	27,443	27,537
GREECE ASISTENCIA	60,725	39,775	23,786	29,698	16,318	12,975
GUATEMALA	404,975	284,749	127,560	97,502	55,448	57,829
GUATEMALA ASISTENCIA	225,233	*	*	*	49,281	47,507
HONDURAS	1,156,042	773,544	314,556	263,679	179,070	187,799
HONDURAS ASISTENCIA	831,846	548,991	157,628	*	92,579	143,497
HUNGARY ASISTENCIA	*	6,855,600		*	*	*
INDONESIA	396,852,095	446,550,996	75,217,445	86,525,046	53,679,316	59,526,281
INDONESIA ASISTENCIA	223,976,568	*	*		51,718,439	57,718,439
IRELAND ASISTENCIA	74,512	*	35,830	34,196	24,613	23,438
ITALY	69,058	56,882	41,913	40,299	27,034	29,046
ITALY ASISTENCIA	55,921	50,808	26,339	26,475	21,194	21,093
JORDANIA ASISTENCIA	30,603	14,382	9,667	*	6,318	6,581
MALTA	66,265	50,287	28,360	24,346	16,270	17,384
MALTA ASISTENCIA	33,442	21,485	18,628	*	14,597	13,812
MEXICO	1,195,336	661,611	275,752	322,494	145,871	190,662
MEXICO ASISTENCIA	340,995	456,025	150,150	155,493	75,186	73,629
NICARAGUA	763,882	1,236,403	302,970	256,297	176,556	173,158
NICARAGUA ASISTENCIA	559,772	*	161,123	*	121,511	128,930
PANAMA	70,587	49,748	18,106	15,264	10,975	10,633
PANAMA ASISTENCIA	44,152	*	21,179	*	8,881	10,687
PARAGUAY	202,739,516	146,803,302	57,148,040	58,983,912	36,425,555	41,308,411
PERU	177,644	94,523	52,360	38,468	22,346	28,013
PERU ASISTENCIA						28,140
PORTUGAL	47,035	41,135	24,253	22,515	18,131	17,787
PORTUGAL ASISTENCIA	34,211	33,521	16,628	19,515	15,903	13,754
PUERTO RICO	94,882	69,330	40,799	36,428	20,979	23,176
UK ASISTENCIA	49,046	40,478	27,612	24,582	18,634	18,589

Country	MANAGEMENT AND MIDDLE MANAGEMENT		ADVISORS		ASSOCIATES	
	Men	Women	Men	Women	Men	Women
DOMINICAN REPUBLIC	2,127,371	1,602,282	724,167	627,270	328,720	337,503
DOMINICAN REPUBLIC ASISTENCIA	956,389	1,044,125	327,219	285,394	249,893	230,749
TAIWAN ASISTENCIA	*	*	511,800	*	370,703	350,148
TUNISIA ASISTENCIA	45,447	33,990	13,699	11,920	10,703	10,033
TURKEY	246,577	218,390	95,816	91,601	48,229	51,531
TURKEY ASISTENCIA	122,340	133,702	66,283	77,729	44,002	40,249
URUGUAY	2,713,585	2,607,903	1,645,214	1,440,637	962,167	1,145,499
URUGUAY ASISTENCIA	1,701,378	648,833	685,092	530,163	335,337	284,400
VENEZUELA	15,321,932	13,261,560	7,131,220	7,051,686	5,999,999	6,500,653
VENEZUELA ASISTENCIA	8,698,205	5,119,643	3,243,677	2,634,047	2,599,616	1,697,958

The countries displayed in the table correspond to 99 percent of employees of MAPFRE, in which the employees of the Banco de Brasil are not included.

\* For data protection and confidentiality, in those countries where there are two or less men or women in a given group, the information is not published.

**NOTE 4 - AVERAGE REMUNERATION OF BOARD DIRECTORS AND EXECUTIVES, INCLUDING VARIABLE REMUNERATION, ALLOWANCES, COMPENSATION, PAYMENT OF LONG-TERM SAVINGS PROVISION SYSTEMS, BY GENDER.**

**SPAIN EXECUTIVES BY GENDER AND AGE\*:**

Figures in euros

Age	No. of people		Average remuneration	
	Men	Women	Men	Women
VETERANS	3		157,473	
BABY BOOMERS	228	39	200,432	151,791
GENERATION X	209	94	148,831	127,785
GENERATION Y	15	5	101,297	96,997

\*This table includes information on the Group's top executives worldwide based in Spain. All persons with MANAGERIAL position are included, excluding the directors of MAPFRE S.A. whose information is presented in the Annual Report on Remuneration of the Directors of listed corporations, Published on corporate website [www.mapfre.com](http://www.mapfre.com) and Note 6.26 of the Consolidated Annual Accounts. Board Directors: please refer to the Annual Report on Remuneration of Board Directors of listed companies, published on the corporate website [www.mapfre.com](http://www.mapfre.com) and to Note 6.25 of the Consolidated Annual Accounts.

**EXECUTIVES BY GENDER AND AGE 2019**

Figures in local currency

Country	Men	Average men's remuneration	Women	Average women's remuneration
GERMANY	7	191,697	1	*
ARGELIA ASISTENCIA	5	5,639,981		
ARGENTINA	23	3,440,177	13	3,861,321
ARGENTINA ASISTENCIA	5	3,341,489	4	2,388,562
BELGIUM ASISTENCIA	3	100,089		
BRAZIL	51	526,064	26	461,487
CHILE	19	78,019,564	8	92,483,362
CHILE ASISTENCIA	4	62,933,210	2	*
CHINA ASISTENCIA	4	737,418	5	583,266
COLOMBIA	7	308,096,743	10	240,835,359
COLOMBIA ASISTENCIA	3	261,631,676	2	*
COSTA RICA	4	47,154,250	5	28,435,961
ECUADOR	1	*	4	84,055
ECUADOR ASISTENCIA	4	78,269		
EL SALVADOR	8	67,749	4	82,137
UNITED STATES OF AMERICA	67	320,868	35	222,809
UNITED STATES OF AMERICA ASISTENCIA	14	155,775	7	111,796
PHILIPPINES	4	2,080,506	11	3,548,673
PHILIPPINES ASISTENCIA	3	3,194,403	4	1,911,510
GREECE ASISTENCIA	3	100,766	1	*
GUATEMALA	6	1,004,436	2	*
HONDURAS	6	1,890,893	7	1,268,833
INDONESIA	9	2,123,299,061	9	1,632,441,749
IRELAND ASISTENCIA	5	108,632	1	*
ITALY	4	190,980	3	151,053
ITALY ASISTENCIA	6	125,193	3	90,000
JORDAN ASISTENCIA	5	47,728	1	*
MALTA	15	100,624	6	99,808



Country	Men	Average men's remuneration	Women	Average women's remuneration
MEXICO	35	2,688,007	11	2,056,695
MEXICO ASISTENCIA	8	899,225	8	1,121,538
NICARAGUA	3	1,912,895	6	2,708,186
PANAMA	16	146,732	15	94,367
PARAGUAY	9	378,353,022	10	246,284,441
PERU	65	393,009	18	213,635
PORTUGAL	14	90,603	4	86,148
PORTUGAL ASISTENCIA	2	*	3	57,113
PUERTO RICO	26	175,501	19	129,142
UK ASISTENCIA	8	89,596	3	95,367
DOMINICAN REPUBLIC	10	5,107,264	5	4,397,932
DOMINICAN REPUBLIC ASISTENCIA	2	*	4	2,096,749
TUNESIA ASISTENCIA	4	2,368,315	6	1,709,417
TURKEY	34	481,632	26	385,054
TURKEY ASISTENCIA	9	238,244	7	405,374
URUGUAY	6	5,098,400	1	*
VENEZUELA	14	29,838,822	8	29,465,806

\* For data protection and confidentiality, in those countries where there are two or less men or women in a given group, the information is not published.

**AVERAGE FIXED REMUNERATION BY COUNTRY AND GENERATION**

Figures in local currency

	Veterans	Baby Boomers	Generation X	Generation Y	Generation Z
GERMANY	40,708	48,775	47,737	39,996	25,846
ARGELIA ASISTENCIA		*	2,394,725	1,062,124	591,779
ARGENTINA	1,024,309	1,301,449	1,250,273	968,643	671,925
ARGENTINA ASISTENCIA	*	1,190,620	1,113,165	497,908	437,718
AUSTRALIA ASISTENCIA	*	*	135,696	66,930	52,971
BAHRAIN ASISTENCIA			14,942	6,457	*
BELGIUM ASISTENCIA		43,183	71,546	*	*
BRAZIL	94,972	93,500	89,457	54,185	25,572
BRAZIL ASISTENCIA	*	33,612	51,461	25,287	17,998
CANADA ASISTENCIA		31,760	59,874	31,547	26,850
CHILE		31,617,654	25,703,458	19,687,140	12,144,967
CHILE ASISTENCIA	*	24,864,783	13,810,741	11,400,425	10,133,302
CHINA ASISTENCIA			254,155	100,884	43,688
COLOMBIA	*	73,567,492	57,687,701	35,844,051	23,563,393
COLOMBIA ASISTENCIA		28,482,427	54,945,936	27,355,236	19,960,456
COSTA RICA		*	19,905,644	9,061,909	6,100,857
ECUADOR		25,860	19,706	12,398	9,013
ECUADOR ASISTENCIA		6,036	11,070	8,809	6,273
EL SALVADOR		29,711	28,936	12,017	6,937
EL SALVADOR ASISTENCIA			13,324	9,424	6,072
UNITED ARAB EMIRATES ASISTENCIA			224,020	*	
SPAIN	71,188	54,447	39,157	28,462	19,791
USA	80,626	84,250	78,368	57,164	41,035
USA ASISTENCIA	44,674	69,937	49,209	44,510	28,485
PHILIPPINES		1,026,985	1,265,221	534,804	311,503
PHILIPPINES ASISTENCIA			1,330,082	328,995	209,421
FRANCE ASISTENCIA		40,310	37,524	22,093	
GREECE ASISTENCIA		18,057	19,992	15,206	*
GUATEMALA		317,225	268,552	102,473	52,185
GUATEMALA ASISTENCIA			332,869	80,729	47,438
HONDURAS		571,908	587,600	247,556	147,741
HONDURAS ASISTENCIA		*	436,267	183,295	96,570
HUNGARY ASISTENCIA			9,053,280	2,792,581	

	Veterans	Baby Boomers	Generation X	Generation Y	Generation Z
INDIA ASISTENCIA			*	211,948	
INDONESIA		551,537,162	162,654,000	84,774,134	53,670,690
INDONESIA ASISTENCIA			*	64,990,006	52,738,179
IRELAND ASISTENCIA		49,081	34,024	30,744	22,095
ITALY		41,341	38,034	32,863	
ITALY ASISTENCIA		42,704	31,672	23,346	21,018
JORDAN ASISTENCIA			17,724	11,637	5,340
MALTA		47,778	39,694	26,389	18,790
MALTA ASISTENCIA		15,849	18,054	22,591	13,742
MEXICO	*	1,445,654	467,104	309,422	209,634
MEXICO ASISTENCIA		218,831	234,947	169,913	97,386
NICARAGUA		650,133	730,644	316,420	164,819
NICARAGUA ASISTENCIA		*	521,119	181,461	140,104
PANAMA	*	45,778	33,293	18,801	11,705
PANAMA ASISTENCIA		*	24,335	12,730	7,989
PARAGUAY		*	168,597,034	69,044,880	36,975,250
PERU	63,940	91,745	71,290	39,714	25,611
PORTUGAL	*	33,979	25,549	20,376	16,656
PORTUGAL ASISTENCIA		22,235	20,579	13,323	*
PUERTO RICO	66,363	53,274	42,668	29,787	22,713
UK ASISTENCIA	20,444	29,411	33,674	24,599	18,467
DOMINICAN REPUBLIC		1,581,366	1,277,982	550,799	378,288
DOMINICAN REPUBLIC ASISTENCIA		1,363,134	640,357	334,407	238,549
TAIWAN ASISTENCIA		481,900	564,261	384,431	344,443
TURKEY ASISTENCIA		79,112	22,653	11,683	*
TURKEY	66,814	180,466	121,564	86,136	55,298
TURKEY ASISTENCIA	*	148,467	92,987	50,444	41,236
URUGUAY		2,930,544	1,884,332	1,362,590	867,053
URUGUAY ASISTENCIA		*	910,728	382,891	294,449
VENEZUELA	8,627,446	11,332,217	10,368,994	7,748,817	6,597,518
VENEZUELA ASISTENCIA		*	3,320,397	3,181,604	1,341,709

The countries shown in the table correspond to 99 percent of the workforce, excluding employees of BANCO DO BRASIL.

