



2022
**CONSOLIDATED ANNUAL ACCOUNTS
AND MANAGEMENT REPORT**

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NAVIGATION CODE



CONSOLIDATED ANNUAL ACCOUNTS



A) CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET AS ON DECEMBER 31, 2022 AND 2021

Assets	Notes	2022	2021
A. Intangible assets	6.1	2,915.3	2,911.2
I. Goodwill	6.1	1,445.6	1,472.4
II. Other intangible assets	6.1	1,469.7	1,438.8
B. Property, plant and equipment	6.2	1,301.9	1,295.0
I. Real estate for own use	6.2	1,084.7	1,071.8
II. Other property, plant and equipment	6.2	217.2	223.2
C. Investments		34,691.3	39,243.0
Real estate investments	6.2	980.8	1,260.0
Financial investments			
1. Held-to-maturity portfolio	6.4	1,381.2	1,527.8
2. Available-for-sale portfolio	6.4	25,052.6	28,961.5
3. Trading portfolio	6.4	5,189.6	5,754.1
III. Investments recorded by applying the equity method		888.2	657.0
IV. Deposits established for accepted reinsurance		956.9	835.0
V. Other investments		242.0	247.6
D. Investments on behalf of life insurance policyholders bearing the investment risk	6.5	3,037.1	2,957.3
E. Inventories		53.4	54.0
F. Participation of reinsurance in technical provisions	6.13	6,215.4	6,084.6
G. Deferred tax assets	6.20	642.0	299.6
H. Receivables	6.6	5,991.8	5,594.7
I. Receivables on direct insurance and co-insurance operations	6.6	4,102.4	3,892.0
II. Receivables on reinsurance operations	6.6	685.5	791.7
III. Tax receivables			
1. Tax on profits receivable	6.20	306.5	191.4
2. Other tax receivables		141.0	173.7
IV. Corporate and other receivables	6.6	756.4	545.9
V. Shareholders' called capital		—	—
I. Cash		2,574.6	2,887.6
J. Accrual adjustments	5.11	2,057.2	1,902.5
K. Other assets		96.7	247.4
L. Non-current assets held for sale and from discontinued operations	6.9	49.1	377.3
Total assets		59,625.8	63,854.2

figures in millions of euros

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

Equity and liabilities	Notes	2022	2021
A. Equity	6.10	8,360.2	9,666.6
I. Paid-up capital	6.10	308.0	308.0
II. Share premium	6.10	1,506.7	1,506.7
III. Reserves		7,414.0	7,102.4
IV. Interim dividend	4.2	(184.8)	(184.8)
V. Treasury Stock	6.10	(41.4)	(62.9)
VI. Result for the period attributable to controlling company	4.1	642.1	765.2
VII. Other equity instruments		0.3	–
VIII. Valuation change adjustments	6.10	(922.4)	805.3
IX. Currency conversion differences	6.22	(1,433.2)	(1,776.3)
Equity attributable to the controlling company's shareholders		7,289.3	8,463.6
Non-controlling interests		1,070.9	1,203.0
B. Subordinated liabilities	6.11	1,627.0	1,122.2
C. Technical provisions	6.13	38,159.6	39,968.3
I. Provisions for unearned premiums and unexpired risks	6.13	8,066.5	7,638.6
II. Provisions for life insurance	6.13	16,227.2	19,089.5
III. Provision for outstanding claims	6.13	12,632.8	11,986.1
IV. Other technical provisions	6.13	1,233.1	1,254.1
D. Technical provisions for life insurance where policyholders bear the investment risk	6.13	3,037.1	2,957.3
E. Provisions for risks and expenses	6.14	522.2	653.6
F. Deposits received on ceded and retroceded reinsurance	6.15	74.1	82.4
G. Deferred tax liabilities	6.20	208.0	537.7
H. Debt	6.16	7,293.3	8,441.8
I. Issue of debentures and other negotiable securities	6.12	863.5	862.8
II. Due to credit institutions	6.12	444.3	1,106.5
III. Other financial liabilities	6.12	1,991.0	2,368.6
IV. Due on direct insurance and co-insurance operations		1,033.3	915.0
V. Due on reinsurance operations	6.16	1,095.2	1,252.8
VI. Tax liabilities			
1. Tax on profits to be paid	6.20	150.9	65.2
2. Other tax liabilities	6.16	326.3	341.0
VII. Other debts	6.16	1,388.8	1,529.9
I. Accrual adjustments	5.11	332.6	300.5
J. Liabilities linked to non-current assets held for sale and from discontinued operations	6.9	11.7	123.8
Total equity and liabilities		59,625.8	63,854.2

figures in millions of euros

B) CONSOLIDATED STATEMENT OF INCOME

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

B.1) CONSOLIDATED INCOME STATEMENT

Item	Notes	2022	2021
I. Revenue from insurance business			
1. Premiums earned, net			
a) Written premiums, direct insurance	7.A.2	20,472.0	18,127.6
b) Premiums from accepted reinsurance	7.A.2	4,068.5	4,027.0
c) Premiums from ceded reinsurance	6.19	(4,619.2)	(4,307.8)
d) Variations in provisions for unearned premiums and unexpired risks			
Direct insurance	6.13	(473.6)	(450.3)
Accepted reinsurance	6.13	(130.8)	(181.7)
Ceded reinsurance	6.19	(105.1)	249.3
2. Share in profits from equity-accounted companies		16.7	9.3
3. Revenue from investments			
a) From operations	6.17	2,136.3	2,227.1
b) From equity	6.17	202.4	180.0
4. Gains on investments on behalf of life insurance policyholders bearing the investment risk	6.5	90.5	254.6
5. Other technical revenue		59.0	87.7
6. Other non-technical revenue		84.0	283.1
7. Positive foreign exchange differences	6.22	1,736.1	1,628.2
8. Reversal of the asset impairment provision	6.7	17.0	13.9
Total revenue from insurance business		23,553.8	22,148.0

Figures in millions of euros

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

B.1) CONSOLIDATED INCOME STATEMENT

Item	Notes	2022	2021
II. Expenses from insurance business			
1. Incurred claims for the year, net			
a) Claims paid and variation in provision for claims, net			
Direct insurance	5.15	(12,821.4)	(11,725.5)
Accepted reinsurance	5.15	(2,751.0)	(2,743.8)
Ceded reinsurance	6.19	2,873.5	2,229.4
b) Claims-related expenses	6.18	(789.6)	(760.5)
2. Variation in other technical provisions, net	5.15	318.3	190.2
3. Profit sharing and returned premiums		(77.8)	(55.2)
4. Net operating expenses			
a) Acquisition expenses	6.18	(5,086.2)	(4,611.0)
b) Administration expenses	6.18	(831.8)	(766.8)
c) Commissions and participation in reinsurance	6.19	764.4	722.4
5. Share in losses from equity-accounted companies		(1.6)	(2.0)
6. Investment expenses			
a) From operations	6.17	(1,246.4)	(910.0)
b) From equity and financial accounts	6.17	(98.4)	(53.1)
7. Losses on investments on behalf of life insurance policyholders bearing the investment risk	6.5	(258.9)	(70.3)
8. Other technical expenses	6.18	(132.6)	(352.8)
9. Other non-technical expenses	6.18	(172.4)	(152.9)
10. Negative foreign exchange differences	6.22	(1,676.8)	(1,574.2)
11. Allowance to the asset impairment provision	6.7	(20.3)	(29.0)
Total expenses from insurance business		(22,009.0)	(20,665.1)
Result from the insurance business		1,544.8	1,482.9

Figures in millions of euros

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

B.1) CONSOLIDATED INCOME STATEMENT

Item	Notes	2022	2021
III. Other activities			
1. Operating revenue		527.2	315.6
2. Operating expenses	6.18	(600.5)	(408.0)
3. Net financial income			
a) Financial income	6.17	83.2	84.9
b) Financial expenses	6.17	(111.9)	(108.5)
4. Results from non-controlling interests			
a) Share in profits from equity-accounted companies		14.2	8.2
b) Share in losses from equity-accounted companies		(2.6)	(6.3)
5. Reversal of asset impairment provision	6.7	2.7	11.1
6. Allowance to the asset impairment provision	6.7	(22.7)	(11.6)
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations		23.5	–
Result from other activities		(86.9)	(114.6)
IV. Result on restatement of financial accounts	3.3	(60.3)	(13.2)
V. Result before tax from ongoing operations		1,397.6	1,355.1
VI. Tax on profit from ongoing operations	6.20	(313.8)	(319.5)
VII. Result after tax from ongoing operations		1,083.8	1,035.6
VIII. Result after tax from discontinued operations		–	–
IX. Result for the period		1,083.8	1,035.6
1. Attributable to non-controlling interests	6.25	441.7	270.4
2. Attributable to the controlling company	4.1	642.1	765.2

Figures in millions of euros

Earnings per share (euros)

Basic	4.1	0.21	0.25
Diluted	4.1	0.21	0.25

B.2) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Item	Notes	2021	2020
A) Consolidated result for the year		1,083.8	1,035.6
B) Other comprehensive income – headings not reclassified to results		–	–
C) Other comprehensive income – headings that can be reclassified subsequent to results		(1,387.1)	-371.0
1. Financial assets available for sale	6.4		
a) Valuation gains (losses)		(4,634.9)	(2,141.7)
b) Amounts transferred to the income statement		(93.8)	(179.0)
c) Other reclassifications		(2.1)	-4.7
2. Currency conversion differences	3.3 & 6.22		
a) Valuation gains (losses)		393.7	163.1
b) Amounts transferred to the income statement		0.2	1.4
c) Other reclassifications		0.1	-0.2
3. Shadow accounting			
a) Valuation gains (losses)	6.13	2,334.0	1,610.4
b) Amounts transferred to the income statement		14.9	3.6
c) Other reclassifications		–	–
4. Equity-accounted entities			
a) Valuation gains (losses)		13.0	(3.6)
b) Amounts transferred to the income statement		–	–
c) Other reclassifications		–	–
5. Other recognized revenue and expenses		15.1	15.1
6. Tax on profits		572.7	164.6
Total comprehensive income for the year (a+b+c)		(303.3)	664.6
1. Attributable to the controlling company		(742.5)	439.2
2. Attributable to non-controlling interests		439.2	225.4

C) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

Item	Notes	Equity attributable to controlling company				
		Shareholders' equity				
		Share capital	Share premium	Reserves	Interim dividend	Treasury stock
Opening balance as on January 1, 2021		308.0	1,506.7	7,057.2	(154.0)	(63.4)
1. Changes in accounting policies	–	–	–	–	–	–
2. Correction of errors	–	–	–	–	–	–
Adjusted balance as on January 1, 2021		308.0	1,506.7	7,057.2	(154.0)	(63.4)
I. Total comprehensive revenue (expenses)	–	–	–	–	–	–
II. Operations with the controlling company's shareholders and non-controlling interests	–	–	–	(315.5)	(184.8)	0.5
1. Capital increases (decreases)	–	–	–	–	–	–
2. Distribution of dividends	4.2 & 6.25	–	–	(230.8)	(184.8)	–
3. Increases (decreases) from business combinations	6.24	–	–	(0.8)	–	–
4. Other operations with the controlling company's shareholders and non-controlling interests	–	–	–	(83.8)	–	–
5. Operations with treasury stock and own shares	6.10	–	–	(0.1)	–	0.5
III. Other variations in equity	–	–	–	360.7	154.0	–
1. Transfers among equity items	–	–	–	372.5	154.0	–
2. Other variations	–	–	–	(11.8)	–	–
Closing balance as on December 31, 2021		308.0	1,506.7	7,102.4	(184.8)	(62.9)

Figures in millions of euros

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

Item	Equity attributable to controlling company					Non-controlling interests	Total equity
	Shareholder's equity						
	Result for the year attributable to controlling company	Other equity instruments	Valuation change adjustments	Currency conversion differences			
Opening balance as on January 1, 2021	526.5	—	1,270.7	(1,915.7)	1,301.8	9,837.8	
1. Changes in accounting policies	—	—	—	—	—	—	
2. Correction of errors	—	—	—	—	—	—	
Adjusted balance as on January 1, 2021	526.5	—	1,270.7	(1,915.7)	1,301.8	9,837.8	
I. Total comprehensive revenue (expenses)	765.2	—	(465.4)	139.4	225.4	664.6	
II. Operations with the controlling company's shareholders and non-controlling interests	—	—	—	—	(329.2)	(829.0)	
1. Capital increases (decreases)	—	—	—	—	90.9	90.9	
2. Distribution of dividends	—	—	—	—	(187.0)	(602.6)	
3. Increases (decreases) from business combinations	—	—	—	—	(216.6)	(217.4)	
4. Other operations with the controlling company's shareholders and non-controlling interests	—	—	—	—	(16.5)	(100.3)	
5. Operations with treasury stock and own shares	—	—	—	—	—	0.4	
III. Other variations in equity	(526.5)	—	—	—	5.0	(6.8)	
1. Transfers among equity items	(526.5)	—	—	—	—	—	
2. Other variations	—	—	—	—	5.0	(6.8)	
Closing balance as on December 31, 2021	765.2	—	805.3	(1,776.3)	1,203.0	9,666.6	

Figures in millions of euros

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

Item	Notes	Equity attributable to controlling company				
		Shareholders' equity				
		Share capital	Share premium	Reserves	Interim dividend	Treasury stock
Opening balance as on January 1, 2022		308.0	1,506.7	7,102.4	(184.8)	(62.9)
1. Changes in accounting policies		–	–	–	–	–
2. Correction of errors		–	–	–	–	–
Adjusted balance as on January 1, 2022		308.0	1,506.7	7,102.4	(184.8)	(62.9)
I. Total comprehensive revenue (expenses)		–	–	–	–	–
II. Operations with the controlling company's shareholders and non-controlling interests		–	(265.4)	(184.8)	21.5	21.5
1. Capital increases (decreases)	–	–	–	–	–	–
2. Distribution of dividends	4.2 & 6.25	–	(261.7)	(184.8)	–	–
3. Increases (decreases) from business combinations	6.24	–	–	–	–	–
4. Other operations with the controlling company's shareholders and non-controlling interests	6.8	–	–	–	–	–
5. Operations with treasury stock and own shares	6.10	–	(3.7)	–	21.5	21.5
III. Other variations in equity		–	577.0	184.8	–	–
1. Transfers among equity items		–	580.4	184.8	–	–
2. Other variations		–	(3.4)	–	–	–
Closing balance as on December 31, 2022		308.0	1,506.7	7,414.0	(184.8)	(41.4)

Figures in millions of euros

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

Item	Equity attributable to controlling company					Non-controlling interests	Total equity
	Shareholder's equity						
	Result for the year attributable to controlling company	Other equity instruments	Valuation change adjustments	Currency conversion differences			
Opening balance as on January 1, 2022	765.2	—	805.3	(1,776.3)	1,203.0	9,666.6	
1. Changes in accounting policies	—	—	—	—	—	—	
2. Correction of errors	—	—	—	—	—	—	
Adjusted balance as on January 1, 2022	765.2	—	805.3	(1,776.3)	1,203.0	9,666.6	
I. Total comprehensive revenue (expenses)	642.1	—	(1,727.7)	343.1	439.2	(303.3)	
II. Operations with the controlling company's shareholders and non-controlling interests	—	0.3	—	—	(562.9)	(991.3)	
1. Capital increases (decreases)	—	—	—	—	30.0	30.0	
2. Distribution of dividends	—	—	—	—	(421.7)	(868.2)	
3. Increases (decreases) from business combinations	—	—	—	—	(81.7)	(81.7)	
4. Other operations with the controlling company's shareholders and non-controlling interests	—	0.3	—	—	(89.5)	(89.2)	
5. Operations with treasury stock and own shares	—	—	—	—	—	17.8	
III. Other variations in equity	(765.2)	—	—	—	(8.4)	(11.8)	
1. Transfers among equity items	(765.2)	—	—	—	—	—	
2. Other variations	—	—	—	—	(8.4)	(11.8)	
Closing balance as on December 31, 2022	642.1	0.3	(922.4)	(1,433.2)	1,070.9	8,360.2	

Figures in millions of euros

D) CONSOLIDATED CASH FLOW STATEMENT

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

Item	Notes	2022	2021
1. Insurance activity:		1,324.5	283.7
Cash received from insurance activity		25,277.0	21,161.5
Cash payments from insurance activity		(23,952.5)	(20,877.8)
2. Other operating activities:		(370.8)	(420.4)
Cash received from other operating activities		743.2	457.1
Cash payments from other operating activities		(1,114.0)	(877.5)
3. Receipt (payment) of income tax		(376.9)	(349.2)
Net cash flows from operating activities		576.8	(485.9)
1. Proceeds from investment activities:		24,799.6	21,692.3
Property, plant and equipment		2.6	6.7
Real estate investments		225.5	119.0
Intangible fixed assets		–	247.7
Financial instruments		21,458.4	18,010.3
Equity instruments		2,063.4	1,850.3
Controlled companies and other business units	6.8	233.7	375.1
Interest collected		654.8	948.6
Dividends collected		115.6	87.4
Other proceeds related to investment activities		45.6	47.2
2. Payments from investment activities:		(24,998.1)	(20,377.5)

Figures in millions of euros

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

Item	Notes	2022	2021
Property, plant and equipment	6.2	(66.8)	(36.1)
Real estate investments	6.2	(40.3)	(215.9)
Intangible fixed assets		(162.7)	(89.6)
Financial instruments		(22,162.8)	(17,193.7)
Equity instruments		(2,468.8)	(2,655.7)
Controlled companies and other business units	6.8 & 6.24	(47.4)	(125.0)
Other payments related to investment activities		(49.3)	(61.5)
Net cash flows from investment activities		(198.5)	1,314.8
1. Proceeds from financing activities		1,151.8	868.7
Subordinated liabilities		500.0	—
Proceeds from issuing of equity instruments and capital increases		30.0	91.7
Proceeds from sale of treasury stock	6.10	17.8	0.3
Other proceeds related to financing activities		604.0	776.7
2. Payments from financing activities		(1,876.1)	(1,238.1)
Dividends paid to shareholders		(876.4)	(614.3)
Interest paid		(79.9)	(73.5)
Subordinated liabilities		—	(0.4)
Payments on return of shareholders' contributions		(16.8)	—
Purchase of treasury stock	6.10	—	—
Other payments related to financing activities	6.8	(903.0)	(549.9)
Net cash flow from financing activities		(724.3)	(369.4)
Conversion differences in cash flow and cash balances		33.0	9.2
Net increase (decrease) in cash flow		(313.0)	468.7
Opening cash balance		2,887.6	2,418.9
Closing cash balance		2,574.6	2,887.6

Figures in millions of euros

E) FINANCIAL INFORMATION BY SEGMENT

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

Item	Iberia	LATAM north	LATAM south	Brazil	North America
I. Revenue from insurance business					
1. Premiums earned, net					
a) Written premiums, direct insurance	7,602.0	2,101.5	1,997.9	4,851.5	2,550.7
b) Premiums from accepted reinsurance	23.6	15.6	9.0	–	38.9
c) Premiums from ceded reinsurance	(1,011.8)	(678.1)	(916.8)	(1,109.9)	(794.6)
d) Variations in provisions for unearned premiums and unexpired risks, net					
Direct insurance	(75.0)	245.1	(109.9)	(571.5)	(67.6)
Accepted reinsurance	(1.7)	0.2	(3.2)	–	0.3
Ceded reinsurance	15.7	(233.7)	51.3	132.0	7.9
2. Share in profits from equity-accounted companies	17.2	–	–	–	–
3. Revenues from investments					
From operations	1,144.5	85.4	226.6	284.2	80.8
From equity	105.4	13.5	11.0	2.1	56.8
4. Unrealized gains on investments on behalf of life insurance policyholders bearing the investment risk	44.4	5.1	–	41.0	–
5. Other technical revenue	30.4	3.7	(0.3)	1.5	16.9
6. Other non-technical revenue	77.9	0.4	3.2	0.2	0.6
7. Positive foreign exchange differences	26.1	40.4	32.8	3.9	–
8. Reversal of the asset impairment provision	13.9	–	–	–	–
Total revenue from insurance business	8,012.6	1,599.1	1,301.6	3,635.0	1,890.7

Figures in millions of euros

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

Item	Iberia	LATAM north	LATAM south	Brazil	North America
II. Expenses from insurance business					
1. Incurred claims for the financial year, net					
a) Claims paid and variation in provision for outstanding claims, net					
Direct insurance	(5,412.7)	(1,265.9)	(1,458.0)	(2,131.5)	(1,476.4)
Accepted reinsurance	(7.8)	(9.4)	(0.6)	–	(12.8)
Ceded reinsurance	654.9	285.0	875.2	742.3	307.8
b) Claims-related expenses	(401.8)	(25.7)	(39.2)	(63.7)	(183.8)
2. Variation in other technical provisions, net	117.9	28.7	(101.5)	(88.2)	(0.3)
3. Profit sharing and returned premiums	(40.1)	(19.5)	1.7	(18.5)	–
4. Net operating expenses					
a) Acquisition expenses	(1,174.8)	(412.2)	(433.5)	(1,241.7)	(554.8)
b) Administration expenses	(159.1)	(80.9)	(64.6)	(191.8)	(200.6)
c) Commissions and participation in reinsurance	145.2	75.6	108.8	137.7	225.4
5. Share in losses from equity-accounted companies	(11.6)	–	–	–	–
6. Investment expenses					
a) From operations	(662.2)	(32.9)	(15.2)	(82.3)	(5.6)
b) From equity and financial accounts	(87.7)	(1.3)	(1.1)	–	(4.8)
7. Unrealized losses on investments on account of life insurance policyholders bearing investment risk	(240.0)	(10.2)	(1.0)	–	–
8. Other technical expenses	(77.7)	(18.3)	(8.8)	(0.9)	–
9. Other non-technical expenses	(164.9)	(1.1)	(2.6)	–	(1.3)
10. Negative foreign exchange differences	(24.6)	(42.7)	(21.2)	–	(0.5)
1.1 Allowance to the asset impairment provision	(13.0)	(0.1)	(0.9)	–	–
Total expenses from insurance business	(7,560.0)	(1,530.9)	(1,162.5)	(2,938.6)	(1,907.7)
Result from the insurance business	452.6	68.2	139.1	696.4	(17.0)

Figures in millions of euros

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

Item	Iberia	LATAM north	LATAM south	Brazil	North America
III. Other activities					
1 Operating revenue	342.6	7.4	39.3	12.9	4.0
2 Operating expenses	(301.7)	(6.4)	(31.5)	(12.2)	(5.7)
3 Net financial income					
a) Financial income	20.7	5.2	3.8	10.5	0.2
b) Financial expenses	(4.9)	(4.5)	(0.4)	(2.6)	—
4 Result from non-controlling interests					
a) Share in profits from equity-accounted companies	2.9	—	—	—	—
b) Share in losses from equity-accounted companies	—	—	—	—	—
5 Reversal of asset impairment provision	2.6	—	—	—	—
6 Allowance to the asset impairment provision	(3.2)	—	—	—	—
7 Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	—	—	—	—	—
Result from other activities	59.0	1.7	11.2	8.6	(1.5)
IV. Result on restatement of financial accounts	—	—	(41.7)	—	—
V. Result before tax from ongoing operations	511.6	69.9	108.6	705.0	(18.5)
VI. Tax on profit from ongoing operations	(101.4)	(16.8)	3.2	(186.3)	1.7
VII. Result after tax from ongoing operations	410.2	53.1	111.8	518.7	(16.8)
VIII. Result after tax from discontinued operations	—	—	—	—	—
IX. Result for the period	410.2	53.1	111.8	518.7	(16.8)
1 Attributable to non-controlling interests	34.7	7.2	0.5	375.0	—
2 Attributable to the controlling company	375.5	45.9	111.3	143.7	(16.8)

Figures in millions of euros

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

Item	EURASIA	Asistencia	Global Risks	Reinsurance	Corporate Areas and consolidation adjustments	Total
I. Revenue from insurance business						
1. Premiums earned, net						
a) Written premiums, direct insurance	1,302.9	65.5	–	–	–	20,472.0
b) Premiums from accepted reinsurance	14.4	148.2	1,550.6	5,670.7	(3,402.5)	4,068.5
c) Premiums from ceded reinsurance	(366.8)	(32.4)	(1,302.2)	(1,809.1)	3,402.5	(4,619.2)
d) Variations in provisions for unearned premiums and unexpired risks, net						
Direct insurance	44.8	60.5	–	–	–	(473.6)
Accepted reinsurance	(6.6)	6.7	(22.9)	(245.2)	141.6	(130.8)
Ceded reinsurance	(4.5)	11.0	11.0	45.8	(141.6)	(105.1)
2. Share in profits from equity-accounted companies	0.2	–	–	–	(0.7)	16.7
3. Revenues from investments						
From operations	141.8	0.7	8.8	177.3	(13.8)	2,136.3
From equity	14.3	–	–	1.0	(1.7)	202.4
4. Unrealized gains on investments on behalf of life insurance policyholders bearing the investment risk	–	–	–	–	–	90.5
5. Other technical revenue	6.7	–	–	0.3	(0.2)	59.0
6. Other non-technical revenue	1.8	–	–	–	(0.1)	84.0
7. Positive foreign exchange differences	68.2	–	572.3	992.4	–	1,736.1
8. Reversal of the asset impairment provision	–	–	1.2	1.9	–	17.0
Total revenue from insurance business	1,217.2	260.2	818.8	4,835.1	(16.5)	23,553.8