\* For data protection and confidentiality, in those countries where there are two or less men or women in a given group, the information is not published.



**NOTE 5 – WORK-RELATED ACCIDENT DATA**

[GRI 403-9, 403-10; L.11/2018]

In 2019, work was carried out to homogenize accident data on a global level, rigorously adhering to GRI 403. The formulas used to calculate these indices were:

- 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.
- INCIDENCE RATE OF OCCUPATIONAL ILLNESSES: Represents the number of occupational illnesses resulting in an absence per 100,000 workers.
- INCIDENCE RATE OF WORK-RELATED ACCIDENTS: Represents the number of work-related accidents resulting in an absence per 100,000 workers.
- RATE OF LOST DAYS: 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.
- DEATHS FROM WORK-RELATED ACCIDENTS: Represents the number of deaths resulting from a work-related accident for every one million hours worked.
- DEATHS FROM OCCUPATIONAL ILLNESS: Represents the number of deaths resulting from an occupational illness for every one million hours worked.



**NOTE 6: ENVIRONMENTAL INDICATORS [L.11/2018]**

**TABLE I. ENVIRONMENTAL CONTEXT**

	UNITS	2019	2018	2017
Employees working under environmental reporting (Integrated Report)*	Employees	32,256	33,177	33,947
Employees working under environmental management certification (ISO 14001)	Employees	11,759	11,589	11,369
Employees working under energy management certification (ISO 50001)	Employees	6,730	6,588	4,885
Employees working under carbon footprint verification (ISO 14064)	Employees	16,945	15,546	12,701

Premium volume managed under SIGMAYE (ISO 14001): 71.12%

\* Data from Spain, Argentina, Brazil, Chile, Colombia, USA, Italy, Mexico, Puerto Rico, Turkey, Costa Rica, El Salvador, Nicaragua, Honduras, Panama, Guatemala, Ecuador, Dominican Republic, Paraguay, Uruguay, Peru, Venezuela, Portugal, Philippines, Malta and Germany.

**TABLE II. SIGMAYE CONTROL**

	GRI	UNITS	2019	2018	2017
Environmental diagnosis and inspections	FS9	Uds.	20	5	9
Internal environmental audits	FS9	Uds.	50	39	44
Environmental certification audits	FS9	Uds.	28	29	36
Assets subject to environmental controls	FS9	%	34.26%	32.75%	31.26%

Environmental compliance: In relation to environmental fines, there was no record of having received any fine in 2019. [GRI 307-1]

Resources devoted to environmental risk prevention: €712,856

The MAPFRE Group (in Europe and Brazil) has public liability insurance with specific coverage for the management of its environmental risks due to pollution (€300,000 - €10 million) and environmental responsibility (€300,000), as established by state legislation.

The MAPFRE Group has third-party insurance in place in Europe and Brazil, with specific coverage for management of its environmental risks arising from pollution and any environment-related liability, as established by legislation

**TABLE III. CARBON FOOTPRINT BROKEN DOWN BY SCOPE.**

The following greenhouse gases are reported for the three scopes falling within the GHG Protocol and ISO 14064: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCS, PFCS, SF<sub>6</sub> and NF<sub>3</sub>. MAPFRE’s methodology for calculating its carbon footprint is carried out through financial control. For the calculation, emission factors of the generation mix for the corresponding country and the latest available information are applied: DEFRA, International Energy Agency, GHG Protocol.

	GRI	UNITS	2019	2018	2017
<b>Carbon footprint (GHG emissions)</b>					
Scope 1	305-1 305-5	TmCO <sub>2</sub> eq	11,669	10,330	13,272
Scope 2 (market based)	305-1 305-5	TmCO <sub>2</sub> eq	14,307	16,215	15,496
Scope 2 (location based)	305-1 305-5	TmCO <sub>2</sub> eq	35,601	35,900	28,719
Scope 3	305-1 305-5	TmCO <sub>2</sub> eq	33,049	26,435	28,352
<b>Total GHG emissions (market based)</b>	<b>305-1 305-5</b>	<b>TmCO<sub>2</sub>eq</b>	<b>59,025</b>	<b>52,980</b>	<b>57,120</b>
<b>Carbon footprint indicators</b>					
Emissions per employee	305-4	TmCO <sub>2</sub> eq/ empleado	1.83	1.59	1.67
Emissions per premium	305-4	TmCO <sub>2</sub> eq/ prima	2.34	2.78	2.95

\*Data for Spain, Argentina, Brazil, Chile, Colombia, USA, Italy, Mexico, Puerto Rico, Turkey, Costa Rica, El Salvador, Nicaragua, Honduras, Panama, Guatemala, Ecuador, Dominican Republic, Paraguay, Uruguay, Peru, Venezuela, Portugal, Philippines, Malta and Germany.



**TABLE IV. BREAKDOWN OF CARBON FOOTPRINT AND CATEGORIES INCLUDED IN DIFFERENT SCOPES**  
[ L.11/2018]

	GRI	UNITS	2019	2018	2017
<b>Scope 1</b>		<b>TmCO<sub>2</sub>eq</b>	<b>11,069.1</b>	<b>10,330</b>	<b>13,272</b>
Natural gas	302-1 302-4 305-1	TmCO <sub>2</sub> eq m <sup>3</sup>	3,154.4 1,491,727.02	2,604.1 1,293.571	2,350.7 1,156.730
Fuels in fixed installations	302-1 302-4 305-1	TmCO <sub>2</sub> eq l	792.86 292,469	1,135.33 368,709	1,481.76 441,409
Refrigerant gases	302-1 302-4 305-1	TmCO <sub>2</sub> eq kg	2,854.96 1,489.58	1,058.79 536	1,893.13 941
Fuels in own vehicles	302-1 302-4 305-1	TmCO <sub>2</sub> eq l	4,866.87 2,003.907	5,531.85 2,319.928	7,546.34 3,164,699
<b>Scope 2</b>		<b>TmCO<sub>2</sub>eq</b>	<b>14,307</b>	<b>16,215</b>	<b>15,496</b>
Electricity	302-1 302-4 305-2	GWh	108.19	113.41	108.72
<b>Scope 3</b>		<b>TmCO<sub>2</sub>eq</b>	<b>33,048.81</b>	<b>26,435</b>	<b>28,352</b>
Business travel (air, train and bus)	302-4 305-3	TmCO <sub>2</sub> eq km	9,447.77 43,167,836	6,976.85 53,428,757	8,118.36 46,305,542
Business travel (vehicles)	302-4 305-3	TmCO <sub>2</sub> eq km	1,461.04 8,249,786	1,594.31 8,825,915	1,701.24 9,325,947
Paper consumption	302-4 305-3	TmCO <sub>2</sub> eq	1,633.32	1,526.79	1,925.53
Paper waste	302-4 305-3	TmCO <sub>2</sub> eq	19.84	18.07	19.33
Toner use	302-4 305-3	TmCO <sub>2</sub> eq	91.26	87.39	51.71
Toner waste	302-4 305-3	TmCO <sub>2</sub> eq	117.41	131.15	219.35

	GRI	UNITS	2019	2018	2017
Fluorescent waste	302-4 305-3	TmCO <sub>2</sub> eq	0.34	0.51	0.21
Commuting	302-4 305-3	TmCO <sub>2</sub> eq	20,277.83	16,044.38	16,257.54
Natural gas, fuel in buildings, refrigerant gases, fuel in own vehicles, electricity consumption, paper consumption, paper waste, toner consumption, toner waste, fluorescent waste: *Data for Spain, Argentina, Brazil, Chile, Colombia, USA, Italy, Mexico, Puerto Rico, Turkey, Costa Rica, El Salvador, Nicaragua, Honduras, Panama, Guatemala, Ecuador, Dominican Republic, Paraguay, Uruguay, Peru, Venezuela, Portugal, Philippines, Malta and Germany.					
Business travel (air, train and bus) 2017: Data from Spain, Argentina, Brazil, Chile, Peru, USA, Puerto Rico, Portugal and Turkey. 2018: Data from Spain, Argentina, Brazil, Chile, Peru, USA, Puerto Rico, Portugal, Turkey, Mexico, Costa Rica, Nicaragua, Dominican Republic, Uruguay and Malta. 2019: Data from Spain, Argentina, Brazil, Chile, Peru, USA, Puerto Rico, Portugal, Turkey, Mexico, Dominican Republic, Uruguay and Germany.					
Business travel (vehicles) 2017, 2018, 2019: Data from Spain					
Commuting 2017: Spain, Colombia, Portugal and Puerto Rico 2018: Spain, Colombia, Portugal and Puerto Rico 2019: Spain, Colombia, Portugal, Puerto Rico and Mexico					

**TABLE V. CONSUMPTION OF RESOURCES**

	GRI	UNITS	2019	2018	2017
<b>ENERGY</b>					
Total energy consumption	302-1 302-4	GWh	148.89	155.96	159.35
Natural gas consumption	302-1 302-4	GWh	16.49	13.88	12.65
Fuel consumption fixed installations	302-1 302-4	GWh	2.83	4.55	5.07
Fuel consumption of mobile installations	302-1 302-4	GWh	20.64	24.12	32.92
Consumption of conventional electricity	302-1 302-4	GWh	42.66	47.71	40.25
Consumption of renewable energy	302-1 302-4	GWh	66.27	65.7	68.47
Energy consumption/employee	302-3	kWh/ employee year	4,616	3,919	3,680
Energy consumption/premium	302-3	KWh/ premium (thousand €)	5.90	6.87	6.5
*Data for Spain, Argentina, Brazil, Chile, Colombia, USA, Italy, Mexico, Puerto Rico, Turkey, Costa Rica, El Salvador, Nicaragua, Honduras, Panama, Guatemala, Ecuador, Dominican Republic, Uruguay, Peru, Venezuela, Portugal, Philippines, Malta and Germany.					
<b>WASTE</b>					
Recycling**	GRI	MT	3,397.84	3,099.58	2,980.16
Paper	306-2	MT	929.05	844.95	888.54
Toner and cartridges	306-2	MT	9.61	10.26	17.31
Electrical appliances	306-2	MT	33.14	66.61	33.66
Donated electrical appliances	306-2	MT	16.24	13.07	8.77
Batteries	306-2	MT	1.69	1.58	2.20
IT support	306-2	MT	0.14	2.71	2.78
Mobile phones	306-2	MT	0.30	0.09	0.75
Bulbs and fluorescent lamps	306-2	MT	2.26	4.34	1.55
Expired medicines	306-2	MT	0.09	0.20	0.11

	GRI	UNITS	2019	2018	2017
X-Rays	306-2	MT	0.09	1.07	0.98
Workshops and maintenance	306-2	MT	1,699.14	1,696.74	1,645.54
Urban	306-2	MT	706.09	457.96	377.98
<b>Landfill</b>	<b>306-2</b>	<b>MT</b>	<b>1,282.74</b>	<b>527.07</b>	<b>444.33</b>
Urban	306-2	MT	1,241.85	500.68	391.91
Sanitary waste	306-2	MT	3.57	2.40	2.28
Workshops and maintenance	306-2	MT	36.66	23.11	47.43
Other	306-2	MT	0.66	0.89	2.71
Total waste generated	306-2	MT	4,680.58	3,626.65	3,424.49

\*Data for Spain, Argentina, Brazil, Chile, Colombia, USA, Italy, Mexico, Puerto Rico, Turkey, Costa Rica, El Salvador, Nicaragua, Honduras, Panama, Guatemala, Ecuador, Dominican Republic, Uruguay, Peru, Venezuela, Portugal, Philippines, Malta and Germany.

\*\* Includes waste recycling and recovery operations.

<b>WATER</b>					
Total water consumption	303-5	m <sup>3</sup>	711,795	665,874	615,356
Water consumption per employee	303-5	m <sup>3</sup> / employee	22.07	19.93	18.01

\*Data for Spain, Argentina, Brazil, Chile, Colombia, USA, Italy, Mexico, Puerto Rico, Turkey, Costa Rica, El Salvador, Nicaragua, Honduras, Panama, Guatemala, Ecuador, Dominican Republic, Uruguay, Peru, Venezuela, Portugal, Philippines, Malta and Germany.

<b>PAPER</b>					
Total paper use	301-1	MT	1,878	1,818	2,136
Paper use with label	301-1	MT	1,269	1,359	1,311

\*Data for Spain, Argentina, Brazil, Chile, Colombia, USA, Italy, Mexico, Puerto Rico, Turkey, Costa Rica, El Salvador, Nicaragua, Honduras, Panama, Guatemala, Ecuador, Dominican Republic, Uruguay, Peru, Venezuela, Portugal, Philippines, Malta and Germany.

<b>TONER</b>					
Toner consumption	301-1	MT	9,628	9,220	5,455

\*Data for Spain.

**NOTE 7: SOCIAL AND ENVIRONMENTAL PRODUCTS AND SERVICES**

[GRI 102-2; 203-2, 201-2, FS1, FS3, FS7, FS8, FS13, FS14, FS15; L.11/2018]

**Products with high social content**

These are products with basic coverage (Burial, Homeowners, Life etc.) that are adapted to very specific local necessities, with reduced premiums, which provide cover for personal risks of various collectives and also contribute to developing an insurance culture.

Country	Line	Type of product or service	% of total premiums	% of total for line	No. of insureds / beneficiaries
<b>IBERIA TERRITORIAL AREA</b>					
Spain*	Hospital-ization and health	Health Choice: Healthcare assistance insurance that guarantees primary care and basic diagnosis tests at approved centers. For any other medical assistance the insured party may require, discounted prices payable by private patients are offered at recommended clinics.	0.13	0.13	8,214
	Life Protect-ion	Burial Cover: Based on sliding pricing scale that is adapted to clients who wish to keep their burial insurance in force but are facing financial difficulties.	2.8	2.8	246,573
BANKIA MAPFRE VIDA launched a microinsurance product linked to microcredit. This is a single-premium life protection insurance that guarantees cancellation of the linked microcredit, with the insured capital limit of the insurance in accordance with the conditions contained in the policy. This microinsurance has a strong social component, since its main objective will be to protect the interests of entrepreneurs who find themselves in financial difficulties. Due to its recent release, no marketing data is yet available.					
Brazil	Simple risks	Residential microinsurance: A social inclusion insurance, given the low premiums and coverage offered, that support policyholders in the event of unforeseen circumstances.	0.65	100	392,803
	Life	Protected Telephone Account Program: Protection for individuals in vulnerable situations. Financial protection insurance with coverage for payment of telephone bills in case of unemployment, disability, etc., thereby protecting clients in vulnerable situations.	0.02	0.13	23,215
		Crediamigo Microcredit Program: Designed to drive economic growth and provide coverage for death or funeral costs, in addition to four monthly capitalization lotteries.	0.27	1.79	703,580
		Life Protection with Rewards: Microinsurance that combines protection for the insured party with monthly prize drawings. Sold by MAPFRE in association with Casas Bahía.	1	6.66	899,866
		<i>Agroamigo: A new insurance solution that promotes economic growth for micro-entrepreneurs in formal or informal sectors of the economy in rural areas.</i>	0.06	0.38	183,512
		<i>Proteção Financeira: Credit protection products for people with low incomes, which guarantee the payment of debts when buying consumer goods.</i>	0.54	3.63	952,914
	People microinsurance: Insurance that protects clients who use the Correspondent Banking Agency for loans or pay bills.	0.23	1.54	11,373	

Country	Line	Type of product or service	% of total premiums	% of total for line	No. of insureds / beneficiaries
Brazil		CR personal accident microinsurance with rewards: Microinsurance that protects clients' purchases in CR Diementz stores.	0.00	0.03	536,855
		Solar microinsurance: Offered to protect clients' purchases in Solar stores.	0.00	0.00	17,954
	Other activities	Education Insurance: Protects the basic and essential needs of the population. Insurance intended to protect students while under the school's responsibility and coverage for the person responsible for the student's finances.	0.44	2.97	1,499,484
Colombia	Burial	Funeral insurance: Coverage of funeral expenses and financial support of up to 3,000 US dollars in case of accidental death of the principal insured party. The average monthly premium for a family plan (principal insured party, spouse and all children under 40 years of age) is three US dollars.	5	84	472,314
	Life	Life insurance: No age limit, includes terminal illness and coverage from the first payment that includes a lump sum and a monthly income. The monthly premium on a personal plan is three US dollars.	6	33	954,510
	Accidents	Personal accident insurance: Provides death or permanent total disability indemnification, or a monthly income for temporary disability. Homicide is covered from the first year of the policy. The average monthly premium for a personal plan is three US dollars.	3	81	422,346
	Non-Life	Homeowner insurance: Intended for homeowners and tenants who can purchase insurance on a modular basis by selecting different kinds of coverage. Indemnification is paid at first loss up to the maximum insured amount, as no inspection is required. The average monthly premium is four US dollars.	0.36	1.06	28,086
Dominican Rep.	Hospitalization and health	Assistance program for entrepreneurs and SMEs who are Banco BHD León credit card holders: Set of services or assistance to the insured party's business, including plumbing, electricity, locksmith, legal assistance.	0.0011	0.0077	2,753
		Coverage for male cancer victims who are Banco BHD León credit card holders: coverage guaranteeing that the insured party receives the contracted face value in the event they are diagnosed for the first time with prostate cancer.	0.0007	0.0049	2,214
		Assistance granted to the insured party for holding a Banco BHD León Mujer credit card: Services include homeowners coverage, breakdown coverage, legal coverage and coverage for medical emergencies on domestic and international trips, as well as personal assistance.	0.009	0.0658	43,998
		Education insurance covering the death of a student's father: In the event of the death or total disability of the insured, the company will pay the insured sum to the school that certifies the enrollment of the children of the insured party.	0.038	0.0276	10,697
Mexico	Personal accidents	Accidents and illness: Protection insurance against accidents suffered by domestic workers.	ND	ND	3,000
	Hospitalization and health	Standardized basic insurance for major medical expenses: Individual or family insurance that provides indemnification for treatment or diagnosis of covered events and hospitalization.	ND	ND	9

Country	Line	Type of product or service	% of total premiums	% of total for line	No. of insureds / beneficiaries
Mexico	Industrial risks	Cash theft: Protection for unauthorized cash withdrawals and transfers.	N/A	N/A	3,000,000
	Life Savings	Standardized basic personal accident insurance: Individual insurance that pays out the insured sum to the beneficiary in case the insured dies from a covered accident.	N/A	N/A	154
	Life Protection	Basic life: In the event of death, the insured sum is paid out to the beneficiaries. In the event of a diagnosis of cancer or hospitalization, the policyholder is compensated.	N/A	N/A	4,441,918
Venezuela	Hospitalization and health	Solidarity-based health insurance: This product is intended for individuals on the minimum wage, the elderly, pensioners and people with disabilities.	0.00	0.00	715
	Personal accidents	Life and personal accident solidarity policy: A product intended for individuals on the minimum wage, the elderly, pensioners and people with disabilities.	0.00	0.00	13
	Other activities	Funeral solidarity insurance: A product intended for individuals on the minimum wage, the elderly, pensioners and people with disabilities.	0.00	0.00	87

**ENVIRONMENTAL PRODUCTS AND SERVICES**

**Insuring renewable energy**

- 29,948.28 MW WIND POWER
- 3,749.16 MW SOLAR
- €24,292,406.5 INSURED PREMIUMS

**Green Policy:**

- 46,837 LOW-EMISSION VEHICLES INSURED
- €20,292,406.5 INSURED PREMIUM

**Out-of-use vehicles (OUV)**

- 2,556 OUT-OF-USE VEHICLES
- 73,544 PARTS RECOVERED

**Environmental liability**

- 160,000 POLICIES WITH FREE COVERAGE
- €8,273,260.5 INSURED PREMIUM

**Sustainable mobility**

- 18 HYBRID TOW-TRUCKS
- 28 ELECTRIC TOW-TRUCKS

**Insuring crops and sustainable forests**

- 65,497 HECTARES INSURED
- 1,909 CLIMATE INSURANCE POLICIES
- €171,963 INSURED PREMIUMS

**ENVIRONMENTAL PRODUCTS AND SERVICES**

Product/Service		2019	2018	2017
Environmental risk coverages	No. of policies	59,771	57,357	20,705
Insurance for sustainable projects	Net premiums (€)	57,889,070	56,479,313	120,461,190
Environmental and energy-saving services	Revenue (€)	306,531	408,517	235,177

Overall, 59,771 policies covering environment-related aspects were issued in 2019, representing a premium volume of more than 57.8 million euros, which represents 0.25 percent of the Group’s total premiums.

In the case of environmental and energy services, some are directly associated with insurance policy benefits. Proof of this is that in 2019 the MAPFRE provider network has 28 100-percent electric vehicles with mobile recharging to provide roadside assistance for electric cars. These assistance vehicles are equipped with a generator that can charge cars anywhere, anytime. As a result, this service reduces carbon footprint, preventing assistance tow trucks from traveling to the breakdown location and towing the vehicle back to a charging station.

In addition, MAPFRE is encouraging its providers to renew their tow truck fleets with hybrid vehicles, and there are already 18 light hybrid tow-trucks available for this roadside assistance service.

Other services are related to research on repairs for vehicles involved in accidents, conducted at the Road Safety Experimentation Centers (CESVI) in Spain and the Americas, which contributes to the reduced consumption of pollutants such as paint and solvents and helps minimize the environmental impact of vehicle repairs.

CESVIMAP, through CESVI RECAMBIOS, manages out-of-use vehicles. A total of 2,556 out-of-use vehicles were handled in Spain in 2019, from which 73,544 parts and components were recovered for reuse.





Below are the main environment-related insurance products and services:

Country	Type of product or service	% of total premiums	% of line total	No. of insureds
<b>IBERIA TERRITORIAL AREA</b>				
	Green policy: comprehensive pay-per-use insurance for electric, hybrid and eco-friendly vehicles.	0.14	0.15	6,127
	P&C and third-party liability insurance: product for solar farms and photovoltaic power stations, wind farms and cogeneration plants.	0.66	3.47	1,701
Spain	Environmental liability cover in general third-party liability policies and multirisk policies: covers policyholder liability for damage caused due to environmental pollution.	0.026	N/A	1,252
	FOREST: Mass Forest Fire Cover.	0.03	1.38	164
	SUSTAINABLE MOBILITY_ELECTRIC SCOOTERS: A third-party liability coverage possibility is offered for those vehicles that enhance people's sustainable mobility.	6.28	0.08	17,725
Portugal	Environmental liability: covers the cost of repairs due to accidents or an imminent threat, damage to wildlife and habitats, water and land pollution.	0.27	N/A	847
<b>EURASIA TERRITORIAL AREA</b>				
Germany	Low emissions car policy	5.0	5.0	40,710
	Electric and hybrid car policy	1.2	1.2	2,523
<b>LATAM TERRITORIAL AREA</b>				
	Environmental third-party liability: total risk insurance; namely, the insurance company guarantees the payment of damages up to the value of the maximum compensation limit. This insurance consists of basic coverage, mandatory requirements and additional coverage, as well as optional rent.	0.05	27.18	180
	Wreck disposal: policy for pleasure and general aviation craft that provides compensation to policyholders to recover damaged property and minimize environmental harm.	0.0	0.24	82
Brazil	RESIDENTIAL MICROSURANCE: The plans feature the assistance of ecological disposal, which allows the insureds to send their old/broken furniture or appliances to a company that specializes in the correct disposal of these materials.	0.65	100	392,803
	EXTENDED WARRANTY for Domestic Appliances: there are a number of goods that are characterized as "Troca Certa". These are small products (appliances) that, due to their repair cost, are simply exchanged, and these products are then collected from the insureds. These defective/broken products are sent to a company that ensures the materials and electronic components are disposed of correctly, ensuring that there is no impact on the environment.	0.37	25.83	1,421,067

Country	Type of product or service	% of total premiums	% of line total	No. of insureds
	SMART RESIDENTIAL / DISCHARGE: The insurer will send a professional to dispose of furniture, electronic equipment and appliances, in line with current sustainability practices and regulations. The removal of furniture and electronic equipment and appliances must take place within the insured's residence.	0.16	9.87	5,209
Mexico	Safe gas station: insurance that includes public liability coverage against contamination.	0.025	N/A	537
Colombia	TRANSPORTATION OF DANGEROUS GOODS AND HYDROCARBONS: This coverage is extended to cover third-party liability and defense expenses, in line with the decrees of Law 1609 of 2002 (hydrocarbons company), 4299 of 2005 (truck owners), 321 of 1999 and Law 1333 of 2009.	100	0,7	9
	Climate insurance: insurance that protects agricultural and livestock producers against the effects of natural events on their crops. This provides coverage for natural events such as drought or flooding, frost, strong wind, landslide, hail, avalanche and fire.	100	100	1,745
<b>INTERNATIONAL TERRITORIAL AREA</b>				
Puerto Rico	MCS-90: transportation policy that covers repairing damage resulting from contamination due to leaks of hazardous products.	0.04	0,15	274
<b>GLOBAL BUSINESSES</b>				
Damage and third-party liability policy: insurance that covers the different phases (design, construction, commissioning and operation) of large renewable energy thermosolar plants and wind farms. These products are marketed by MAPFRE GLOBAL RISKS.				
	Wind farms	0.07	1.5	7
	Solar energy	0.02	0.4	10

**NOTE 8 - PRINCIPLES OF THE GLOBAL COMPACT AND MAPFRE'S HUMAN RIGHTS PREVENTION AND ENFORCEMENT (HUMAN RIGHTS) MEASURES**

[GRI 102-17, 205-1, 205-2, 205-3, 406-1, 407-1, 408-1, 409-1, 410-1, 411-1, 412-1, 412-2, 412-3, 413-1, 413-2; L.11/2018]

In line with the United Nations Principles of Business and Human Rights, the following table shows the organization's commitment to the 10 Principles of the Global Compact and Human Rights, as well as the main prevention and mitigation measures, and the claim and repair mechanisms.