Figures in millions of euros

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

Item	EURASIA	Asistencia	Global Risks	Reinsurance	Corporate Areas and consolidation adjustments	Total
II. Expenses from insurance business						
1 Incurred claims for the financial year, net						
a) Claims paid and variation in provision for outstanding claims, net						
Direct insurance	(1,028.0)	(48.9)	–	–	–	(12,821.4)
Accepted reinsurance	(22.3)	(72.1)	(1,222.9)	(3,647.3)	2,244.2	(2,751.0)
Ceded reinsurance	192.2	9.7	1,049.1	1,001.5	(2,244.2)	2,873.5
b) Claims-related expenses	(48.5)	(28.3)	–	(0.9)	2.3	(789.6)
2 Variation in other technical provisions, net	362.7	–	–	(1.0)	–	318.3
3 Profit sharing and returned premiums	(1.4)	–	–	–	–	(77.8)
4 Net operating expenses						
a) Acquisition expenses	(267.8)	(99.9)	(152.6)	(1,320.2)	571.3	(5,086.2)
b) Administration expenses	(107.0)	(9.4)	–	(26.2)	7.8	(831.8)
c) Commissions and participation in reinsurance	149.1	3.9	113.6	376.1	(571.0)	764.4
5 Share in losses from equity-accounted companies	–	–	–	–	10.0	(1.6)
6 Investment expenses						
a) From operations	(391.0)	(0.2)	(1.4)	(58.1)	2.5	(1,246.4)
b) From equity and financial accounts	(0.5)	–	–	(3.1)	0.1	(98.4)
7 Unrealized losses on investments on account of life insurance policyholders bearing investment risk	(7.7)	–	–	–	–	(258.9)
8 Other technical expenses	(7.5)	(7.0)	–	(12.6)	0.2	(132.6)
9 Other non-technical expenses	(2.5)	–	–	–	–	(172.4)
10 Negative foreign exchange differences	(31.7)	(1.2)	(576.8)	(978.1)	–	(1,676.8)
11 Allowance to the asset impairment provision	(6.3)	–	–	–	–	(20.3)
Total expenses from insurance business	(1,218.2)	(253.4)	(791.0)	(4,669.9)	23.2	(22,009.0)
Result from the insurance business	(1.0)	6.8	27.8	165.2	6.7	1,544.8

Figures in millions of euros

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

Item	EURASIA	Asistencia	Global Risks	Reinsurance	Corporate Areas and consolidation adjustments	Total
III. Other activities						
1. Operating revenue	4.2	218.4	(0.1)	(0.2)	(101.3)	527.2
2. Operating expenses	(3.5)	(231.6)	–	–	(7.9)	(600.5)
3. Net financial income						
a) Financial income	–	10.1	–	–	32.7	83.2
b) Financial expenses	–	(14.6)	–	–	(84.9)	(111.9)
4. Result from non-controlling interests						
a) Share in profits from equity-accounted companies	–	–	–	–	11.3	14.2
b) Share in losses from equity-accounted companies	–	–	–	–	(2.6)	(2.6)
5. Reversal of asset impairment provision	–	–	–	–	0.1	2.7
6. Allowance to the asset impairment provision	–	–	–	–	(19.5)	(22.7)
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	–	23.5	–	–	–	23.5
Result from other activities	0.7	5.8	(0.1)	(0.2)	(172.1)	(86.9)
IV. Result on restatement of financial accounts	(16.6)	(2.0)	–	–	–	(60.3)
V. Result before tax from ongoing operations	(16.9)	10.6	27.7	165.0	(165.4)	1,397.6
VI. Tax on profit from ongoing operations	0.1	(3.4)	(6.9)	(42.4)	38.4	(313.8)
VII. Result after tax from ongoing operations	(16.8)	7.2	20.8	122.6	(127.0)	1,083.8
VIII. Result after tax from discontinued operations	–	–	–	–	–	–
IX. Result for the period	(16.8)	7.2	20.8	122.6	(127.0)	1,083.8
1 Attributable to non-controlling interests	12.8	0.3	–	–	11.2	441.7
2 Attributable to the controlling company	(29.6)	6.9	20.8	122.6	(138.2)	642.1

Figures in millions of euros

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

Item	Iberia	LATAM North	LATAM South	Brazil	North America
I. Revenue from insurance business					
1. Premiums earned, net					
a) Written premiums, direct insurance	7,575.0	2,178.7	1,617.4	3,340.1	1,972.8
b) Premiums from accepted reinsurance	21.4	9.0	0.3	—	100.3
c) Premiums from ceded reinsurance	(930.5)	(988.5)	(743.0)	(707.5)	(595.1)
d) Variations in provisions for unearned premiums and unexpired risks, net					
Direct insurance	(42.8)	(245.1)	(54.7)	(330.3)	39.7
Accepted reinsurance	(1.0)	(0.1)	2.6	—	(5.8)
Ceded reinsurance	19.8	224.8	20.0	67.1	(6.9)
2. Share in profits from equity-accounted companies	27.4	—	—	—	—
3. Revenues from investments					
From operations	1,349.4	79.0	136.3	138.2	67.7
From equity	79.2	10.4	9.8	1.3	60.3
4. Unrealized gains on investments on behalf of life insurance policyholders bearing the investment risk	229.3	9.4	0.6	8.7	—
5. Other technical revenue	22.5	8.4	33.3	1.1	13.5
6. Other non-technical revenue	279.4	0.7	2.2	—	0.3
7. Positive foreign exchange differences	19.2	15.0	12.6	—	—
8. Reversal of the asset impairment provision	11.0	—	0.1	—	—
Total revenue from insurance business	8,659.3	1,301.7	1,037.5	2,518.7	1,646.8

Figures in millions of euros

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

Item	Iberia	LATAM North	LATAM South	Brazil	North America
II. Expenses from insurance business					
1. Incurred claims for the financial year, net					
a) Claims paid and variation in provision for outstanding claims, net					
Direct insurance	(6,063.2)	(1,251.8)	(611.6)	(1,720.6)	(1,054.5)
Accepted reinsurance	(5.7)	(6.9)	(0.2)	–	(22.5)
Ceded reinsurance	619.0	379.8	140.9	614.4	206.8
b) Claims-related expenses	(391.9)	(17.1)	(31.3)	(46.9)	(158.5)
2. Variation in other technical provisions, net	354.0	30.9	(67.7)	(66.0)	(0.4)
3. Profit sharing and returned premiums	(38.0)	(15.4)	(0.6)	0.6	–
4. Net operating expenses					
a) Acquisition expenses	(1,207.5)	(317.3)	(355.7)	(904.6)	(444.3)
b) Administration expenses	(157.8)	(67.2)	(53.6)	(136.0)	(180.6)
c) Commissions and participation in reinsurance	154.6	69.9	85.6	91.0	152.8
5. Share in losses from equity-accounted companies	(2.0)	–	–	–	–
6. Investment expenses					
a) From operations	(625.3)	(23.8)	(21.1)	(56.2)	(4.9)
b) From equity and financial accounts	(43.8)	(0.7)	(1.5)	–	(5.0)
7. Unrealized losses on investments on account of life insurance policyholders bearing investment risk	(57.6)	(2.3)	–	(10.4)	–
8. Other technical expenses	(273.3)	(13.9)	(29.1)	(0.8)	–
9. Other non-technical expenses	(134.9)	(1.7)	(4.3)	–	(8.8)
10. Negative foreign exchange differences	(12.9)	(12.8)	(7.6)	(1.5)	–
11. Allowance to the asset impairment provision	(19.9)	–	(2.8)	–	(2.9)
Total expenses from insurance business	(7,906.2)	(1,250.3)	(960.6)	(2,237.0)	(1,522.8)
Result from the insurance business	753.1	51.4	76.9	281.7	124.0

Figures in millions of euros

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

Item	Iberia	LATAM North	LATAM South	Brazil	North America
III. Other activities					
1 Operating revenue	293.6	8.1	10.7	10.5	1.3
2 Operating expenses	(250.8)	(7.9)	(8.2)	(7.4)	(3.6)
3 Net financial income					
a) Financial income	8.1	1.8	1.3	19.5	(1.7)
b) Financial expenses	(3.1)	(1.4)	(0.2)	(1.8)	—
4 Result from non-controlling interests					
a) Share in profits from equity-accounted companies	2.5	—	—	—	—
b) Share in losses from equity-accounted companies	—	—	—	—	—
5 Reversal of asset impairment provision	3.1	—	—	—	—
6 Allowance to the asset impairment provision	(4.0)	—	—	—	—
7 Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	—	—	—	—	—
Result from other activities	49.4	0.6	3.6	20.8	(4.0)
IV. Result on restatement of financial accounts	—	—	(12.0)	—	—
V. Result before tax from ongoing operations	802.5	52.0	68.5	302.5	120.0
VI. Tax on profit from ongoing operations	(188.7)	(13.4)	(12.0)	(71.2)	(31.2)
VII. Result after tax from ongoing operations	613.8	38.6	56.5	231.3	88.8
VIII. Result after tax from discontinued operations	—	—	—	—	—
IX. Result for the period	613.8	38.6	56.5	231.3	88.8
1. Attributable to non-controlling interests	73.1	11.8	2.4	157.0	—
2. Attributable to the controlling company	540.7	26.8	54.1	74.3	88.8

Figures in millions of euros

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

Item	EURASIA	Asistencia	Global Risks	Reinsurance	Corporate Areas and consolidation adjustments	Total
I. Revenue from insurance business						
1. Premiums earned, net						
a) Written premiums, direct insurance	1,346.8	83.4	—	—	13.4	18,127.6
b) Premiums from accepted reinsurance	14.0	403.0	1,283.0	4,991.6	(2,795.6)	4,027.0
c) Premiums from ceded reinsurance	(390.8)	(126.9)	(1,059.5)	(1,557.6)	2,791.6	(4,307.8)
d) Variations in provisions for unearned premiums and unexpired risks, net						
Direct insurance	112.3	75.6	—	—	(5.0)	(450.3)
Accepted reinsurance	1.2	(10.2)	(4.1)	(260.4)	96.1	(181.7)
Ceded reinsurance	0.2	(20.3)	(16.2)	55.8	(95.0)	249.3
2. Share in profits from equity-accounted companies	0.3	—	—	—	(18.4)	9.3
3. Revenues from investments						
From operations	248.8	8.8	19.0	184.4	(4.5)	2,227.1
From equity	21.5	—	—	0.1	(2.6)	180.0
4. Unrealized gains on investments on behalf of life insurance policyholders bearing the investment risk	6.6	—	—	—	—	254.6
5. Other technical revenue	8.4	—	—	0.7	(0.2)	87.7
6. Other non-technical revenue	0.6	—	—	—	(0.1)	283.1
7. Positive foreign exchange differences	66.1	1.5	1,351.4	140.6	21.8	1,628.2
8. Reversal of the asset impairment provision	—	—	0.4	2.4	—	13.9
Total revenue from insurance business	1,436.0	414.9	1,574.0	3,557.6	1.5	22,148.0

Figures in millions of euros

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

Item	EURASIA	Asistencia	Global Risks	Reinsurance	Corporate Areas and consolidation adjustments	Total
II. Expenses from insurance business						
1. Incurred claims for the financial year, net						
a) Claims paid and variation in provision for outstanding claims, net						
Direct insurance	(969.5)	(44.8)	—	—	(9.5)	(11,725.5)
Accepted reinsurance	(17.6)	(150.5)	(704.1)	(3,328.1)	1,491.8	(2,743.8)
Ceded reinsurance	148.8	41.6	570.4	999.1	(1,491.4)	2,229.4
b) Claims-related expenses	(50.3)	(64.7)	—	(0.8)	1.0	(760.5)
2. Variation in other technical provisions, net	(89.2)	—	—	28.6	—	190.2
3. Profit sharing and returned premiums	(1.8)	—	—	—	—	(55.2)
4. Net operating expenses						
a) Acquisition expenses	(302.0)	(212.4)	(138.3)	(1,248.8)	519.9	(4,611.0)
b) Administration expenses	(135.2)	(19.4)	—	(22.6)	5.6	(766.8)
c) Commissions and participation in reinsurance	174.7	54.1	103.2	357.5	(521.0)	722.4
5. Share in losses from equity-accounted companies	—	—	—	—	—	(2.0)
6. Investment expenses						
a) From operations	(120.9)	(5.5)	(5.6)	(38.7)	(8.0)	(910.0)
b) From equity and financial accounts	(1.8)	—	—	(0.2)	(0.1)	(53.1)
7. Unrealized losses on investments on account of life insurance policyholders bearing investment risk	—	—	—	—	—	(70.3)
8. Other technical expenses	(9.3)	(16.9)	—	(9.4)	(0.1)	(352.8)
9. Other non-technical expenses	(3.2)	—	—	—	—	(152.9)
10. Negative foreign exchange differences	(36.8)	(1.1)	(1,354.2)	(145.2)	(2.1)	(1,574.2)
11. Allowance to the asset impairment provision	(2.0)	—	—	(0.4)	(1.0)	(29.0)
Total expenses from insurance business	(1,416.1)	(419.6)	(1,528.6)	(3,409.0)	(14.9)	(20,665.1)
Result from the insurance business	19.9	(4.7)	45.4	148.6	(13.4)	1,482.9