	Compact Principles	MAPFRE's public commitment to Human Rights	Prevention and Mitigation (due diligence)	Complaint and redress mechanisms
Human Rights	<b>Principle 1</b> "Companies must support and respect the protection of internationally proclaimed Human Rights under their sphere of influence".		<b>Internal regulation:</b> • MAPFRE Anti-Corruption Framework	
	<b>Principle 2</b> "Businesses must ensure that their businesses are not complicit in Human Rights violations".		<b>Systems for the prevention and evaluation of internal risks and arising from MAPFRE's activity:</b> • Impact self-assessment - Guide to implementing the United Nations Guiding Principles on Enterprise and Human Rights, developed by the Spanish Global Compact Network. MAPFRE materiality survey (Detects Internal risks and risks arising from the activity) • Environmental, Social and Governance Analysis (ESG) report on underwriting and investment • RepRisk Report, to assess and monitor ESG risks of business conduct related, among others, to Human Rights • Commitment 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.) • Internal, control and compliance audits • The Financial and Accounting Whistleblower Channel for employees. • Ethical complaint channels arising from failure to comply with the Code of Ethics and Conduct, available to employees and suppliers. • Specific channels and resources for protecting rights and managing customer claims. • Internal systems and procedures established to detect corruption situations and prevent fraud and money laundering. • Environmental Management System (SIGMAYE) • Vendor approval with environmental, social and governance (ESG) criteria including Human Rights, non-discrimination and compliance with environmental and labor standards • Permanent dialog with stakeholders and workers' legal representation	
Labor Standards	<b>Principle 3</b> "Businesses must uphold freedom of association and effectively recognize the right to collective bargaining".	<ul style="list-style-type: none"> <li>• Institutional, Organizational and Business Principles</li> <li>• Code of Ethics and Conduct (express reference)</li> <li>• Corporate Social Responsibility (Action Policy and the Organization's commitment to Human Rights)</li> <li>• Social commitments 2019-2021, assumed at the Annual General Meeting held in 2019: 45 percent of vacancies in positions of responsibility occupied by women; 3 percent of workforce with people with disabilities</li> </ul>		<ul style="list-style-type: none"> <li>• Corporate Ethics Committee.</li> <li>• Ethical complaints Channel for employees/collaborators and suppliers</li> <li>• The Financial and Accounting Whistleblower Channel for employees.</li> <li>• Customer claim and complaint channels</li> <li>• Employee harassment protocol</li> <li>• Human Resources departments</li> <li>• Employee Legal Representatives</li> <li>• Corporate Sustainability Committee</li> </ul>
	<b>Principle 4</b> "Businesses must uphold the elimination of all forms of forced and compulsory labor".			
	<b>Principle 5</b> "Businesses must uphold the eradication of child labor".			
	<b>Principle 6</b> "Businesses must uphold the elimination of discrimination with respect to employment and jobs".			
Environment	<b>Principle 7</b> "Businesses must maintain a precautionary approach that favors the environment".	<b>Adherence to:</b> • United Nations Global Compact: UNEPFI Principles for Sustainable Insurance (PSI); • United Nations Principles for Responsible Investment (PRI) • Paris Pledge for Action.		
	<b>Principle 8</b> "Businesses must encourage initiatives that promote greater environmental responsibility".			
	<b>Principle 9</b> "Businesses must encourage the development and promotion of environmentally friendly technologies".	<b>Commitment to UN Agenda 2030 and its Development Goals (SDGs)</b>		
Anti-corruption	<b>Principle 10</b> "Businesses must work against corruption in all its forms, including extortion and bribery."		<b>Training in Human Rights for employees and suppliers as a preventive and awareness-raising measure on UN 2030 Agenda</b>	

**NOTE 9: OUR FOOTPRINT: SOCIAL VALUE, SHARED VALUE**

[GRI 201-1; L.11/2018]

**ENVIRONMENTAL FOOTPRINT**



**ENVIRONMENTAL CERTIFICATIONS**

- **11,759** employees working under environmental certification ISO 14001.
- **6,730** employees working under energy management certification ISO 50001.
- **16,940** employees working under carbon footprint verification ISO 14064.
- **12** international head offices certified as being sustainably constructed.



**CARBON FOOTPRINT**

- MAPFRE is committed to being carbon neutral in the Iberia territorial area (Spain and Portugal) by 2021.
- MAPFRE is committed to making the entire Group carbon neutral by 2030.
- The annual reduction in the carbon footprint globally has been an average of **10 percent** per year.
- **1,258,148 kWh** of savings since 2016, thanks to the CoolBiz campaign in Spain.
- The MAPFRE without Plastic campaign avoided the generation of 25.8 tons of plastic waste and the emission of 104 tons of CO<sub>2</sub> into the atmosphere.



**PRODUCTS AND SERVICES OFFERING ENVIRONMENTAL COVERAGE**

- **More than 58,000** policies in force with environment-related coverage.
- **160,000** policies with free environmental responsibility coverage.
- **65,497** hectares of agricultural land and sustainable forests insured.
- **33,697,44 MW** derived from wind and solar renewables insured.
- **46,837** low-emission vehicles insured under eco policies.
- **46** hybrid tow trucks form part of our provider fleet.



**ENVIRONMENT-RELATED TRAINING**

- **2,495** employees have received environment-related training.
- **2,388** volunteers planted 1,969 trees and collected 14.4 tons of trash on MAPFRE's second corporate Volunteering Day, under the banner of "Everyone for the Environment".

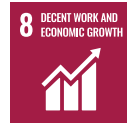
**ENVIRONMENTAL FOOTPRINT**



**BIODIVERSITY AND ECOSYSTEM**

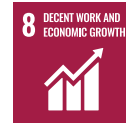
- 2019 was the third year in which MAPFRE maintained its commitment to the 100 Empresas por los bosques (100 Companies for the Forests) initiative.
- 2019 was the fifth year of collaboration with the WWF Spain for the conservation of biological diversity.

**SOCIAL FOOTPRINT**



**DIRECT AND INDIRECT EMPLOYMENT**

- **97.3** percent of employees on permanent contracts.
- **177,197** providers with whom MAPFRE maintains sales and service relationships.
- **79,239** agents, delegates and brokers work with MAPFRE.
- **6,835** approved providers participate in the ESG approval process.



**FLEXIBILITY AND CONCILIATION**

- **56.2** percent of employees avail of flexible working schedules.
- **3.1** percent of employees avail of reduced workdays.
- **1.6** percent of employees avail of parental leave.
- **16.9** percent of employees equipped for technological mobility (remote working).
- **1,529** teleworking employees.
- **14.9** percent of employees availed of internal mobility to change their job positions.
- **178.3** million euros invested in social benefits for employees



**TRAINING AND TALENT**

- **100** percent of the workforce received training via 1,518,412 hours of training, which represents an average of 44.2 hours per employee and an investment of 536.30 euros per employee.
- **15** percent of employees have had career plans developed for them.
- More than **44,700** enrollments for the more than 230 training resources available.
- **259** agreements with Universities, business schools and third-level institutions.
- **1,179** students completed internships in the Group during 2018.
- **478** providers received training in Human Rights, **403** of whom were security personnel.

SOCIAL FOOTPRINT



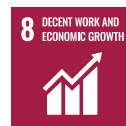
HEALTH AND WELL-BEING

- 13,015 hours dedicated to training employees in Health and Well-being.
- 862 activities carried out in 31 countries as part of the IV MAPFRE Week: "Health, Well-being and Diversity 2019".
- 1,741 workplace risk assessments completed.
- 2,642 psychosocial evaluations carried out.
- 51.1 percent of employees availed of company medical check-ups.
- Numerous campaigns, initiatives, chats and training sessions related to health and sickness prevention, work and personal environment, mental well-being, physical activity and nutrition were carried out in 2018. (Detailed information available in the MAPFRE People and Organization 2019 report.)
- Launch of Savia, a new health services digital platform.
- Health-related products aimed at vulnerable groups or people at risk of social exclusion. (See Note 7)



DIVERSITY

- 54.9 percent of the current workforce are women.
- 40.1 percent of positions of responsibility are held by women.
- 289,603.06 euros invested in workplace integration measures.
- 151,254.84 euros in contracts conceded to special employment centers.
- 2.9 percent of employees with some type of disability on the workforce.
- 53.9 percent of employees trained via an e-learning course on disability.
- 164 volunteering activities directed at people with disabilities.
- The Group comprises employees from 84 nationalities.
- 5 generations (Veterans, Baby Boomer and Generations X, Y and Z) work side by side at MAPFRE.
- 211 mentors and 247 mentees taking part in the global traditional and inverse mentoring program that promotes continued development through the exchange of knowledge among generations.



INNOVATION

- Second insur\_space call, with numerous startups participating.
- Second edition of the innova intrapreneurship program.
- Participation of MAPFRE as anchor investor in the venture capital fund "Alma Mundi Insurtech Fund, FCRE", which is focused on the insurtech space.
- 75 new products launched.

















CORPORATE VOLUNTEERING

- The Corporate Volunteering Program is aligned with the SDGs. Due to its speciality and the activities it carries out, it has an impact on other SDGs, in addition to the nine priorities for MAPFRE.

All MAPFRE staff received training in 2019, with more than 1.5 million training hours imparted, resulting in an average investment of 536.3 euros per employee

The following table shows, through each of the six lines of action, how volunteering activities carried out throughout 2019 impact on the different SDGs:

Line of Action	No. of activities	Participating employees	Participation of employee family members	No. of direct beneficiaries	SDG
Health	655	4,236	978	35,258	    
Nutrition	373	2,632	358	44,246	    
Environment	137	2,464	1,385	3,849	      
Education	375	2,934	468	37,585	       
Sharing Solidarity	62	883	71	1,871	   
Emergency response	13	87	32	2,300	   
<b>Total Volunteering Activities 2019</b>	1,615	13,236	3,292	125,209	

\*To complete the social work that MAPFRE carries out through Fundación MAPFRE, please consult the Fundación MAPFRE Annual Report 2019, available at [www.fundacionmapfre.com](http://www.fundacionmapfre.com)

ECONOMIC FOOTPRINT



MAPFRE's insurance activity generates a direct economic impact through the constant flow of transactions made, among which the following are highlighted:

Item	2019	Item	2019
Benefits paid <sup>(1)</sup>	16,120.2	Third-party funds under management <sup>(5)</sup>	40,663.0
Payments to providers <sup>(2)</sup>	7,761.6	<b>Total investments</b>	<b>47,363.4</b>
Wages and salaries, and other <sup>(3)</sup>	1,504.4	Financial investments	44,995.9
<b>Activity subtotal</b>	<b>25,386.2</b>	Fixed income	39,443.7
Dividends <sup>(4)</sup>	844.1	- Issued by governments	30,088.8
<b>Shareholders subtotal</b>	<b>844.1</b>	- Other fixed-income securities	9,354.9
Social security	430.8	Other financial investments	5,552.2
Seguridad Social	257.0	Real estate investments <sup>(6)</sup>	<b>1,323.4</b>
<b>Public administrations subtotal</b>	<b>687.8</b>	<b>Other investments</b>	<b>1,044.1</b>
Interest paid	69.8		
<b>Financing subtotal</b>	<b>69.8</b>		
<b>TOTAL</b>	<b>26,987.8</b>		

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 1.251.1 million euros in 2019 (1.257.8 million euros in 2018).
- (4) Dividend payments made during the fiscal year.
- (5) Technical provisions for Life, pension funds, mutual funds and managed portfolios, before shadow accounting adjustments.
- (6) Excluding real estate for own use.

NET PAYMENTS FOR TAX ON PROFITS PER COUNTRY

Country	2019	Country	2019
<b>IBERIA</b>	<b>-143.1</b>	<b>NORTH AMERICA</b>	<b>14.9</b>
SPAIN	-139.9	UNITED STATES	15.2
PORTUGAL	-3.2	VERTI USA	--
<b>BRAZIL</b>	<b>-192.5</b>	PUERTO RICO	-0.2
<b>LATAM NORTH</b>	<b>-8.2</b>	<b>EURASIA</b>	<b>-3.1</b>
MEXICO	-0.6	TURKEY	1.7
PANAMA	0.0	MALTA	-2.3
DOMINICAN REP.	-6.5	GERMANY	1.3
EL SALVADOR	--	ITALY	--
HONDURAS	-1.0	PHILIPPINES	--
GUATEMALA	0.3	INDONESIA	-3.8
COSTA RICA	--	CHINA	--
NICARAGUA	-0.3	<b>TOTAL INSURANCE</b>	<b>-400.5</b>
<b>LATAM SOUTH</b>	<b>-68.6</b>	<b>GLOBAL RISKS</b>	<b>--</b>
COLOMBIA	-14.4	<b>ASISTENCIA</b>	<b>-6.3</b>
ARGENTINA	-5.0	<b>MAPFRE RE</b>	<b>-36.8</b>
CHILE	-38.6	HOLDING, ELIMINATIONS AND OTHER	12.8
PERU	-7.2	MAPFRE VENEZUELA	--
URUGUAY	-0.9	<b>MAPFRE S.A.</b>	<b>-430.8</b>
PARAGUAY	-1.9		
ECUADOR	-0.5		

Figures in million euros

CORPORATE INCOME TAX PAID BY REGION

Geographic area	2019
Iberia	17,3%
LATAM North	24,8%
LATAM South	23,2%
Brazil	31,4%
North America	26,4%
Reinsurance	25,0%
<b>Total for MAPFRE GROUP</b>	<b>25,3%</b>



GRI 102-55

# 7.4. GRI Table of Contents



Data responding to GRI Indicators and the requirements established by Directive 2014/95 EUA 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.

Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the Spanish version of the report

Stand	Page No. / Information	Other references
GRI 101. Foundation 2016		
GRI 102. General contents 2016		
<b>1. ORGANIZATIONAL PROFILE</b>		
<b>102-1. Name of the organization</b>	MAPFRE P. 5	
	2. MAPFRE Group P. 5	
	3. Business model, strategy, and performance. P. 16	
	3.4. Business performance. P. 23	
<b>102-2. Activities, brands, products, and services</b>	6.1 Financial Dimension. P. 68	SDG 8, 9, 11
	7.3 Note 7 – Social and environmental products and services. P. 149	
	7.3 Note 9: Our footprint: social value, shared value. P. 156	
<b>102-3. Location of headquarters</b>	2. MAPFRE Group. P. 5	
	Madrid (Spain)	
<b>102-4. Location of operations</b>	2. MAPFRE Group. P. 5	
	2.2 Deployment. P. 9	
<b>102-5. Ownership and legal form</b>	2. MAPFRE Group. P. 5	

Stand	Page No. / Information	Other references
102-6. Markets served	2.2 Deployment. P. 9	
	3. Business model, strategy, and performance. P. 15	SDG 8, 17
	3.4. Business performance. P. 23	
6.1 Financial Dimension. P. 68		
102-7. Scale of the organization	2.2 Deployment. P. 9	
	2.3 Key financial figures. P. 11	SDG 8, 17
	6.1 Financial Dimension. P. 68	
	6.3 Human Dimension - General data. P. 85	
6.3 Human Dimension - General information / Diversity management. P. 85-88		
102-8. Information on employees and other workers	6.3 Human Dimension - General information / Diversity management. P. 85-88	SDG 8, 10
102-9. Supply chain	6.2 Productive Dimension - Providers. P. 79	SDG 8
102-10. Significant changes to the organization and its supply chain	3.4.1 General information - relevant issues. P. 23	
	6.2 Productive Dimension - Providers. P. 79	
102-11. Precautionary principle or approach	4.3 Ethical Behavior: main prevention and compliance measures. P. 47	
	5. Risks and Opportunities. P. 56	SDG 16
	6.5. Natural Dimension. P. 109	
	7.1 Bases of preparation and presentation of the report. P. 128	
6.6 Social and Relational Dimension / Commitments to sustainability. P. 120		
102-12. External initiatives	See mapfre.com - International Commitments	Principles 1-10 of the Global Compact
	6.5 Social and Relational Dimension: relationship channels with stakeholders; Commitments to sustainability. P. 120	SDG 17
102-13. Membership of associations	See mapfre.com - International Commitments	
<b>2. STRATEGY</b>		
102-14. Statement from senior decision-makers	1. Letter from the chairman and CEO. P. 3	
	4.1 Governance System. P. 37	

Stand	Page No. / Information	Other references
102-15. Key impacts, risks, and opportunities	2.4 Regulatory framework and environment. P. 13	
	3.3 Future outlook. P. 20	
	Risks and Opportunities. P. 59	SDG 8,17
	7.2 Materiality. P. 131	
<b>3. INTEGRITY AND ETHICS</b>		
102-16. Values, principles, standards, and norms of behavior	3.1 Business model. P. 15	
	4.1 Governance System. P. 37	Principles 1-10 of the Global Compact
	4.2 Sustainability by conviction, Code of Ethics and Conduct. P. 44	SDG 16,17
	4.3 Ethical Behavior: main prevention and compliance measures. P. 47	
102-17. Mechanisms for advice and concerns about ethics	4.3 Ethical Behavior: main prevention and compliance measures. P. 47	
	6.6 Social and relational dimension: Measures adopted to guarantee respect for Human Rights. P. 122	SDG 16, 17
	7.3. Note 8 - Global Compact Principles and measures adopted to prevent and comply with MAPFRE's Human Rights measures. P. 155	Principles 1-10 of the Global Compact
	<a href="https://www.mapfre.com/corporate/responsible-business/definition-objectives-social-responsibility/code-ethics/">https://www.mapfre.com/corporate/responsible-business/definition-objectives-social-responsibility/code-ethics/</a>	
<b>4. GOVERNANCE</b>		
102-18. Governance structure	2. Mapfre Group. P. 5	
	4.1 Governance System. P. 37	SDG 16
	4.2 Sustainability by conviction. P. 44	
102-19. Delegating authority	4.1 Governance System. P. 37	
	4.2 Sustainability by conviction. P. 44	Principles 1-10 of the Global Compact
	Section C.2.1. of the Annual Corporate Governance Report (ACGR).	

Stand	Page No. / Information	Other references
<b>102-20. Executive-level responsibility for economic, environmental, and social topics</b>	<p>4.1 Governance System. P. 37</p> <hr/> <p>4.2 Sustainability by conviction. P. 44</p> <hr/> <p>Section C.2.1. of the Annual Corporate Governance Report (ACGR).</p>	Principles 1-10 of the Global Compact
<b>102-21. Consulting stakeholders on economic, environmental, and social topics</b>	7.2 Materiality. P. 131	Principles 1-10 of the Global Compact SDG 16
<b>102-22. Composition of the highest governance body and its committees</b>	<p>4.1 Governance System. P. 37</p> <hr/> <p>6.3 Human Dimension - Diversity and inclusion. P. 88</p>	SDG 5, 16
<b>102-23. Chair of the highest governance body</b>	4.1 Governance System. P. 37	SDG 16
<b>102-24. Nominating and selecting the highest governance body</b>	Sections C.1.16., C.1.5. and C.1.6. of the Annual Corporate Governance Report (ACGR).	SDG 5, 16
<b>102-25. Conflicts of interest</b>	Sections D.6. and A.1. to A.8. of the Annual Corporate Governance Report (ACGR).	SDG 16
<b>102-26. Role of highest governance body in setting purpose, values, and strategy</b>	<p>4.1 Governance System. P. 37</p> <hr/> <p>Section C.2.1. of the Annual Corporate Governance Report (ACGR). Title I, Chapter II of the Board of Directors Regulation of MAPFRE: Duties and Responsibilities of the Board</p>	SDG 16, 17
<b>102-27. Collective knowledge of highest governance body</b>	Sections C.1.35 of the Annual Corporate Governance Report (ACGR).	
<b>102-28. Evaluating the highest governance body's performance</b>	<p>Section C.1.17. of the Annual Corporate Governance Report (ACGR).</p> <hr/> <p>Given its relevance, we refer to the Board of Directors Regulation from MAPFRE and published on the corporate website. Title I. Board of Directors and Title II. Committees and Steering Committees.</p>	SDG 16
<b>102-29. Identificación y gestión de impactos económicos, ambientales y sociales.</b>	<p>5. Risks and Opportunities. P. 56</p> <hr/> <p>7.2 Materiality. P. 131</p> <hr/> <p>Sections E.1., E.2. and F.1. of the Annual Corporate Governance Report (ACGR).</p> <hr/> <p>Given its relevance, we refer to the Board of Directors Regulation published on the corporate website. Chapter IV: Risk and Compliance Committee</p>	Principles 1-10 of the Global Compact SDG 16

Stand	Page No. / Information	Other references
<p><b>102-30. Effectiveness of risk management processes</b></p>	<p>5. Risks and Opportunities. P. 56</p> <hr/> <p>Sections E.2. and E.6. of the Annual Corporate Governance Report (ACGR).</p> <hr/> <p>Given its relevance, we refer to the Board of Directors Regulation published on the corporate website. Chapter IV: Risk and Compliance Committee</p>	<p>Principles 1-10 of the Global Compact</p>
<p><b>102-31. Review of economic, environmental, and social topics</b></p>	<p>5. Risks and Opportunities. P. 56</p> <hr/> <p>7.2 Materiality. P. 131</p> <hr/> <p>Section E.1. of the ACGR. of the Annual Corporate Governance Report (ACGR).</p> <hr/> <p>Given its relevance, we refer to the Board of Directors Regulation published on the corporate website. Chapter IV: Risk and Compliance Committee</p>	<p>Principles 1-10 of the Global Compact</p>
<p><b>102-32. Highest governance body's role in sustainability reporting</b></p>	<p>7.1 Bases of preparation and presentation of the report. P. 128</p> <hr/> <p>Section C.2.1. of the Annual Corporate Governance Report (ACGR).</p> <hr/> <p>Given its relevance, we refer to the Board of Directors Regulation published on the corporate website. Title I Chapter I: Duties and Responsibilities of the Board</p>	<p>Principles 1-10 of the Global Compact</p>
<p><b>102-33. Communicating critical concerns</b></p>	<p>4.3 Ethical Behavior: main prevention and compliance measures. P. 47</p> <hr/> <p>7.3 Note 1 – Grievances and complaints. P. 134</p>	
<p><b>102-34. Nature and total number of critical concerns</b></p>	<p>Code of Ethics and Conduct <a href="https://www.mapfre.com/corporate/responsible-business/definition-objectives-social-responsibility/code-ethics/">https://www.mapfre.com/corporate/responsible-business/definition-objectives-social-responsibility/code-ethics/</a></p> <hr/> <p>Given its relevance, we refer to the Board of Directors Regulation published on the corporate website. Title I Chapter I: Duties and Responsibilities of the Board</p>	<p>Principles 1-10 of the Global Compact</p>
<p><b>102-35. Remuneration policies</b></p>	<p>4.1 Governance System. P. 37</p>	<p>Law 11/2018: Questions related to personnel: employment</p>
<p><b>102-36. Process for determining remuneration</b></p>	<p>6.3 Human Dimension - Remuneration and Recognition</p>	
<p><b>102-37. Stakeholders' involvement in remuneration</b></p>	<p>Annual report on directors' remuneration P. 106-109 <a href="https://www.mapfre.com/corporate/institutional-investors/general-shareholders-meeting/">https://www.mapfre.com/corporate/institutional-investors/general-shareholders-meeting/</a></p>	<p>Principles 1, 2, 3, 4, 6 y 10 of the Global Compact</p> <p>SDG 16</p>

Stand	Page No. / Information	Other references
<p><b>102-38. Annual total compensation ratio</b></p>	<p>The annual total compensation ratio in Spain is 19.91.</p> <hr/> <p>This ratio is calculated at Spain level, where the Company's headquarters is located, without including the corporate areas or business units (MAPFRE RE, MAPFRE GLOBAL RISKS Y MAPFRE ASISTENCIA) and is taken as the ratio of the total compensation (fixed remuneration plus target variable remuneration) paid to the highest paid individual in the Company and the median of the annual total compensation of all full-time employees, excluding the highest-paid individual.</p> <hr/> <p>The resulting data is considered reasonable taking the current workforce structure into account.</p> <hr/> <p>Spain represents 27% of the Group's workforce.</p>	<p>Principles 1, 2, 3, 4, 6 and 10 of the Global Compact</p>
<p><b>102-39. Percentage increase in annual total compensation ratio</b></p>	<p>The percentage increase in annual total compensation ratios is 17.57.</p> <hr/> <p>This ratio is calculated for Iberia territorial employees located in Spain, as this is where the Company's headquarters are located, not including corporate areas or business units (MAPFRE RE, MAPFRE GLOBAL RISKS AND MAPFRE ASISTENCIA), as the ratio between the increase in the total annual compensation (fixed remuneration plus target variable remuneration) of the highest paid person of the Company and the percentage increase in the median total annual compensation (fixed remuneration plus target variable remuneration) of all employees, taking full-time annualized compensation into account, excluding the highest paid person.</p> <hr/> <p>The Iberia territory in Spain represents 27% of the Groups total workforce.</p>	<p>Principles 1, 2, 3, 4, 6 and 10 of the Global Compact</p>
<p><b>5. PARTICIPATION OF STAKEHOLDERS</b></p>		
<p><b>102-40. List of stakeholder groups</b></p>	<p>6.6 Social and Relational Dimension – Management of relationships with Stakeholders. P. 116</p>	<p>Principles 1-10 of the Global Compact</p>
<p><b>102-41. Collective bargaining agreements</b></p>	<p>6.6 Social and Relational Dimension – Management of relationships with Stakeholders. Relationship channels. P. 118</p>	<p>Principles 1, 2, 3, 4, 6 and 10 of the Global Compact</p> <p>SDG 8</p>
<p><b>102-42. Identifying and selecting stakeholders</b></p>	<p>6.6 Dimensión social y relacional – Gestión de la relación con los Grupos de interés. P. 116</p>	