Figures in millions of euros

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

Item	EURASIA	Asistencia	Global Risks	Reinsurance	Corporate Areas and consolidation adjustments	Total
III. Other activities						
1. Operating revenue	2.7	73.2	(0.2)	—	(84.3)	315.6
2. Operating expenses	(2.2)	(81.8)	—	—	(46.1)	(408.0)
3. Net financial income						
a) Financial income	0.2	7.8	—	—	47.9	84.9
b) Financial expenses	—	(3.9)	—	—	(98.1)	(108.5)
4. Result from non-controlling interests						
a) Share in profits from equity-accounted companies	—	—	—	—	5.7	8.2
b) Share in losses from equity-accounted companies	—	—	—	—	(6.3)	(6.3)
5. Reversal of asset impairment provision	—	—	—	—	8.0	11.1
6. Allowance to the asset impairment provision	—	—	—	—	(7.6)	(11.6)
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	—	—	—	—	—	—
Result from other activities	0.7	(4.7)	(0.2)	—	(180.8)	(114.6)
IV. Result on restatement of financial accounts	—	(0.7)	—	—	(0.5)	(13.2)
V. Result before tax from ongoing operations	20.6	(10.1)	45.2	148.6	(194.7)	1,355.1
VI. Tax on profit from ongoing operations	(6.5)	12.4	(11.3)	(30.8)	33.2	(319.5)
VII. Result after tax from ongoing operations	14.1	2.3	33.9	117.8	(161.5)	1,035.6
VIII. Result after tax from discontinued operations	—	—	—	—	—	—
IX. Result for the period	14.1	2.3	33.9	117.8	(161.5)	1,035.6
1 Attributable to non-controlling interests	13.2	1.7	—	—	11.2	270.4
2 Attributable to the controlling company	0.9	0.6	33.9	117.8	(172.7)	765.2

Figures in millions of euros

F) SUPPLEMENTARY FINANCIAL INFORMATION BY PRODUCT AND GEOGRAPHICAL AREA

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

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

1.a) INFORMATION BY PRODUCT

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

Figures in millions of euros

1.b) Information by country

Geographic Area / Countries	2022	2021
Iberia		
Spain	7,824.6	7,759.4
Portugal	143.5	130.4
LATAM North		
Mexico	1,029.1	1,325.5
Panama	254.8	223.7
Other	840.3	646.5
LATAM South		
Argentina	221.5	191.2
Chile	398.0	338.9
Colombia	411.2	367.9
Peru	732.5	517.1
Other	282.8	213.3
Brazil	4,864.5	3,350.7
North America		
United States of America	2,225.5	1,738.0
Puerto Rico	368.0	336.3
EURASIA		
Italy	197.8	217.8
Malta	339.1	406.7
Turkey	369.4	304.9
Other	415.0	434.2
Assistance	432.0	559.6
Global Risks	1,550.6	1,283.0
Reinsurance	5,670.7	4,991.6
Corporate Areas and consolidation adjustments	(3,503.4)	(2,866.5)
TOTAL	25,067.5	22,470.2

Figures in millions of euros

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

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

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

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

Geographic Area / Countries	2022	2021
Iberia		
Spain	1,998.6	2,065.2
Portugal	41.0	42.9
LATAM North		
Mexico	156.9	153.1
Panama	43.9	56.0
Other	71.4	63.6
LATAM South		
Argentina	41.7	34.8
Chile	27.2	24.9
Colombia	22.0	27.0
Peru	160.4	126.5
Other	28.5	24.1
Brazil	694.7	564.1

North America		
United States of America	258.1	251.9
Puerto Rico	73.8	54.2
EURASIA		
Italy	70.9	81.9
Malta	226.5	231.9
Turkey	47.4	22.7
Other	21.6	253.3
Asistencia	110.3	81.7
Global Risks	—	—
Reinsurance	72.5	63.8
Corporate Areas and consolidation adjustments	489.7	829.0
TOTAL	4,657.1	5,052.6

Figures in millions of euros

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

G) CONSOLIDATED ANNUAL REPORT

1. GENERAL INFORMATION REGARDING THE COMPANY AND ITS ACTIVITIES

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

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

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

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

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

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

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

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

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

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

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

2. BASIS OF PRESENTATION OF THE CONSOLIDATED ANNUAL ACCOUNTS

2.1. Basis of presentation

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

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

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

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

2.2. Financial information by segment

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

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

INSURANCE

- IBERIA
- BRAZIL
- LATAM NORTH
- LATAM SOUTH
- NORTH AMERICA
- EURASIA

ASSISTANCE

GLOBAL RISKS

REINSURANCE

Revenues and expenses from the Insurance business also include complementary activities relating to asset and real estate management, and from medical services, assistance, funeral services, technology services, and others. The operating segment corresponding to the Insurance Unit presents its information according to the structure

of the Group's regional areas and taking into account the quantitative thresholds established in prevailing regulations.

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

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

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

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

2.3. Financial information by product and geographic area

Section F) of the consolidated annual accounts contains supplementary financial information broken down by product and geographical area. The information by product is presented for the main activity lines, which are:

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

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

2.4. Changes in accounting policies, changes in estimates and errors

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

2.5. Comparison of information

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

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

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

EU-IFRS 17

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

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

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

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

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

Transition

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

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

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

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

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

Valuation approaches for insurance contracts

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

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

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

Insurance contracts

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

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

Reinsurance contracts

Ceded	PAA
Accepted	PAA/BBA
Retroceded	BBA

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

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

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

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

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

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

I. Building Block Approach (BBA)

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

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

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

A. Fulfillment cash flows, which include:

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

B. Contractual Service Margin (CSM)

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

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

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

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

II. Variable Fee Approach (VFA)

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

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

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

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

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

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

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

Contractual Service Margin (CSM)

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

III. Premium Allocation Approach (PAA)

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

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

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

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

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

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

Valuation of ceded and retroceded reinsurance contracts

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

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

Insurance revenue

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

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

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

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

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

Financial result from insurance

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

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

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

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

Discount rate

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

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

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

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

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

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

Risk adjustment for non-financial risk calculation

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

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

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

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

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

Balance sheet

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

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

Insurance contract liabilities

I. BBA Liabilities for remaining coverage valuation

- Estimates of present value of future cash flows
- a. Present value of future cash flows
- b. Present value of future cash flows Loss component
- Non-financial risk adjustment
- Contractual service margin

II. BBA Liabilities for incurred claims valuation

- Estimates for present value of future cash flows
- Non-financial risk adjustment

III. VFA Liabilities for remaining coverage valuation

- Estimates of present value of future cash flows
- a. Present value of future cash flows
- b. Present value of future cash flows Loss component
- Non-financial risk adjustment
- Contractual service margin

IV. VFA Liabilities for incurred claims valuation

- Estimates of present value of future cash flows
- Non-financial risk adjustment

V. PAA Liabilities for remaining coverage valuation

- Premiums allocated to future periods
- Acquisition expenses allocated to future periods
- Loss component

VI. PAA Liabilities for incurred claims valuation

- Estimates of present value of future cash flows
- Non-financial risk adjustment

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

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

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

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

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

Ceded reinsurance contracts will be presented similarly.

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

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

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

Income statement

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

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

Insurance revenue

<i>Release of Liabilities for remaining coverage</i>
Claims and other expected insurance service expenses
Changes in non-financial risk adjustment
Release of CSM
Release of PAA premium
<i>Release of acquisition expenses allocated to the period</i>

Insurance service expenses

Claims and other insurance service expenses
a. Claims
b. Fulfillment expenses
Acquisition expenses
Losses in groups of onerous contracts and reversals of such losses
Changes in liabilities for incurred claims

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

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

Alternate performance measures.

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

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

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

The following are the main changes in indicators:

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

EU-IFRS 17 New KPIs

Contractual Service Margin (CSM) Unearned profit recognized by the company as the service is being provided

CSM release pattern
Criteria to recognize revenues based on the coverage units defined for each year and the part of the service already provided

Importance of new business (%)
CSM of insurance contracts issued / Total CSM

EU-IFRS 9

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

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

and classification criteria to avoid accounting asymmetries.

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

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

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

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

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

As with EU-IAS 39, the majority of the portfolio is classified as financial assets at fair value through other comprehensive income, since 98 % of the fixed income assets included in the available-for-sale portfolio pass the SPPI Test, and therefore their current measurement can be maintained in

almost all cases, with barely any change in equity resulting from the regulatory change.

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

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

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

2.6. Changes in the scope of consolidation

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

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

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

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

2.7. Accounting judgments and estimates

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

- The technical provisions (Note 6.13).
- Impairment losses on certain assets (Notes 6.1, 6.2 and 6.4).
- The calculation of provisions for risks and expenses (Note 6.14).
- The actuarial calculation of post-employment remuneration-related commitments and liabilities (Note 6.21).
- The useful life of intangible assets and of property, plant & equipment items (Notes 5.3 and 6.2).
- The fair value of certain non-listed assets (Note 6.4).
- The fair value of assets and liabilities from lease contracts (Note 6.3).

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

3. CONSOLIDATION

3.1. Controlled companies, associated undertakings and joint arrangements

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

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

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

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

-The administration of the companies is carried out by a Board of Directors, which is responsible for their operating and financial strategies as well as their administration and management, and for overseeing their financial and operating policies, among others. In these cases the Board of Directors is made up of an even number of members and the chairman is always appointed at the recommendation of MAPFRE. The chairman has the casting vote, therefore exercising control over the company.

-MAPFRE is granted the power to appoint and revoke the CEO, Finance Manager, Actuarial Manager, and any other key personnel for the management and control of the company.

-The political rights established do not coincide with the economic rights, which means that MAPFRE has the majority of the voting rights in the Annual General Shareholders’ Meeting. Additionally, in these cases the Board of Directors is made up of an even number of members and in the event of a tie one of the directors appointed at the recommendation of MAPFRE has the casting vote.

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

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

separately in the consolidated income statement (consolidated statement of comprehensive income).

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

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

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

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

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

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

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

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

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

3.2. Mutual funds

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

3.3. Conversion of annual accounts of foreign companies included in the consolidation

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

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

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

Hyperinflationary economies

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

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

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

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

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

Figures in millions of euros

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

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

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

Figures in millions of euros

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

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

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

Adjustments to the opening balance

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

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

4. EARNINGS PER SHARE AND DIVIDENDS

4.1. Earnings per share

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

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

4.2. Dividends

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

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

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

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

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

In 2022 the controlling company distributed an interim dividend equivalent to a total amount of 184,761,730.50 euros, which is recorded in equity

under the heading "Interim dividend". The liquidity statement prepared by the Board of Directors for the distribution is shown in the accompanying chart.

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

Figures in millions of euros

5. ACCOUNTING POLICIES

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

5.1. Intangible assets

GOODWILL

Goodwill on merger

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

Consolidation differences

Goodwill on consolidation

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

Negative consolidation difference

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

Goodwill impairment

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

OTHER INTANGIBLE ASSETS

Other intangible assets from an independent acquisition

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

Internally-generated intangible assets

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

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

Amortization of limited useful life intangible assets

Portfolio acquisition costs

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

Other intangible assets

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

5.2. Business combinations

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

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

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

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

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

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

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

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

5.3. Property, plant and equipment and real estate investments

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

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

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

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

Item group	Years	Annual ratio
Buildings and other structures	50-25	2 %-4 %
Vehicles	6	16 %
Furniture	10	10 %
Fittings	20-10	5 %-10 %
Data processing equipment	4	25 %

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

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

5.4. Leasing

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

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

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

Lease term

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

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

Recognition and measurement

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

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

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

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

Exemptions

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

5.5. Financial investments

Recognition

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

Classification

Financial investments are classified in the following portfolios:

Held-to-maturity portfolio

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

Available-for-sale portfolio

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

Trading portfolio

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

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

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

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

Valuation

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

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

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

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

Level 1. Quoted price: Unadjusted price quoted in active markets.