Stand	Page No. / Information	Other references
102-43. Approach to stakeholder engagement	6.6 Social and Relational Dimension – Management of relationships with Stakeholders. Relationship channels. P. 116 7.2 Materiality. P. 131	Principles 1-10 of the Global Compact
102-44. Key topics and concerns raised	6.6 Social and Relational Dimension – Management of relationships with Stakeholders. Relationship channels. P. 116 7.2 Materiality. P. 131	Principles 1-10 of the Global Compact
<b>6. PRACTICES FOR DRAWING UP REPORTS</b>		
102-45. Companies included in the consolidated financial statements	7.1 Bases of preparation and presentation of the report. P. 128 Consolidated annual accounts and management report 2019 <a href="https://www.mapfre.com/corporate/institutional-investors/financial-information/annual-reports/">https://www.mapfre.com/corporate/institutional-investors/financial-information/annual-reports/</a>	
102-46. Defining report content and topic Boundaries	7.1 Bases of preparation and presentation of the report. P. 128	
102-47. List of material topics	7.2 Materiality. P. 131	Principles 1-10 of the Global Compact
102-48. Restatements of information	7.1 Bases of preparation and presentation of the report. P. 128 7.6. External Assurance report. P. 161	
102-49. Changes in reporting	7.1 Bases of preparation and presentation of the report. P. 128 7.2. Materiality. P. 131	
102-50. Reporting period	7.1 Bases of preparation and presentation of the report. P. 128	
102-51. Date of most recent report	7.1 Bases of preparation and presentation of the report. P. 128 <a href="https://www.mapfre.com/corporate/responsible-business/annual-reports/">https://www.mapfre.com/corporate/responsible-business/annual-reports/</a>	
102-52. Reporting cycle	Annual	
102-53. Contact point for questions regarding the report	7.1 Bases of preparation and presentation of the report. P. 128	
102-54. Claims of reporting in accordance with the GRI Standards	7.1 Bases of preparation and presentation of the report. P. 128	
102-55. GRI content index	7. Supplementary Information – Index of Indicators. P. 161	
102-56. External assurance	7.6 External Assurance report. P. 161	

Stand	Page No. / Information	Other references
<b>GRI 103 – Focus on management 2016</b>		
<b>103-1 Explanation of the material topic and its Boundary</b>	6.6 Social and Relational Dimension – Management of relationships with Stakeholders. P. 116	Principles 1-10 of the Global Compact
<b>103-2 The management approach and its components</b>	7.2 Materiality. P. 131	SDG 16
<b>103-3 Evaluation of the management approach</b>	7.2 Materiality. P. 131	
<b>GRI 201. Economic performance 2016</b>		
<b>201-1 Direct economic value generated and distributed</b>	2.3 Key financial figures. P. 11	
	3.4.2. Information by Business Unit. P. 24	
	6.1 Financial Dimension. P. 68	Principles 1-10 of the Global Compact
	7.4. Nota 9- Our Footprint: social value, shared value. P. 156 Consolidated annual report 2019 <a href="https://www.mapfre.com/corporate/institutional-investors/general-shareholders-meeting/">https://www.mapfre.com/corporate/institutional-investors/general-shareholders-meeting/</a>	SDG 1, 2, 5, 7, 8 and 9
<b>201-2-Financial implications and other risks and opportunities due to climate change</b>	5. ESG Risks and Opportunities. P. 56	
	6.5. Natural Dimension - Climate Change Action Strategy. P. 112	Principles 7, 8 and 9 of the Global Compact
	7.3 Note 7 – Social and environmental products and services. P. 149 Consolidated annual report 2019 <a href="https://www.mapfre.com/corporate/institutional-investors/general-shareholders-meeting/">https://www.mapfre.com/corporate/institutional-investors/general-shareholders-meeting/</a>	SDG 13
<b>201-3- Defined benefit plan obligations and other retirement plans</b>	6.3 Human Dimension - Remuneration and Recognition. P. 95	Principles 1, 6 and 10 of the Global Compact
<b>201-4- Financial assistance received from government</b>	The public subventions received do not represent a significant amount as a percentage of Group total revenues.	



Stand	Page No. / Information	Other references
<b>GRI 202. Market presence 2016</b>		
	MAPFRE applies the principle of equal opportunities and non-discrimination to all processes of selection, promotion and mobility, with the qualifications, merits, value and professional capacity of the candidates, the criteria to be taken into account in order to perform objectively the chose.	
<b>202-1 Ratios of standard entry level wage by gender compared to local minimum wage</b>	<p>In MAPFRE, the salary ratio of the initial standard category is established by level and the nature of the function to be developed, and does not distinguish by gender.</p> <p>Normally, the ratio of the initial standard category is determined by a Collective Agreement (sectorial or company). In general, in those countries where there is a local minimum wage, the MAPFRE entry-level wage is higher. For example, in Spain, headquarters of the Group, the quotient is 1.27.</p>	SDG 8
<b>202-2 Proportion of senior management hired from the local community</b>	6.3 Human Dimension -- Internal Mobility. P. 90	SDG 8
<b>GRI 203: Indirect Economic Impacts</b>		
<b>203-2 Significant indirect economic impacts</b>	<p>5. Risks and Opportunities. P. 56,57,59</p> <p>7.3 Note 7 – Social and environmental products and services. P. 149</p>	SDG 1, 8
<b>GRI 204. Acquisition practices</b>		
<b>204-1 Proportion of spending on local providers</b>	6.2 Productive Dimension - Providers. P. 79	Principles 10 of the Global Compact SDG 1, 5, 8
<b>GRI 205. Anti-corruption 2016</b>		
<b>205-1- Operations assessed for risks related to corruption</b>	<p>4.2 Sustainability by conviction. P. 44</p> <p>4.3 Ethical Behavior: main prevention and compliance measures. P. 47, 48</p>	
<b>205-2- Communication and training about anti-corruption policies and procedures</b>	<p>5. Risks and Opportunities. P. 56</p> <p>7.3 Note 8 - Global Compact Principles and measures adopted to prevent and comply with MAPFRE's Human Rights. P. 155</p>	Principles 10 of the Global Compact SDG 16
<b>205-3- Confirmed incidents of corruption and actions taken</b>	In 2019, there were no significant corruption cases in the Group and, in those detected, all of low relevance, the internal control mechanisms functioned correctly, facilitating the detection of same and the application of the corresponding measures.	

Stand	Page No. / Information	Other references
<b>GRI 206. Anti-competitive Behavior 2016</b>		
<b>206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices</b>	In 2019, no legal actions were taken for anti-competitive behavior, anti-trust, and monopoly practices.	Principles 10 of the Global Compact SDG 16
<b>GRI 301. 2016 Materials</b>		
<b>301-1 Materials used by weight or volume</b>	7.3 Note 6 – Environmental information. P. 145	Principles 7, 8 and 9 of the Global Compact SDG 8, 12
<b>301-2- Recycled input materials used</b>		
<b>GRI 302. Electricity 2016</b>		
<b>302-1- Energy consumption within the organization</b>	7.3 Note 6 – Environmental information. P. 145	Principles 7, 8 and 9 of the Global Compact  SDG 8, 7, 8, 12 and 13
<b>302-2 Energy consumption outside of the organization</b>		
<b>302-3- Energy intensity</b>		
<b>302-4- Reduction of energy consumption</b>		
<b>GRI 303. Water 2016</b>		
<b>303-5 – Water consumption</b>	7.4 Nota 6 - Environmental information. P. 145	Principles 7, 8 and 9 of the Global Compact SDG 6
<b>GRI 304. Biodiversity 2016</b>		
<b>304-1. Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas</b>	6.5 Natural Dimension - Biodiversity Preservation. P. 114  MAPFRE does not have work centers in protected areas or in unprotected high biodiversity areas.	Principles 7, 8 and 9 of the Global Compact  SDG 6, 14 and 15
<b>GRI 305. Emissions 2016</b>		
<b>305-1 Direct (Scope 1) GHG emissions</b>	7.3 Note 6 – Environmental information. P. 145	Principles 7, 8 and 9 of the Global Compact  SDG 2, 3, 12, 13, 14 and 15
<b>305-2 Energy indirect (Scope 2) GHG emissions</b>		
<b>305-3- Other indirect (Scope 3) GHG emissions</b>		
<b>305-4 GHG emissions intensity</b>		

Stand	Page No. / Information	Other references
<b>305-5- Reduction of GHG emissions</b>	6.5 Natural Dimension - Climate change action strategy. P. 112	Principles 7, 8 and 9 of the Global Compact
	7.3 Note 6 – Environmental information. P. 145	SDG 6, 14 and 15
<b>GRI 306. Effluents and waste 2016</b>		
<b>306-2- Wastes by type and disposal method</b>	7.3 Note 6 – Environmental information. P. 145	Principles 7, 8 and 9 of the Global Compact
		SDG 3, 6 and 12
<b>306-3- Significant spills</b>	During 2019, no spills or leaks in establishments or facilities where MAPFRE carries out its activities were registered.	Principles 7, 8 and 9 of the Global Compact
		SDG 3, 6, 12, 14 and 15
<b>306-5 Water bodies affected by water discharges and/or runoff</b>	The activity carried out by MAPFRE is mainly administrative and, by its nature, has a low environmental impact. This year no significant impacts have been identified in this area	Principles 7, 8 and 9 of the Global Compact
		SDG 6, 15
<b>GRI 307. Environmental compliance 2016</b>		
<b>307-1 Non-compliance with environmental laws and regulations</b>	The company does not have any record of having received a significant environmental fine in 2019.	Principles 7, 8, 9 and 10 of the Global Compact
		SDG 16
<b>GRI 308. Provider environmental evaluation 2016</b>		
<b>308-1. New providers that were screened using environmental criteria</b>	6.2 Productive Dimension - Providers ESG provider approval. P. 79, 82	Principles 7, 8, 9 and 10 of the Global Compact
<b>308-2- Negative environmental impacts in the supply chain and actions taken</b>		
<b>GRI 401. Employment 2016</b>		
<b>401-1 - New employee hires and employee turnover</b>	6.3 Human Dimension – General information / Diversity management. P. 85	
	7.3 Note 2 – New hires and departures. P. 135	Principles 1, 2, 3, 6 and 10 of the Global Compact
	For more information see People and Organization 2019 report	

Stand	Page No. / Information	Other references
<b>401-2- Benefits provided to full-time employees that are not provided to temporary or part-time employees</b>	6.3 Human Dimension – Management model/ Remuneration and Recognition/Work-life balance and Well-being. . P. 85, 94, 97  Para más información, ver informe “Personas y Organización 2019”.	Principles 1, 2, 3, 6 and 10 of the Global Compact  SDG 3, 5 and 8
<b>401-3 Parental leave</b>	6.3 Human Dimension - Work-life balance and Well-being. P. 97  For more information see People and Organization 2019 report	Principles 1, 2, 3, 6 and 10 of the Global Compact  SDG 5, 8
<b>GRI 402. Labor/Management Relations 2016</b>		
<b>402-1 - Minimum notice periods regarding operational changes</b>	6.5 Social and Relational Dimension – Relationship channels with workers’ representatives P.137	Principles 1, 2, 3 and 6 of the Global Compact  SDG 8
<b>GRI 403. Occupational health and safety 2016</b>		
<b>403-1 - Occupational health and safety management system</b>		
<b>403-2 - Hazard identification, risk assessment, and incident investigation</b>		
<b>403-3 Occupational health services</b>	6.3 Human Dimension. P. 85, 97	Principles 1, 2, 3, 4, 5, 6 and 8 of the Global Compact
<b>403-4 - Worker participation, consultation, and communication on occupational health and safety</b>	For more information see People and Organization 2019 report	SDG 5, 8 and 10
<b>403-4 - Worker participation, consultation, and communication on occupational health and safety</b>		
<b>403-6 Promotion of worker health</b>		
<b>403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships</b>	6.2 Productive Dimension - Providers ESG provider approval. P. 82	Principles 1, 2, 3, 4, 5, 6 and 8 of the Global Compact  SDG 5, 8 and 10
<b>403-8 Workers covered by an occupational health and safety management system</b>	6.3 Human Dimension: Management model / employee experience / conciliation and well-being. P. 97	Principles 1, 2, 3, 4, 5, 6 and 8 of the Global Compact  SDG 5, 8 and 10

Stand	Page No. / Information	Other references
403-9 Work-related injuries	6.3 Human Dimension: Management model / employee experience / conciliation and well-being. P. 99	Principles 1, 2, 3, 4, 5, 6 and 8 of the Global Compact
403-10 Work-related ill health	7.3 Note 5 – Work related accident data. P. 144	SDG 5, 8 and 10
<b>GRI 404. Training 2016</b>		
404-1 - Average hours of training per year per employee	6.3 Human Dimension: Management model / Learning and knowledge management. P. 85, 91 For more information see People and Organization 2019 report	Principles 1, 2, 3, 4, 6 and 8 of the Global Compact SDG 4,5 and 8
404-2 Programs for upgrading employee skills and transition assistance programs	6.3 Human Dimension: Management model / Talent/ Internal Mobility / Learning and knowledge management. P. 85, 90, 91 For more information see People and Organization 2019 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 development reviews	6.3 Human Dimension - Management model / Remuneration and recognition/ conciliation and well-being. P. 85,95, 97 For more information see People and Organization 2019 report	Principles 1, 2, 3, 4, 6 and 8 of the Global Compact SDG 5, 8 and 10
<b>GRI 405. Diversity and equal opportunities 2016</b>		
405-1- Diversity of governance bodies and employees	4.1 Governance System - Diversity and Experience P. 39 4.2 Ethics and Sustainability. P. 44 6.3 Human Dimension - Management model /Diversity and Inclusion. P. 85, 88 For more information see People and Organization 2019 report	Principles 1, 2, 3, 4 and 6 of the Global Compact SDG 5, 8
405-2 – Ratio of basic salary and remuneration of women to men	6.3 Human Dimension - Managing Diversity/Remuneration and Recognition. P. 88, 95 7.3 Note 3 and 4 – Remunerations. P. 136-140 For more information see People and Organization 2019 report	Principles 1, 2, 3, 4 and 6 of the Global Compact SDG 5, 8, 10

Stand	Page No. / Information	Other references
<b>GRI 406- Non-discrimination 2016</b>		
<b>406-1 - Incidents of discrimination and corrective actions taken</b>	4.2 Sustainability by conviction. P. 44	
	4.3. Ethical Behavior: main prevention and compliance measures. P. 47	Principles 1, 2, 3, 4, 6 and 10 of the Global Compact
	6.6 Social and Relational Dimension : Human Rights and Agenda 2030 (SDG). P. 122	
	7.3 Note 8 - Global Compact Principles and measures adopted to prevent and comply with MAPFRE's Human Rights measures. P. 155	SDG 5, 8, 16
<b>GRI 407. Freedom of association and collective bargaining 2016</b>		
<b>407-1- Operations and providers in which the right to freedom of association and collective bargaining may be at risk</b>	4.2 Sustainability by conviction. P. 44	
	4.3. Ethical Behavior: main prevention and compliance measures. P. 47	Principles 1, 2, 3, 4, 6 and 10 of the Global Compact
	6.6 Social and Relational Dimension - Relationship channels / Employees and their legal representatives / Human Rights and Agenda 2030( SDG). P. 116, 117, 118, 122	
	7.3 Note 8 - Global Compact Principles and measures adopted to prevent and comply with MAPFRE's Human Rights measures P. 155	SDG 8
<b>GRI 408.Child labor 2016</b>		
<b>408-1 Operations and providers at significant risk for incidents of child labor</b>	4.2 Sustainability by conviction . P. 44	
	4.3. Ethical Behavior: main prevention and compliance measures. P. 47	Principles 1, 2, 3, 5, 6 and 10 of the Global Compact
	6.2 Productive Dimension - Providers. P. 79, 82	
	6.5 Social and Relational Dimension: Human Rights and Agenda 2030( SDG). P. 122	SDG 8, 16
	7.3 Note 8 - Global Compact Principles and measures adopted to prevent and comply with MAPFRE's Human Rights measures P. 155	

Stand	Page No. / Information	Other references
<b>GRI 409. Forced or compulsory labor 2016</b>		
<b>409-1 Operations and providers at significant for incidents of forced or compulsory labor</b>	4.2 Sustainability by conviction. P. 44	
	4.3 Ethical Behavior: main prevention and compliance measures. P. 47	Principles 1, 2, 3, 4, 6, 8 and 10 of the Global Compact
	6.2 Productive Dimension - Providers. P. 79, 82	
	6.5 Social and Relational Dimension: Human Rights and Agenda 2030( SDG). P. 122	SDG 8
	7.3 Note 8 – Global Compact Principles and measures adopted to prevent and comply with MAPFRE’s Human Rights measures. P. 155	
<b>GRI 410. Security practices 2016</b>		
<b>410-1 Security personnel trained in Human Rights policies or procedures</b>	4.2 Sustainability by conviction. P. 44	
	4.3. Ethical Behavior: main prevention and compliance measures. P. 47	Principles 1, 2, 3, and 10 of the Global Compact
	6.2 Productive Dimension - Providers. P. 82	
	6.6 Social and Relational Dimension: Human Rights and Agenda 2030( SDG). P. 122	SDG 16
	7.3 Note 8 – Global Compact Principles and measures adopted to prevent and comply with MAPFRE’s Human Rights measures. P. 155	
<b>GRI 411. Rights of indigenous peoples 2016</b>		
<b>411 - 1 Incidents of violations involving rights of indigenous peoples</b>	4.3. Ethical Behavior: main prevention and compliance measures. P. 47	Principles 1, 2, 3, and 10 of the Global Compact
	6.6 Social and Relational Dimension: Human Rights and Agenda 2030( SDG). P. 122	
	7.3 Note 8 – Global Compact Principles and measures adopted to prevent and comply with MAPFRE’s Human Rights measures. P. 155	SDG 2
	There is no record of any incidents of violations involving rights of indigenous people.	
<b>GRI 412. Human Rights Assessments 2016</b>		
<b>412-1 Operations that have been subject to Human Rights reviews or impact assessments</b>	6.6 Social and Relational Dimension: Human Rights and Agenda 2030( SDG). P. 122	Principles 1-10 of the Global Compact
	7.2 Materiality. P. 131	
	7.3 Note 8 – Global Compact Principles and measures adopted to prevent and comply with MAPFRE’s Human Rights measures. P. 155	

Stand	Page No. / Information	Other references
<b>412-2 Employee training on Human Rights policies or procedures</b>	6.6 Social and Relational Dimension: Human Rights and Agenda 2030( SDG). P. 122 7.3 Note 8 – Global Compact Principles and measures adopted to prevent and comply with MAPFRE’s Human Rights measures. P. 155	Principles 1-10 of the Global Compact
<b>412-3 Significant investment agreements and contracts that include Human Rights clauses</b>	4.2 Sustainability by conviction. P. 44 4.3. Ethical Behavior: main prevention and compliance measures. P. 47 6.2 Productive Dimension - Providers. P. 82 6.6 Social and Relational Dimension: Human Rights and Agenda 2030( SDG). P. 122 7.3 Note 8 – Global Compact Principles and measures adopted to prevent and comply with MAPFRE’s Human Rights measures. P. 155	Principles 1, 2, 3, 4, 5, 6, 7 and 10 of the Global Compact
<b>GRI 413. Local communities 2016</b>		
<b>413-1 Operations with local community engagement, impact assessments and development programs</b>	6.3 Human Dimension - Employee Experience Volunteering. P. 100 6.6 Social and Relational Dimension: Human Rights and Agenda 2030( SDG). P. 122 7.3 Note 8 – Global Compact Principles and measures adopted to prevent and comply with MAPFRE’s Human Rights measures. P. 155 For more information see People and Organization 2019 report <a href="http://www.fundacionmapfre.org">www.fundacionmapfre.org</a>	Principles 1, 2, 3, 4, 5, 6, 7 and 10 of the Global Compact
<b>413-2 Operations with significant actual and potential negative impacts on local communities</b>	6.3 Human Dimension - Employee Experience Volunteering. P. 100 6.6 Social and Relational Dimension: Human Rights and Agenda 2030( SDG). P. 122 7.3 Note 8 – Global Compact Principles and measures adopted to prevent and comply with MAPFRE’s Human Rights measures. P. 155 For more information see People and Organization 2019 report <a href="http://www.fundacionmapfre.org">www.fundacionmapfre.org</a>	Principles 1, 2, 3, 4, 5, 6, 7 and 10 of the Global Compact SDG 1, 2
<b>GRI 414. Provider Social Assessment 2016</b>		



Stand	Page No. / Information	Other references
414-1 New providers that were screened using social criteria	6.2 Productive Dimension – Providers. P. 82	Principles 1-10 of the Global Compact
414-2 Negative social impacts in the supply chain and actions taken	6.6 Social and Relational Dimension: Human Rights and Agenda 2030( SDG). P. 122	SDG 5, 8 and 16
<b>GRI 415. Public policies 2016</b>		
415-1 Political contributions	4.2 Sustainability by conviction. P. 44	Principle 10 of the Global Compact
	4.3. Ethical Behavior: main prevention and compliance measures. P. 47	
	Institutional Relations, Institutional, Business and Organizational Principles of the MAPFRE Group <a href="https://www.mapfre.com/corporate/institutional-investors/corporate-governance/">https://www.mapfre.com/corporate/institutional-investors/corporate-governance/</a>	SDG 16
<b>GRI 417. Marketing and labeling 2016</b>		
417-1 Requirements for product and service information and labeling	6.6 Social and Relational Dimension: Institutional supervisors and regulatory bodies. P. 118 Varies according to local legislation.	SDG 12
417-2 Incidents of non-compliance concerning product and service information and labeling	4.3. Ethical Behavior: Grievances and complaints. P. 47	Principle 10 of the Global Compact SDG 12, 16
	7.3 Note 1 – Grievances and complaints. P. 103	
417-3 Incidents of non-compliance concerning marketing communications	No significant cases of non-compliance with regulations or voluntary codes assumed by the company were reported in 2019.	Principle 10 of the Global Compact
<b>GRI 418. Client privacy 2016</b>		
418-1 Substantiated complaints concerning breaches of client privacy and losses of client data	6.4 Intellectual Dimension - Cybersecurity. P. 103	Principles 1, 2, 3, and 10 of the Global Compact SDG 16
<b>GRI 419. Environmental compliance 2016</b>		
419-1 Non-compliance with laws and regulations in the social and economic area	4.2 Sustainability by conviction. P. 44	Principles 1, 2, 3, and 10 of the Global Compact SDG 16

**GRI FINANCE SUPPLEMENT INDICATORS**

GRI Indicators	Page / Information
<b>Impact of products and services</b>	
<b>FS1</b> Policies with specific environmental and social components applied to business lines.	4.1 Governance System. P. 37
	4.2 Sustainability by conviction. P. 44
	5. Risks and Opportunities. P. 59
	6.3 Human Dimension. P. 84
	6.5 Natural Dimension – Strategic environmental model. P. 109
	7.3 Note 7 – Social and environmental products and services. P. 149
<b>FS2</b> Procedures for assessing and screening environmental and social risks in business lines.	5. Risks and Opportunities. P. 59
	6.5 Natural Dimension – Strategic environmental model. P. 112
<b>FS3</b> Processes for monitoring clients’ implementation of and compliance with environmental and social requirements included in agreements or transactions with clients.	4.2 Sustainability by conviction. P. 44
	5. Risks and Opportunities. P. 59
	6.5 Natural Dimension – Strategic environmental model. P. 112
<b>FS4</b> Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	7.3 Note 7 – Social and environmental products and services. P. 149
	4.2 Sustainability by conviction. P. 44
	4.3. Ethical Behavior. P. 47
	5. Risks and Opportunities. P. 59
	6.3 Human Dimension – the continuing talent challenge. P. 90
<b>FS5</b> Interactions with clients, investors and business partners regarding environmental and social risks and opportunities.	6.5 Natural Dimension – Strategic environmental model. Biodiversity. P. 109, 114
	5. Risks and Opportunities. P. 59
	6.5 Natural Dimension – Strategic environmental model. P. 112
<b>Product portfolio</b>	7.2 Materiality. P. 131
	<b>FS6</b> Percentage of the portfolio for each business line by specific region, size and sector.