Level 2. Observable data: Prices quoted in active markets for instruments similar to the one being valued or other valuation techniques in which all the significant variables are based on observable market data. The valuation is made via a model that discounts future financial flows, including the reimbursement value, using a rate curve with two main components:

- Zero coupon swap curve of the currency of the issuance, which is considered to be the best approximation to the risk-free interest rate.
- Spread of the additional risk, which will be the spread added to or subtracted from the zero coupon swap curve that reflects the risks inherent to the issuance being valued, such as credit, liquidity or optionality risk.

Level 3. Other valuations: Variables specific to each case. For these purposes, it is possible to distinguish between:

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

Impairment

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

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

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

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

5.6. Investments on behalf of life insurance policyholders bearing the investment risk

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

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

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

5.7. Impairment of other assets

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

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

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

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

5.8. Inventories

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

5.9. Receivables

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

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

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

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

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

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

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

5.10. Cash

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

5.11. Accrual adjustments

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

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

5.12. Non-current assets held for sale and associated liabilities

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

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

5.13. Treasury stock

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

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

5.14. Financial liabilities and subordinated liabilities

Financial liabilities classified as held-for-trading

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

Other financial liabilities

In their initial recognition on the balance sheet, they are recorded at fair value, which is the net amount received, deducting transaction costs which are directly attributable to the issuance of the financial liability, like commissions, formalization costs, taxes, fees, etc....

Subsequently, these liabilities are measured at their amortized cost, applying the effective interest rate for financial liabilities.

5.15. Insurance operations

A) PREMIUMS

Direct insurance

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

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

Ceded reinsurance

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

Accepted and retroceded reinsurance

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

Co-insurance

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

B) TECHNICAL PROVISIONS

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

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

Provision for unearned premiums

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

Provision for unexpired risks

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

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

Provisions for Life insurance

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

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

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

Written policies that contain a profit sharing clause in force at the close of each period share, pro rata to their mathematical provisions or

technical results and as specifically set out in each contract, in the net yields obtained from the investments allocated to covering these provisions. The amount resulting from this profit sharing is recorded as a greater amount than the technical provisions.

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

Provision for outstanding claims

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

Other technical provisions

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

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

Technical provisions for Life insurance where policyholders bear the investment risk

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

b. Direct insurance of companies outside the European Economic Area

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

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

c. Ceded reinsurance

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

d. Accepted reinsurance

Provision for unearned premiums

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

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

Provision for unexpired risks

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

Provision for outstanding claims

Provisions for outstanding claims are provided for the amounts communicated by the cedant or, in the lack thereof, for the withheld deposits, and include, where necessary based on available historic information, additional provisions for claims that were incurred but not reported (IBNR) as well as for deviations of the existing ones based

on own experience. The final expected cost is estimated and provisioned based on experience and through the use of actuarial methods.

e. Retroceded reinsurance

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

f. Liability adequacy test

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

g. Shadow accounting

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

C) OTHER ASSETS AND LIABILITIES DERIVED FROM INSURANCE AND REINSURANCE CONTRACTS

a. Deposit components in insurance contracts

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

b. Embedded derivatives in insurance contracts

Some Life insurance contracts contain embedded derivatives, essentially consisting of guaranteed surrender and maturity values. Embedded derivatives are not measured separately from the

main insurance contract because they fulfill the conditions to be classified as insurance contracts, and their embedded value is therefore measured jointly with the main contract, pursuant to EU-IFRS 4.

c. Insurance contracts acquired in business combinations or portfolio transfers

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

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

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

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

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

D) CLAIMS

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

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

Payments of claims are made against the previously recognized provision.

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

E) MOST SIGNIFICANT ASSUMPTIONS AND OTHER SOURCES FOR ESTIMATING UNCERTAINTIES

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

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

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

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

F) IMPAIRMENT

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

5.16. Provisions for risks and expenses

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

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

5.17. Debt

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

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

5.18. General criterion for revenues and expenses

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

5.19 Remuneration for employees

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

a. Short-term remuneration

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

b. Post-employment benefits

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

Defined contribution plans

These are plans in which the company in question makes pre-determined contributions to a separate company (whether linked to the Group or external) and has no legal or implicit obligation to make

any additional contributions in the event of an insufficiency of assets to honor the payment of benefits. The amount of benefits to be received by employees is determined by the contributions made plus the yield obtained by the investments in which the fund was materialized.

Defined benefit plans

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

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

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

Actuarial gains and losses are recorded in equity accounts.

c. Compensation for termination

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

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

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

Incentive plans

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

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

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

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

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

5.20. Revenues and expenses from investments

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

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

a. Trading portfolio

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

b. Held-to-maturity portfolio

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

c. Available-for-sale portfolio

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

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

5.21. Reclassification of expenses by destination and allocation to activity segments

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

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

The established destinations are as follows:

- Claims-related expenses
- Expenses allocated to investments
- Other technical expenses
- Other non-technical expenses
- Acquisition expenses
- Administration expenses
- Operating expenses from other activities

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

5.22. Transactions and balances in foreign currency

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

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

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

5.23. Tax on profits

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

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

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

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

6. BREAKDOWN OF FINANCIAL STATEMENTS

6.1. Intangible assets

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

2022

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

Figures in millions of euros

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

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

2021

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

Figures in millions of euros

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

- The assignment of the final acquisition price of the stake in MAPFRE SANTANDER PORTUGAL carried out in 2020 (Note 6.24).
- Advances for intangible fixed assets for the amount of 40 million euros.

- The signing of an exclusive distribution and sale agreement in Mexico which included a payment of 24.2 million euros.

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

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

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

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

Figures in millions of euros

GOODWIL

Cash-generating unit	Business and Geographic Area	Gross amount at source		Balance 12.31.2020	2021	
		Millions in original currency	Currency		Entries/ (write-offs)	Net impairment for the period
Goodwill on consolidation						
MAPFRE VIDA	Life insurance (Spain)	258.4	EUR	212.6	—	—
Global Risks	Insurance for Companies	40.8	EUR	40.2	—	—
Grupo corporativo L.M.L.	Non-Life Insurance (Mexico)	407.9	MXN	16.7	0.8	—
MAPFRE WARRANTY	Extended Warranty	11.4	EUR	11.1	—	—
BB MAPFRE Participações	Insurance (Brazil)	350.3	BRL	55.2	0.1	—
Bankinter Vida	Life insurance (Spain)	160.5	EUR	160.5	—	—
CCM Vida y Pensiones	Life and Pensions insurance (Spain)	81.3	EUR	81.3	—	—
MAPFRE USA	Non-Life Insurance (USA)	882.4	USD	597.4	44.3	—
MAPFRE America Central	Insurance (Central America)	9.0	PAB	7.3	0.6	—
Century Automotive	Insurance and reinsurance (USA)	24.9	USD	20.4	1.4	—
Bankinter seguros generales	Non-Life Insurance (Spain)	12.5	EUR	12.5	—	—
Funespaña	Funeral services (Spain)	17.9	EUR	17.9	—	—
Verti Versicherung AG	Non-Life insurance (Germany)	125.5	EUR	125.5	—	—
MAPFRE SANTANDER PORTUGAL	Non-Life Insurance (Portugal)	9.7	EUR	9.7	(9.7)	—
Other	—	—	—	35.5	1.6	—
Total goodwill on consolidation				1,403.8	39.1	—

Figures in millions of euros

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GOODWILL

Cash-generating unit	Business and Geographic Area	Gross amount at source		Balance 12.31.2020	2021	
		Millions in original currency	Currency		Entries/ (write-offs)	Net impairment for the period
Goodwill on merger						
Bankinter Vida (branch in Portugal)	Life and Pensions insurance (Portugal)	5.3	EUR	5.3	—	—
Grupo Funespaña	Funeral Services (Spain)	37.0	EUR	—	24.2	—
Total goodwill on merger				6.0	23.5	—
Total goodwill				1,409.8	62.6	—
Goodwill in associated and multi-group undertakings						
Salvador Caetano Auto (SGPS), S.A.	Services (Portugal)	11.3	EUR	11.3	—	—
Puy du Fou España, S.A.	Activities and theme parks (Spain)	4.6	EUR	4.6	—	—
Solunion Seguros de Crédito, S.A.	Insurance (Spain)	12.9	EUR	12.9	—	—
Other	—	—	—	1.5	—	—
Total goodwill in associated and multi-group undertakings (equity-accounted) (*)				30.3	—	—

Figures in millions of euros

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

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GOODWILL

Cash-generating unit	Business and Geographic Area	Balance	2022		Balance
		12.31.2021	Entries/ (write-offs)	Net impairment for the period	12.31.2022
Goodwill on consolidation					
MAPFRE VIDA	Life insurance (Spain)	212.6	—	—	212.6
Global Risks	Insurance for Companies	40.2	—	—	40.2
Grupo corporativo L.M.L.	Non-Life Insurance (Mexico)	17.5	2.1	—	19.6
MAPFRE WARRANTY	Extended Warranty	11.1	—	—	11.1
BB MAPFRE Participações	Insurance (Brazil)	55.3	6.8	—	62.1
Bankinter Vida	Life insurance (Spain)	160.5	—	—	160.5
CCM Vida y Pensiones	Life and Pensions	81.3	(81.3)	—	—
MAPFRE USA	Non-Life Insurance (USA)	641.7	42.1	—	683.8
MAPFRE America Central	Insurance (Central America)	7.9	0.6	—	8.5
Century Automotive	Insurance and reinsurance (USA)	21.8	1.5	—	23.3
Bankinter seguros generales	Non-Life Insurance (Spain)	12.5	—	—	12.5
Funespaña	Funeral services (Spain)	17.9	—	—	17.9
Verti Versicherung AG	Non-Life insurance (Germany)	125.5	—	—	125.5
MAPFRE SANTANDER PORTUGAL	Non-Life Insurance (Portugal)	—	—	—	—
Other	—	37.1	1.4	—	38.5
Total goodwill on consolidation		1,442.9	(26.8)	—	1,416.1

Figures in millions of euros

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GOODWILL

Cash-generating unit	Business and Geographic Area	Balance	2022		Balance
		12.31.2021	Entries/ (write-offs)	Net impairment for the period	12.31.2022
Goodwill on merger					
Bankinter Vida (Portugal branch)	Life and Pensions insurance (Portugal)	5.3	—	—	5.3
Grupo Funespaña	Funeral Services (Spain)	24.2	—	—	24.2
Other	—	—	—	—	—
Total goodwill on merger		29.5	—	—	29.5
Total goodwill		1,472.4	(26.8)	—	1,445.6
Goodwill in associated and multi-group undertakings					
Salvador Caetano Auto (SGPS), S.A.	Services (Portugal)	11.3	—	—	11.3
Puy du Fou España, S.A.	Activities and theme parks (Spain)	4.6	—	—	4.6
Solunion Seguros de Crédito, S.A.	Insurance (Spain)	12.9	—	—	12.9
Other	—	1.5	—	—	1.5
Total goodwill in associated and multi-group undertakings (equity-accounted) (*)		30.3	—	—	30.3

Figures in millions of euros

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

PORTFOLIO ACQUISITION EXPENSES

Cash-generating unit	Business and Geographic Area	Gross amount at source		Initial 12/31/2020	2021	
		Millions in original currency	Currency		Entries/ (write-offs)	Amortization and net impairment for the period
Bankinter Vida	Life and Pensions insurance (Spain and Portugal)	200.9	EUR	108.0	–	(9.7)
CCM Vida y Pensiones	Life and Pensions insurance (Spain)	82.6	EUR	31.6	–	(3.3)
BB MAPFRE Participações	Life Insurance (Brazil)	3,461.4	BRL	335.6	0.3	(24.4)
MAPFRE SIGORTA	Insurance (Turkey)	95.4	TRY	–	–	–
MAPFRE FINISTERRE	Non-Life Insurance (Spain)	87.9	EUR	32.9	–	(2.3)
Verti Versicherung AG	Non-Life insurance (Germany)	23.5	EUR	8.7	–	(2.0)
MAPFRE SALUD ARS	Life Insurance (Dominican Republic)	3,740.1	DOP	49.1	4.3	(3.7)
Other	–			3.8	4.3	(2.3)
Total portfolio acquisition expenses				569.7	8.9	(47.7)

Figures in millions of euros

Cash-generating unit	Business and Geographic Area	Initial	2022		Initial
		12/31/2021	Entries/ (write-offs)	Amortization and net impairment for the period	12/31/2022
Bankinter vida	Life and Pensions insurance (Spain and Portugal)	98.3	–	(9.6)	88.7
CCM Vida y Pensiones	Life and Pensions insurance (Spain)	28.3	(28.3)	–	–
BB MAPFRE Participações	Life Insurance (Brazil)	311.5	39.8	(30.2)	321.1
MAPFRE SIGORTA	Insurance (Turkey)	–	–	–	–
MAPFRE FINISTERRE	Non-Life Insurance (Spain)	30.6	–	(2.2)	28.4
Verti Versicherung AG	Non-Life insurance (Germany)	6.7	–	(1.5)	5.2
MAPFRE SALUD ARS	Life Insurance (Dominican Republic)	49.7	4.4	(4.3)	49.8
Other	–	5.8	0.7	(1.1)	5.4
Total portfolio acquisition expenses		530.9	16.6	(48.9)	498.6

Figures in millions of euros

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

NON-LIFE BUSINESS

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

Cash-generating unit	Contrast value		Recoverable value	
	2022	2021	2022	2021
BP MAPFRE Participações	196.5	167.8	1,242.6	902.2
MAPFRE USA	1,549.7	1,798.4	1,697.0	2,480.6
Verti Versicherung AG	288.8	317.3	310.0	523.2

Figures in millions of euros

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

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

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

The country risk rate usually corresponds to the effective yield of the 10-year Government bonds in local currency issued in the country in which the cash-generating unit operates, increased by the risk premium of the equity market estimated

for the insurance industry. The market risk premium for the insurance industry is calculated by modulating the generic premium for the equity market by the Beta ratio for listed insurance companies compared with the region in which the cash-generating unit operates.