**GRI FINANCE SUPPLEMENT INDICATORS**

GRI Indicators		Page / Information
<b>FS7</b>	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by objective.	7.3 Note 7 – Social and environmental products and services. P. 149
<b>FS8</b>	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by objective.	
<b>Auditing</b>		
<b>FS9</b>	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	5. Risks and Opportunities. P. 59 6.5 Natural Dimension – Strategic environmental model. P. 109 7.1 Bases of preparation and presentation of the report. P. 128 7.3 Note 6 – Environmental information: Environmental Audits. P. 146
<b>Active ownership</b>		
<b>FS10</b>	Percentage and number of companies held in the institution’s portfolio with which the reporting organization has interacted on environmental or social issues.	This information is not available as of the close of this report
<b>FS11</b>	Percentage of assets subject to positive and negative environmental or social screening.	
<b>Community</b>		
<b>FS13</b>	Access points in low-populated or economically disadvantaged areas by type.	4.2 Sustainability by conviction. P. 44 7.3 Note 7 – Social and environmental products and services. P. 149
<b>FS14</b>	Initiatives to improve access to financial services for disadvantaged people	Annual report of Fundación MAPFRE 2019
<b>Client health and safety</b>		
<b>FS15</b>	Policies for the fair design and sale of financial products and services	4.2 Sustainability by conviction. P. 44 7.3 Note 7 – Social and environmental products and services. P. 149
<b>Marketing communications</b>		
<b>FS16</b>	Initiatives to improve literacy and financial education by type of beneficiary	Annual report of Fundación MAPFRE 2019

# 7.5. Correspondence of GRI content and non-financial information status

(Law 11/2018 of December 28)

		Reporting Criteria - GRI Standards	Pages
<b>General topics</b>			
	A brief description of the group's business model	GRI 102-2 GRI 102-7	6-12, 16-22
<b>Business model</b>	Markets served	GRI 102-3 GRI 102-4 GRI 102-6	6-11
	Organizational objectives and strategies	GRI 102-14	16-22
	Main factors and trends that may affect their future evolution	GRI 102-14 GRI 102-15	13-16, 59-66
<b>General</b>	Reporting framework	GRI 102-54	128, 130
	Reporting framework	GRI 102-46 GRI 102-47	131-133
<b>Management approach</b>	Description of the policies that apply	GRI 103-2	42, 43, 46
	The results of these policies	GRI 103-2	
	The main risks related to these issues linked to the activities of the group	GRI 102-15	60

		Reporting Criteria - GRI Standards	Pages
<b>Environmental issues</b>			
	Management Approach: policies and risks	GRI 102-15 GRI 103-2	59, 109
	Current and foreseeable effects of the company's activities on the environment and, where appropriate, health and safety	GRI 102-15 GRI 103-2	111-112
<b>Environmental management</b>	Environmental assessment or certification procedures	GRI 103-2	108-112, 144
	Resources devoted to the prevention of environmental risks	GRI 103-2	144
	Application of the precautionary principle	GRI 102-11	108
	Quantity of provisions and guarantees for environmental risks	GRI 103-2	144
<b>Contamination</b>	Measures to prevent, reduce or repair carbon emissions (also includes noise and light pollution)	GRI 103-2	132-133
<b>Cuestiones medioambientales</b>			
<b>Circular economy and waste prevention and management</b>	Prevention, recycling, reuse, other forms of waste recovery and disposal measures	GRI 103-2 GRI 306-1 GRI 306-2	113, 147-148
	Actions to combat food waste	GRI 103-2 GRI 306-2	113
	Water consumption and water supply in accordance with local limitations	GRI 303-5 (version 2018)	148
	Consumption of raw materials and measures taken to improve the efficiency of their use	GRI 301-1 GRI 301-2 GRI 301-3	110-112, 147-148
<b>Sustainable use of resources</b>	Direct and indirect consumption of energy	GRI 302-1 GRI 302-3	147
	Measures taken to improve energy efficiency	GRI 302-4	110-112
	Use of renewable energies	GRI 302-1	147

	Reporting Criteria - GRI Standards	Pages
<b>Climate change</b>	Significant elements of greenhouse gas emissions generated as a result of the company's activities	GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4 112-113, 145-146
	Measures taken to adapt to the consequences of climate change	GRI 201-2 111-114
	Voluntary medium- and long-term reduction targets for reducing greenhouse gas emissions and the means implemented for this purpose	GRI 305-5 110-112
<b>Biodiversity protection</b>	Measures taken to preserve or restore biodiversity	GRI 304-3 113-114
	Impacts caused by activities or operations in protected areas	GRI 304-1 GRI 304-2 134-135
<b>Social and personnel issues</b>		
<b>Employment</b>	Management Approach: policies and risks	GRI 102-15 GRI 103-2 83-100
	Total number and distribution of employees by country, gender, age and professional category	GRI 102-8 GRI 405-1 10, 84-87
	Total number and distribution of contract of employment modalities	GRI 102-8 85-88
	Annual average by contract modality (permanent, temporary, and partial), gender, age, and professional classification	GRI 102-9 85-88
	Number of layoffs by gender, age and professional category	GRI 103-2 134
	Salary gap	GRI 103-2 GRI 405-2 95
	Average remuneration and its evolution broken down by gender, age and professional classification or equal value	GRI 103-2 GRI 405-2 94, 135-139
	Average remuneration of board directors and executives, including variable remuneration, travel, subsistence and accommodation allowances, indemnification, payment into long-term savings schemes and any other categories, broken down by gender	GRI 103-2 GRI 405-2 137-141
	Implementation of work disconnection policies	GRI 103-2 118-119
Employees with disabilities	GRI 405-1 89	

	Reporting Criteria - GRI Standards	Pages	
<b>Organization of work</b>	Organization of working time	GRI 103-2	97-98
	Number of hours of absenteeism	GRI 403-9 (Version GRI 2018)	99
	Measures aimed at facilitating a work-life balance and encouraging both parents to adopt such measures	GRI 401-3	97-98
<b>Health and safety</b>	Occupational health and safety conditions	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-7 (Version GRI 2018)	97-99
	Accidents at work, in particular their frequency and severity, broken down by gender	GRI 403-9 GRI 403-10 (Version GRI 2018)	97-99
	Occupational illnesses, broken down by gender	GRI 403-9 GRI 403-10 (Version GRI 2018)	97-99
<b>Social and personnel issues</b>			
<b>Social relations</b>	Organization of social dialog, including procedures for informing, consulting and negotiating with personnel	GRI 103-2	115-116, 118-119
	Percentage of employees covered by collective bargaining agreements by country	GRI 102-41	118-119
	The balance of collective agreements, particularly in the field of health and safety at work	GRI 403-4 (Version GRI 2018)	118-119
<b>Training</b>	Policies implemented in the field of training	GRI 103-2 GRI 404-2	90-91
	Total number of training hours per professional category	GRI 404-1	91-92
<b>Accessibility</b>	Universal accessibility for people with disabilities	GRI 103-2	89
<b>Equality</b>	Measures taken to promote equal treatment and equal opportunities for women and men	GRI 103-2	85-89
	Equality plans (Chapter III of Organic Law 3/2007, of March 22, for the effective equality of women and men)	GRI 103-2	119
	Measures adopted to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility for people with disabilities	GRI 103-2	54-55, 89
	Policy against all forms of discrimination and, where appropriate, the management of diversity	GRI 103-2	85

	Reporting Criteria - GRI Standards	Pages
<b>Information on respect for Human Rights</b>		
	GRI 102-15 GRI 103-2	122-123
<b>Human Rights</b>	GRI 102-16 GRI 102-17 GRI 410-1 GRI 412-1 GRI 412-2 GRI 412-3	122-123
	GRI 103-2 GRI 406-1	50-51, 57-58
	GRI 103-2 GRI 407-1 GRI 408-1 GRI 409-1	122-124
<b>Information on fighting corruption and bribery</b>		
	GRI 102-15 GRI 103-2	47
<b>Corruption and bribery</b>	GRI 103-2 GRI 102-16 GRI 102-17 GRI 205-2 GRI 205-3	47-58, 59-60
	GRI 103-2 GRI 102-16 GRI 102-17 GRI 205-2 GRI 205-3	47-58
	GRI 102-13 GRI 201-1 GRI 415-1	120



	Reporting Criteria - GRI Standards	Pages
<b>Information about the Society</b>		
	Management Approach: policies and risks	GRI 102-15 GRI 103-2 115-124
	Impact of the company's activity on employment and local development	GRI 103-2 GRI 203-2 GRI 204-1 122-126
<b>The company's commitments to sustainable development</b>		
	Impact of the company's activity on local populations and the territory	GRI 411-1 GRI 413-1 GRI 413-2 155-161
	Relationships maintained with local community actors and the modalities of dialog with them	GRI 102-43 GRI 413-1 117-121
	Association or sponsorship actions	GRI 103-2 GRI 201-1 100
<b>Subcontracting and providers</b>		
	Inclusion of social, gender equality and environmental issues in the purchasing policy	GRI 103-2 80-82
	Consideration in relationships with providers and subcontractors of their social and environmental responsibility	GRI 102-9 GRI 308-1 GRI 414-1 80-82
	Supervision systems and audits and their results	GRI 102-9 GRI 308-2 GRI 414-1 80-82
<b>Consumers</b>		
	Measures for the health and safety of consumers	GRI 103-2 GRI 416-1 GRI 417-1 69, 75-79
	Complaints systems, grievances received and their resolution	GRI 103-2 GRI 418-1 133
<b>Tax information</b>		
	Profits obtained country-by-country	GRI 207-4 (2019) 25-32
	Tax on profits paid	GRI 207-4 (2019) 159-161
	Public subsidies received	GRI 201-4 168-170

GRI 102-48, 102-49, 102-56

# 7.6. External Assurance report



KPMG Asesores, S.L.  
Pº de la Castellana, 259 C  
28046 Madrid

## Independent Assurance Report of Integrated Report of MAPFRE, S.A. and subsidiaries for the year 2019

(Free 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 provide limited assurance on Integrated Report for the year ended 31 December 2019 of MAPFRE, S.A. (hereinafter, the Parent Company) and subsidiaries (hereinafter, The Group), prepared in accordance with Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) in its comprehensive option and with the Financial Sector Supplement (hereinafter, the Report).

In addition to this, pursuant to article 49 of the Spanish Code of Commerce, we have provided limited assurance on the Non-Financial Information Statement (hereinafter NFIS) for the year ended 31 December 2019, of MAPFRE, S.A, included in the Report, and its content has been prepared in accordance with the contents included in the prevailing mercantile legislation.

The content of this report includes additional information required by GRI standards in its comprehensive option and required by prevailing mercantile legislation in terms of non-financial information that has not been identified inside the scope of our assurance engagement. In this regard, our assurance work was limited only to providing assurance on the information contained in table "Table of Contents GRI" and "Correspondence of GRI content and non-financial information status" of the accompanying Report.

### Directors' and Management responsibilities

The Board of Directors and the management of the Parent Company is responsible for the preparation and presentation of the Report in accordance with GRI Standards in its comprehensive option accordingly as mentioned for each subject in the table "Table of Contents GRI" of the aforementioned Report.

The NFIS has been prepared in accordance with prevailing mercantile legislation and selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards), in accordance with that mentioned for each subject area in table "Correspondence of GRI content and non-financial information status" of the aforementioned Report.

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 Parent Company's directors are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for preparing the Report.



**Our Independence and quality control**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialized 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 International Standard on Assurance Engagements, "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 of 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 questions and to obtain the information necessary for the external review.
- 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 "Materiality" considering the content required in prevailing mercantile legislation.
- Analysis of the processes for compiling and validating the data presented in the Report for 2019.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the Report for 2019.
- Corroboration, through sample testing, of the information relative to the content of the Report for 2019 and whether it has been adequately compiled based on data provided by internal and external information sources or third-party reports.
- 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 its subsidiaries for the year ended 31 December 2019 has not been prepared, in all material respects, in accordance with GRI Standards in its comprehensive option and the Financial Sectorial Supplement, as described in point 102-54 of the Table of Contents GRI.
- b) The NFIS of MAPFRE, S.A. and subsidiaries for the year ended 31 December 2019 has not been prepared, in all material respects, in accordance with prevailing mercantile legislation and the content of the selected GRI Standards, in accordance with that mentioned for each subject area in the table "Correspondence of GRI content and non-financial information status" of the aforementioned Report.

**Use and distribution**

In accordance with the terms and conditions with our engagement letter, this assurance report has been prepared for MAPFRE, S.A. in relation to its Integrated Report 2019 and thus may not be suitable for other purposes or in any other context.

Regarding the 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 the original in Spanish)*

Patricia Reverter Guillot

12 February 2020



**MAPFRE**