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

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

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

Cash-generating unit	After tax	
	2022	2021
MAPFRE USA	8.6 %	6.3 %
BB MAPFRE Participações	17.2 %	14.6 %
Verti Versicherung AG	7.4 %	4.9 %

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

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

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

Meanwhile, at least once a year each Group company analyzes the assumptions used to estimate future cash flows and updates them pursuant to actual results and past experience. In general, the cash flow projections for the first five years consider growth rates based on past experience, while in subsequent years the residual

value is calculated, establishing perpetual revenues based on the cash flows of the last period of the estimates, with a perpetual growth rate calculated as described above.

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

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

(1) Premium ratio for Non-Life business

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

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

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

- An increase of 1 percentage point in the discount rate applied to each cash-generating unit would imply reductions in the recoverable values for 2022 of 7.5 percent (9.6 percent in 2021), 11.2 percent (16.1 percent in 2021) (28.3 percent in 2021), for the cash-generating units BB MAPFRE PARTICIPAÇÕES, MAPFRE USA, and VERTI VERSICHERUNG AG, respectively, which would only impact cash-generating units with a tighter margin, without the effect on any of those units being significant for the Group equity or financial situation.

- A decrease of 0.25 percentage points in the perpetual growth rate applied to each cash-generating unit would imply reductions in the recoverable values of between 1.1 and 2.3 percent in 2022, and between 1.7 and 10.4 percent in 2021, which would not imply a relevant fall below the book value attributed to any of the units, and as such an impairment has not been provisioned.

LIFE BUSINESS

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

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

Figures in millions of euros

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

$$AP = EV + GW$$

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

$$EV = VIF + PNA$$

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

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

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

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

Embedded value	Hypothesis
Discount rate	EIOPA Risk free curve
Cost of capital	
- Capital requirement	100 % SCR Solvency II
- Annual cost	6 % annual pre-tax

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

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

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

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

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

6.2. Property, plant and equipment and real estate investments

Property, plant and equipment

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

2022

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

Figures in millions of euros

2021

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

Figures in millions of euros

Real estate investment

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

2022

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance	Market value
Cost							
Investment in real estate							
Land and natural resources	474.3	(2.0)	(101.4)	2.2	(15.1)	358.0	296.1
Buildings and other structures	1,254.7	7.8	(155.8)	85.4	(82.4)	1,109.7	1,193.8
Total cost	1,729.0	5.8	(257.2)	87.6	(97.5)	1,467.7	1,489.9
Cumulative depreciation							
Investment in real estate	(287.1)	(0.3)	3.9	(38.2)	25.6	(296.1)	—
Total cumulative depreciation	(287.1)	(0.3)	3.9	(38.2)	25.6	(296.1)	—
Impairment							
Investment in real estate							
Land and natural resources	(129.2)	(0.1)	—	(17.8)	4.4	(142.7)	—
Buildings and other structures	(52.7)	(1.0)	2.4	(2.5)	5.7	(48.1)	—
Total impairment	(181.9)	(1.1)	2.4	(20.3)	10.1	(190.8)	—
Total real estate investment	1,260.0	4.4	(250.9)	29.1	(61.8)	980.8	1,489.9

Figures in millions of euros

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

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

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

2021

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance	Market value
Cost							
Investment in real estate							
Land and natural resources	404.7	0.5	(0.2)	93.9	(24.6)	47.3	422.8
Buildings and other structures	1,277.6	0.6	(27.2)	160.4	(156.7)	1,254.7	1,262.3
Total cost	1,682.3	1.1	(27.4)	254.3	(181.3)	1,729.0	1,685.1
Cumulative depreciation							
Investment in real estate	(298.2)	(0.6)	8.6	(21.7)	24.8	(287.1)	—
Total cumulative depreciation	(298.2)	(0.6)	8.6	(21.7)	24.8	(287.1)	—
Impairment							
Investment in real estate							
Land and natural resources	(138.7)	—	—	(4.5)	14.0	(129.2)	—
Buildings and other structures	(45.9)	(0.3)	0.2	(11.5)	4.8	(52.7)	—
Total impairment	(184.6)	(0.3)	0.2	(16.0)	18.8	(181.9)	—
Total real estate investment	1,199.5	0.2	(18.6)	216.6	(137.7)	1,260.0	1,685.1

Figures in millions of euros

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

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

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

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

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

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

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

Figures in millions of euros

6.3. Leasing

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

whatsoever regarding the prerogative to sign these leases.

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

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

Figures in millions of euros

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

Expenses for short-term leases or leases with underlying assets with little value, not included

in the above chart, stand at 25.8 million euros at the close of the 2022 financial year (25.6 million euros in 2021).

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

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

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

Figures in millions of euros

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

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

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

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

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

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

Figures in millions of euros

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

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

Figures in millions of euros

6.4. Financial investments

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

Item	Book value	
	2022	2021
Held-to-maturity portfolio		
Fixed income	1,357.5	1,505.2
Other investments	23.7	22.6
Total held to maturity portfolio	1,381.2	1,527.8
Available-for-sale portfolio		
Shares	1,618.8	1,988.5
Fixed income	22,777.3	26,131.4
Mutual funds	577.2	694.1
Other	79.3	147.5
Total available for sale portfolio	25,052.6	28,961.5
Trading portfolio		
Derivatives (not for hedging):		
Financial swaps	89.6	420.6
Options	1.5	—
Other investments:		
Shares	885.4	1,063.3
Fixed income	3,050.0	2,859.7
Mutual Funds	1,136.5	1,183.3
Hybrids	15.3	216.8
Deposits	—	—
Other	11.3	10.4
Total trading portfolio	5,189.6	5,754.1

Figures in millions of euros

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

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

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

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

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

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

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

SPPI Test

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

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

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

Figures in millions of euros

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

Rating	Amount passing SPPI test			
	Book Value		Fair value	
	2022	2021	2022	2021
AAA	1,642.3	1,387.1	1,644.9	1,388.8
AA	3,077.6	2,742.4	3,077.6	2,742.4
A	10,111.8	13,379.6	10,110.9	13,379.7
BBB	6,144.7	6,967.7	6,146.8	6,981.8
Bb or less	2,225.9	2,219.8	2,167.9	2,245.2
No credit rating	643.8	538.4	637.8	537.3
Total	23,846.1	27,235.0	23,785.9	27,275.2

Figures in millions of euros

Held-to-maturity portfolio

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

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

Figures in millions of euros

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

Available-for-sale portfolio

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

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

Figures in millions of euros

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

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

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

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

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

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

Figures in millions of euros

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

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

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

Trading portfolio

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

Book Value (Fair value)

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

Figures in millions of euros

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

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

Item	Gains (Losses) allocated to results			
	Unrealized		Realized	
	2022	2021	2022	2021
Derivatives (not for hedging)				
Financial swaps	—	—	—	—
Options	—	—	—	—
Total derivatives (not for hedging)	—	—	—	—
Other investments				
Shares	(63.2)	69.3	(16.8)	22.0
Fixed income	(131.0)	(39.5)	(88.0)	(10.7)
Mutual funds	(42.4)	55.1	(1.2)	10.3
Hybrids	—	(0.2)	—	—
Deposits	—	—	—	—
Other	0.2	(16.1)	2.4	(4.4)
Total other investments	(236.4)	68.6	(103.6)	17.2
Total trading portfolio	(236.4)	68.6	(103.6)	17.2

Figures in millions of euros

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

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

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

Investments recorded in the equity method.

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

Entity	Amount	
	2022	2021
MAP SL European Invest S.A.R.L.	170.7	154.6
MAPFRE Energías Renovables I, F.C.R.	145.5	100.6
Swisslife SPPICAV	116.7	119.0
Salvador Caetano Auto (SGPS), S.A.	115.3	101.2
Stable Income European Real Estate Fund - GLL	80.3	—
Solunion Seguros de Crédito S.A.	79.2	75.9
Meag EuropeOfficeSelect EOS SCSp SICAV-RAIF	41.6	—
Alma Mundi Insurtech Fund, FCRE	33.3	29.9
Other entities	105.7	75.8
Total	888.2	657.0

Figures in millions of euros

6.5. Investments on behalf of life insurance policyholders bearing the investment risk

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

Item	Book value (fair value)						Earnings					
	Level 1. Quotation price		Level 2. Observable data		Level 3. Other measurements		Total		Unrealized		Realized	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Shares	686.9	721.6	18.8	18.9	—	—	705.7	740.5	(17.0)	93.6	1.0	0.1
Fixed income	224.7	202.5	715.0	747.1	—	—	939.7	949.6	(53.2)	25.1	30.3	(1.9)
Mutual funds holdings	1,391.3	1,266.6	0.40	0.6	—	—	1,391.7	1,267.2	(112.5)	61.6	(16.9)	5.8
Total	2,302.9	2,190.7	734.2	766.6	—	—	3,037.1	2,957.3	(182.7)	180.3	14.4	4.0

Figures in millions of euros

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

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

Figures in millions of euros

6.6. Receivables

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

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

Figures in millions of euros

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

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

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

Figures in millions of euros

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

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

6.7 Asset impairment

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

2022

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

Figures in millions of euros

2021

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

Figures in millions of euros

6.8. Cash flow

Expenditure

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

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

Figures in millions of euros

2022

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

2021

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

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

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

Payments received

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

2022

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

2021

- On December 29, 2021, MAPFRE and Caixabank formalized the resolution of their bancassurance agreements, which implies MAPFRE having received 570.8 million euros corresponding to the valuation of 51 percent of the BANKIA VIDA entity, and an extraordinary result of 167.1 million euros.
- In May 2021, 100 percent of participation in INDUSTRIAL RE was sold for the amount of 30.8 million euros and 3.5 million euros of profits.

Commitments

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

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

6.9. Non-current assets held for sale, associated liabilities and discontinued operations

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

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

Figures in millions of euros

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

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

• Sale of MAPFRE INMUEBLES land

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

• Direct insurance and Assistance entities

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

• Funeral service business in Spain

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

6.10. Equity

Share capital

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

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

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

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

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

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

Treasury Stock

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

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

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

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

Valuation change adjustments

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

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

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

Figures in millions of euros

Restrictions on the availability of reserves

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

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

Capital management

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

Managed capital refers to the shareholders' equity permitted by the regulations currently in force and other management models used. The Group Solvency ratio offers great stability, backed by a

high level of diversification and strict asset and liability management and investment policies.

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

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

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

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

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

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

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

6.11. Subordinated liabilities

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

Terms and Conditions	Issuance		
	April 2022	September 2018	March 2017
Nominal amount	500.0	500.0	600.0
Issue date	4/6/2022	9/7/2018	3/31/2017
Maturity	4/13/2030	9/7/2048	3/31/2047
First call option	-	9/7/2028	3/31/2027
Interest rate			
- Until 1st call option	2.875 %	4.125 %	4.375 %
- After 1st call option	-	Euribor 3M + 4.30 %	Euribor 3M + 4.543 %
Listing	AIAF	AIAF	AIAF
Rating	BBB-	BBB-	BBB
Accrued unpaid interest at December 31, 2022	10.3	6.5	19.8
Price at close of period			
- 2022	82.4 %	90.4 %	94.5 %
- 2021	-	114.5 %	113.8 %

Nominal amount and interest in millions of euros

The issuances, issued under Spanish jurisdiction, contemplate:

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

6.12. Financial liabilities

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

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

Figures in millions of euros

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

Issuance of debentures and other negotiable securities

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

- a. Issue type: simple debentures represented by book entries
- b. Nominal amount: 1 billion euros
- c. Issuance date: May 19, 2016
- d. Issuance period: 10 years
- e. Maturity: May 19, 2026
- f. Redemption: single payment on maturity and at par, with no expense for the holder
- g. Listing: Fixed-income AIAF market

- h. Coupon: annual fixed 1.625 percent, payable on the anniversaries of the issue date up to and including the end maturity date
- i. Issue rating: A-

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

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

Debt payable to lending institutions

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

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

Figures in millions of euros

Credits

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

Bank	Maturity	Limit		Drawn down	
		2022	2021	2022	2021
Banco Santander	2/26/2025	1,000.0	1,000.0	237.0	621.0
Citibank Europe	1/15/2022	–	250.0	–	78.0
Banco Santander	1/15/2022	–	78.0	–	78.0
Total		1,000.0	1,328.0	237.0	777.0

Figures in millions of euros

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

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

• Loans

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

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

Figures in millions of euros

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

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

Other financial liabilities

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

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

Figures in millions of euros

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

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

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

In 2022 and 2021 no financial liabilities were transferred between Levels 1, 2 and 3. Items are

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

6.13. Technical provisions

1. Breakdown of the composition of technical provisions

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

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

Figures in millions of euros

2. Movement of each of the technical provisions

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

a. Direct insurance and accepted reinsurance

2022

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Reversals	Closing balance
Provisions for Non-Life unearned premiums and unexpired risks						
1.1 Provision for unearned premiums	7,605.6	172.5	(0.9)	9,548.6	(9,287.8)	8,038.0
1.2 Provision for unexpired risks	33.0	(0.1)	–	7.4	(11.8)	28.5
Life insurance provisions						
2.1 Provisions for unearned premiums and unexpired risks						
2.1.1. Provision for unearned premiums	1,779.5	138.0	(2.4)	2,597.0	(2,249.4)	2,262.7
2.1.2. Provision for unexpired risks	18.7	2.0	(0.1)	1.9	(1.4)	21.1
2.2 Mathematical provisions	17,291.3	16.4	(637.9)	(1,009.3)	(1,717.1)	13,943.4
2.3 Provision for profit sharing	17,291.3	16.4	(637.9)	(1,009.3)	(1,717.1)	13,943.4
Provisions for outstanding claims						
3.1 Life Direct Insurance	965.3	48.3	(13.5)	886.9	(858.7)	1,028.3
3.2 Non-Life Direct Insurance	7,770.6	240.2	–	8,607.2	(8,581.3)	8,036.7
3.3 Accepted reinsurance	3,250.2	25.0	(1.0)	6,242.1	(5,948.5)	3,567.8
Other technical provisions	1,254.1	0.30	(0.40)	1,225.7	(1,246.6)	1,233.1
Total	39,968.3	642.6	(656.2)	28,107.5	(29,902.6)	38,159.6

Figures in millions of euros

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

2021

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

Figures in millions of euros

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

b. Ceded and retroceded reinsurance

2022

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

Figures in millions of euros

2021

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions	Reversals	Closing balance
Provision for unearned premiums	1,582.0	84.3	(28.6)	2,598.4	(2,349.1)	1,887.0
Provisions for Life insurance	55.6	1.8	–	46.3	(49.3)	54.4
Provision for outstanding claims	3,738.4	(79.9)	(21.9)	6,506.7	(6,000.5)	4,142.8
Other technical provisions	2.6	(0.2)	–	0.1	(2.1)	0.4
Total	5,378,6	6,0	(50,5)	9,151,5	(8,401,0)	6,084,6

Figures in millions of euros

2.2. Mathematical provisions

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

Figures in millions of euros

2.3. Burial provision

Item	Direct insurance and accepted reinsurance	
	2022	2021
Provisions at beginning of year	1,181.9	1,117.9
Adjustments to the opening balance	0.20	–
Consolidation (balance of provision on consolidation date)	–	–
Premiums	73.5	88.7
Technical interest	17.9	10.5
Claim payments	(48.6)	(40.0)
Provision adequacy test	–	–
Other	(80.0)	4.9
Deconsolidation (balance of provision on deconsolidation date)	–	–
Provisions at end of year	1,144.9	1,182.0

Figures in millions of euros

3. Other information

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

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

Figures in millions of euros

3.2. Provision for unexpired risks

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

3.3. Information related to Life insurance

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

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

SPAIN

Format	Coverage	Biometric tables		Technical interest	Profit sharing	
		First order	Second order (*)		Amount	Distribution
MAPFRE VIDA						
Single premium group insurance contracts, with and without profit sharing:						
• Mod. 342. Group annuity	Longevity	% PER2020 COL ORDEN 1	% PER2020 COL ORDEN 2	0.99 %	–	MAPFRE network
• Mod. 308. Group Flexivida with interest and premium reimbursement	Longevity / Death	% PER2020 COL ORDEN 1	% PASEM2020_ ReL2	2.36 %	1.4	MAPFRE network
• Mod. 438. Millon Vida	Longevity / Death	PASEM2020_ NoRelLH	% PASEM2020_ NoRelL2	1.20 %	–	MAPFRE network
BANKINTER SEGUROS DE VIDA						
Single premium individual contracts without profit sharing - B629	Annuity insurance with counter insurance	85 % PASEM 2010	% PERP20- IND-ORD2-MF	1.39 %	–	Bank channel
Single premium individual contracts without profit sharing - Riesgo B3000/Riesgo B664	Life Protection insurance	95 % PASEM 2010 / 94 % PASEM 2010	% PASEM20- IND-ORD2-MF	0.00 % - 2.00 %	–	Bank channel
Individual Unit-Linked contracts where the policyholder bears the investment risk - B281	Guaranteed Savings insurance	100 % PASEM2020 II	% PASEM20- IND-ORD2-MF	– %	–	Bank channel
Single or regular premium individual Unit-Linked contracts without profit sharing 3649	Guaranteed Savings insurance	PASEF 2010	%PASEM20- IND-ORD2-MF	0.40 %	–	Bank channel
Single or regular premium individual contracts with profit sharing 3678	Guaranteed Savings insurance	PASEF 2010	%PASEM20- IND-ORD2-MF	0.10 %	–	Bank channel

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

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

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

The first order Biometric Tables used for the calculation of “Provisions” are tables based on the

company's own experience, in those businesses in which there is sufficient data. Where there is not sufficient data, the published tables are used. In any case, if the tables originally used in “Pricing” are more conservative, these same tables are used for the provision.

The Group is making use of the transitional period for adaptation of provisions to the new tables, which are considered sufficient based on the analysis of the Group's own experience. The additional provision to be made as a result of this adaptation is 14.2 million euros, which is

immaterial on the Group equity and results. This provision is adapted in four years against results, as shown in the following chart:

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

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

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

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

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

OTHER COUNTRIES

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

3.4. Progression of claims

The following table shows the progression of claims related to Non-Life direct insurance since the year of occurrence until the close of 2022 and

2021. It also shows the breakdown per year of occurrence of the provision for outstanding claims related to this insurance for the two periods.

2022

Trends in claim costs in the years after year of occurrence

Year of occurrence of claims	Item	Year of occurrence	1 year later	2 years later	3 years later	4 years later	5 years later
2012 and previous	Pending provision	9,894.2	4,674.3	2,794.5	1,780.9	1,291.8	940.8
	Cumulative payments	54,528.0	59,876.7	61,644.8	62,702.0	63,313.8	63,709.0
	TOTAL COST	64,422.2	64,551.0	64,439.3	64,482.9	64,605.6	64,649.8
2013	Pending provision	2,213.1	804.5	489.9	314.4	214.3	177.1
	Cumulative payments	4,312.2	5,735.6	6,102.1	6,298.6	6,384.1	6,457.5
	TOTAL COST	6,525.3	6,540.1	6,592.0	6,613.0	6,598.4	6,634.6
2014	Pending provision	2,330.8	895.1	506.6	319.8	253.3	198.1
	Cumulative payments	4,542.9	6,090.7	6,447.4	6,617.2	6,733.5	6,803.0
	TOTAL COST	6,873.7	6,985.8	6,954.0	6,937.0	6,986.8	7,001.1
2015	Pending provision	2,423.9	898.0	565.1	419.0	289.6	216.0
	Cumulative payments	4,887.5	6,406.9	6,776.3	7,007.8	7,176.4	7,244.0
	TOTAL COST	7,311.4	7,304.9	7,341.4	7,426.8	7,466.0	7,460.0
2016	Pending provision	2,419.3	1,029.8	721.8	451.7	319.8	269.6
	Cumulative payments	4,931.8	6,455.1	6,904.7	7,186.8	7,328.5	7,412.5
	TOTAL COST	7,351.1	7,484.9	7,626.5	7,638.5	7,648.3	7,682.1
2017	Pending provision	3,577.5	1,879.7	1,335.9	922.4	917.3	727.0
	Cumulative payments	5,169.7	7,709.4	8,458.2	8,859.8	9,118.0	9,317.5
	TOTAL COST	8,747.2	9,589.1	9,794.1	9,782.2	10,035.3	10,044.5
2018	Pending provision	3,521.3	1,882.7	1,476.4	1,158.1	366.1	
	Cumulative payments	5,275.6	7,241.2	7,727.0	8,038.5	8,724.7	
	TOTAL COST	8,796.9	9,123.9	9,203.4	9,196.6	9,090.8	
2019	Pending provision	2,916.1	1,121.3	780.8	500.4		
	Cumulative payments	5,252.8	6,908.9	7,378.4	7,630.8		
	TOTAL COST	8,168.9	8,030.2	8,159.2	8,131.2		
2020	Pending provision	2,653.1	1,275.9	692.1			
	Cumulative payments	4,705.7	6,248.4	6,700.8			
	TOTAL COST	7,358.8	7,524.3	7,392.9			
2021	Pending provision	2,842.8	1,258.2				
	Cumulative payments	5,176.2	7,466.0				
	TOTAL COST	8,019.0	8,724.2				
2022	Pending provision	3,641.0					
	Cumulative payments	5,904.5					
	TOTAL COST	9,545.5					

Figures in millions of euros

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2022

Year of occurrence of claims	Item	6 years later	7 years later	8 years later	9 years later	More than 9 years later
2012 and previous	Pending provision	878.1	628.5	517.9	322.6	355.5
	Cumulative payments	63,974.0	64,161.6	64,300.1	64,344.7	64,433.8
	TOTAL COST	64,852.1	64,790.1	64,818.0	64,667.3	64,789.3
2013	Pending provision	135.3	95.4	91.4	74.8	
	Cumulative payments	6,513.0	6,535.9	6,538.7	6,551.6	
	TOTAL COST	6,648.3	6,631.3	6,630.1	6,626.4	
2014	Pending provision	130.0	105.3	84.4		
	Cumulative payments	6,876.9	6,867.6	6,886.8		
	TOTAL COST	7,006.9	6,972.9	6,971.2		
2015	Pending provision	214.8	152.7			
	Cumulative payments	7,270.7	7,271.7			
	TOTAL COST	7,485.5	7,424.4			
2016	Pending provision	184.5				
	Cumulative payments	7,485.8				
	TOTAL COST	7,670.3				

Figures in millions of euros

December 31, 2022

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

Figures in millions of euros

2021

Year of occurrence of claims	Item	Trends in claim costs in the years after year of occurrence					
		Year of occurrence	1 year later	2 years later	3 years later	4 years later	5 years later
2011 and previous	Pending provision	9,162.3	4,198.2	2,596.1	1,551.6	1,115.0	813.2
	Cumulative payments	49,733.9	54,565.7	56,131.2	57,120.9	57,610.1	57,990.6
	TOTAL COST	58,896.2	58,763.9	58,727.3	58,672.5	58,725.1	58,803.8
2012	Pending provision	2,168.4	740.8	434.8	287.4	223.0	164.3
	Cumulative payments	4,169.7	5,534.2	5,844.7	6,013.1	6,118.9	6,179.1
	TOTAL COST	6,338.1	6,275.0	6,279.5	6,300.5	6,341.9	6,343.4
2013	Pending provision	2,228.3	791.8	479.4	312.3	213.3	174.8
	Cumulative payments	4,375.3	5,793.1	6,175.0	6,368.3	6,452.5	6,524.0
	TOTAL COST	6,603.6	6,584.9	6,654.4	6,680.6	6,665.8	6,698.8
2014	Pending provision	2,330.1	874.2	501.8	328.4	250.7	193.1
	Cumulative payments	4,621.9	6,157.9	6,513.4	6,670.9	6,785.6	6,867.8
	TOTAL COST	6,952.0	7,032.1	7,015.2	6,999.3	7,036.3	7,060.9
2015	Pending provision	2,475.9	956.8	665.7	437.9	287.3	215.3
	Cumulative payments	5,005.1	6,545.2	6,862.3	7,096.6	7,283.3	7,381.9
	TOTAL COST	7,481.0	7,502.0	7,528.0	7,534.5	7,570.6	7,597.2
2016	Pending provision	2,605.1	1,195.9	746.3	456.8	317.9	253.3
	Cumulative payments	4,986.1	6,622.0	7,073.4	7,379.2	7,556.7	7,557.4
	TOTAL COST	7,591.2	7,817.9	7,819.7	7,836.0	7,874.6	7,810.7
2017	Pending provision	3,671.1	2,061.7	1,307.7	905.3	797.3	
	Cumulative payments	5,248.4	7,839.9	8,645.6	9,046.2	9,284.2	
	TOTAL COST	8,919.5	9,901.6	9,953.3	9,951.5	10,081.5	
2018	Pending provision	3,725.7	2,087.0	1,584.8	1,135.9		
	Cumulative payments	5,320.6	7,361.3	7,923.3	8,303.8		
	TOTAL COST	9,046.3	9,448.3	9,508.1	9,439.7		
2019	Pending provision	2,964.6	1,211.7	753.2			
	Cumulative payments	5,296.2	6,948.9	7,579.3			
	TOTAL COST	8,260.8	8,160.6	8,332.5			
2020	Pending provision	2,779.2	1,377.5				
	Cumulative payments	4,683.4	6,231.7				
	TOTAL COST	7,462.6	7,609.2				
2021	Provisión pendiente	2,797,2					
	Pagos acumulados	4,931,9					
	TOTAL COST	7,729,1					

Figures in millions of euros

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2021

Year of occurrence of claims	Item	6 years later	7 years later	8 years later	9 years later	More than 9 years later
2011 and previous	Pending provision	643.5	656.3	483.4	366.0	187.2
	Cumulative payments	58,213.3	58,272.7	58,373.1	58,486.9	58,523.3
	TOTAL COST	58,856.8	58,929.0	58,856.5	58,852.9	58,710.5
2012	Pending provision	141.2	95.9	78.8	73.1	
	Cumulative payments	6,219.3	6,251.9	6,297.6	6,299.4	
	TOTAL COST	6,360.5	6,347.8	6,376.4	6,372.5	
2013	Pending provision	133.9	99.1	87.8		
	Cumulative payments	6,579.5	6,620.1	6,620.9		
	TOTAL COST	6,713.4	6,719.2	6,708.7		
2014	Pending provision	129.3	105.9			
	Cumulative payments	6,958.5	6,950.0			
	TOTAL COST	7,087.8	7,055.9			
2015	Pending provision	202.1				
	Cumulative payments	7,407.7				
	TOTAL COST	7,609.8				

Figures in millions of euros

December 31, 2021

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

Figures in millions of euros

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

Information about the progression in accepted reinsurance claims per year of occurrence is

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

6.14. Provisions for risks and expenses

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

2022

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

Figures in millions of euros

2021

Item	Opening balance	Adjustments to the opening balance	Inflows			Outflows		Closing balance
			Changes to the scope	Allocated provisions	Increased value on discount	Applied provisions	Reversed provisions	
Provision for tax to be paid	224.1	0.3	–	(0.1)	3.5	(1.2)	(8.1)	218.5
Provision for payments of liquidation agreements	13.8	–	–	18.1	–	(10.7)	–	21.2
Provisions for restructuring	25.6	–	–	199.6	(0.7)	(96.1)	(0.1)	128.3
Other provisions for staff-related commitments	218.0	(0.1)	(3.6)	149.2	3.30	(166.3)	(1.0)	199.5
Other provisions	101.1	(5.5)	1.9	67.5	4.1	(72.6)	(10.4)	86.1
Total	582.6	(5.3)	(1.7)	434.3	10.2	(346.9)	(19.6)	653.6

Figures in millions of euros

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

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

Provision for taxes

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

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

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

Further, the current proceedings are currently ongoing in Brazil:

- Appeal contesting the 56.5 million euro liquidation, with regard to an inspection initiated by the tax authorities against BRASILSEG COMPANHIA DE SEGUROS, relating to 2014 corporate taxes, questioning the extension applied to revenue from Agricultural insurance operations.
- Appeal regarding the inspection initiated by the tax administration against BRASILVEÍCULOS COMPANHIA DE SEGUROS (absorbed in 2019 by MAPFRE SEGUROS GERAIS), relating to corporate tax corresponding to the years 2014 to 2016, questioning the deductibility of certain expenses and incentives for the sales network, as well as the amortization of the goodwill generated in a corporate restructuring prior to MAPFRE's agreement with Banco do Brasil. The owed taxes included in the inspection for said concepts reaches 85.6 million euros, which, if settled unfavorably would trigger the application of the compensation clause set out in the agreements signed with Banco do Brasil.

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

6.15. Deposits received on ceded and retroceded reinsurance

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

6.16. Debt

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

6.17. Revenues and expenses from investments

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

REVENUES FROM INVESTMENTS

Revenues from investments from:

Item	Operations		Equity		Financial revenues from other activities		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenues from interest, dividends and similar								
Real estate investment								
Rentals	48.9	42.1	2.1	1.0	3.9	6.1	54.9	49.2
Other	0.3	0.4	–	–	0.8	0.9	1.1	1.3
Revenues from the held-to-maturity portfolio								
Fixed income	217.9	158.0	0.6	0.3	6.9	3.0	225.4	161.3
Other investments	3.3	2.3	0.2	0.2	–	–	3.5	2.5
Revenue from the available-for-sale portfolio:	889.3	1,047.6	49.7	52.6	3.1	1.9	942.1	1,102.1
Revenue from the trading portfolio:	403.0	297.8	–	–	7.6	3.5	410.6	301.3
Other financial returns	165.7	113.7	120.0	39.5	23.3	21.6	309.0	174.8
Total revenue	1,728.4	1,661.9	172.6	93.6	45.6	37.0	1,946.6	1,792.5

Figures in millions of euros

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REVENUES FROM INVESTMENTS

Revenues from investments from:

Item	Operations		Equity		Financial revenues from other activities		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Realized and unrealized gains								
Net realized gains:								
Real estate investment	100.4	13.1	0.9	0.3	6.6	33.8	107.9	47.2
Held-to-maturity portfolio financial investments	–	–	–	–	–	–	–	–
Financial investments available for sale portfolio	183.2	306.2	27.2	33.5	14.7	1.8	225.1	341.5
Financial investments trading portfolio	63.0	54.9	0.1	8.3	–	–	63.1	63.2
Other	7.3	42.2	0.1	13.6	4.0	7.4	11.4	63.2
Unrealized gains:								
Increase in fair value of the trading portfolio and earnings from derivatives	48.4	146.7	1.0	30.3	0.7	0.4	50.1	177.4
Other	5.7	2.1	0.5	0.4	11.6	4.5	17.8	7.0
Total gains	408.0	565.2	29.8	86.4	37.6	47.9	475.4	699.5
Total revenues from investment	2,136.4	2,227.1	202.4	180.0	83.2	84.9	2,422.0	2,492.0

Figures in millions of euros

EXPENSES FROM INVESTMENTS

Expenses from investments from:

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

Figures in millions of euros

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

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

6.18. Operating expenses

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

Operating expenses by purpose

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

Figures in millions of euros

Operating expenses by nature

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

Figures in millions of euros

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

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

1. Claims-related expenses. Includes expenses for personnel assigned to claims management, amortization and depreciation of fixed assets assigned to this activity, fees paid for claims management and expenses incurred for other services necessary for processing claims.

2. Net operating expenses. Included in this heading are:

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

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

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

6.19. Result from ceded and retroceded reinsurance

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

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

Figures in millions of euros

6.20. Fiscal situation

Fiscal consolidation regulations

• Tax on profits

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

• Value Added Tax

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

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

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

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

Figures in millions of euros

Deferred tax assets and liabilities

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

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

Figures in millions of euros

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

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

2022

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

Figures in millions of euros

2021

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

Figures in millions of euros

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

Tax loss carryforwards

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

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

Figures in millions of euros

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

Tax incentives

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

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

Figures in millions of euros

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

Verification by tax authorities

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

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

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

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

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

In reference to the settlements for the notices of disagreement resulting from the above mentioned

verifications, MAPFRE considers, based on the criteria of its fiscal advisors, that there are solid defense arguments in the administrative and legal proceedings, and therefore has not made specific provisions for this concept.

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

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

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

of which reaches 11.0 million euros (2013-2016). Additionally, the deduction applied in 2017-2021 was 38.0 million euros, and in 2022 7.0 million euros was generated.

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

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

6.21 Remuneration for employees and associated liabilities

Personnel expenses

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

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

Figures in millions of euros

Main post-employment benefits

Defined benefit plans

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

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

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

The main actuarial hypothesis used at the close of the last two years have been the following:

PERM/F-2020 longevity tables in 2022 and PERM/F-2000 in 2021, annuities linked to the previous year's CPI in both years (3 percent revaluation assured in the policy), with identical discount rates and expected returns of the related assets as the products have matched flows.

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

Other post-employment benefits

In 2022 and 2021, the personnel expenses correspond to Life insurance covering death between ages 65 and 77, amounting to 1.0 and

1.1 million euros, respectively. Said provision was calculated in 2022 and 2021 using the PASEM-2020 mortality tables.

Other medium-term remuneration and share-based payments

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

Number of employees

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

Average number of employees: 2022

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

2021

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

Number of employees at the end of the year: 2022

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

2021

Segment	Board of Directors and Executive Management		Senior Management		Advisors		Associates		Total	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Iberia	7	–	1,178	662	2,755	2,786	606	1,845	4,546	5,293
Latam North	6	4	360	377	769	952	380	593	1,515	1,926
Latam South	7	2	425	328	966	949	504	652	1,902	1,931
Brazil	3	–	361	277	1,009	1,790	445	1,031	1,818	3,098
North America	4	–	274	272	586	886	145	542	1,009	1,700
Eurasia	6	1	285	261	677	763	310	548	1,278	1,573
Asistencia	–	1	343	214	307	340	725	1,097	1,375	1,652
Global Risks	1	–	34	23	44	72	2	11	81	106
Reinsurance	2	–	85	51	124	152	6	26	217	229
Corporate areas	17	5	278	142	316	257	10	67	621	471
Total number of employees	53	13	3,623	2,607	7,553	8,947	3,133	6,412	14,362	17,979

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

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

6.22. Earnings on foreign exchange differences

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

Negative foreign exchange differences other than those arising from financial instruments measured

at fair value, allocated to the consolidated income statement, amounted to 1.7 and 1.6 billion euros in 2022 and 2021, respectively.

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

Description	Amount	
	2022	2021
Foreign exchange differences at the beginning of the year	(1,776.3)	(1,915.7)
Net foreign exchange differences on valuation of non-monetary items	2.8	(0.9)
Net foreign exchange differences on conversion of financial statements	340.3	(138.5)
Foreign exchange differences at the end of the year	(1,433.2)	(1,776.3)

Figures in millions of euros

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

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

Figures in millions of euros

6.23. Contingent assets and liabilities

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

6.24. Business combinations

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

6.25. Transactions with related parties

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

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

Operations with Group companies

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

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

Figures in millions of euros

Reinsurance and co-insurance operations

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

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

Figures in millions of euros

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

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

Figures in millions of euros

Information related to controlled companies

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

Controlled company	Dividends distributed				Earnings attributable to non-controlling interests	
	Controlling company	Controlling company	Non-controlling company	Non-controlling company	2022	2021
	2022	2021	2022	2021	2022	2021
BB MAPFRE Participações, S.A.	123.1	47.1	369.0	141.1	345.8	152.7
MAPFRE BHD Compañía de Seguros, S.A.	7.5	6.4	7.2	6.2	4.0	7.1
MAPFRE RE Compañía de Reaseguros, S.A.	24.1	54.0	1.6	3.6	7.5	12.0
Bankinter Seguros de Vida, S.A.	33.3	25.0	33.3	25.0	34.6	32.5
Middlesea Insurance P.L.C.	1.6	2.7	0.8	0.5	1.9	1.3
M.S.V. Life P.L.C.	1.2	—	0.8	—	5.7	5.4

Figures in millions of euros

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

BALANCE SHEET

Entity	Investments		Credits		Total assets		Equity		Technical Provisions	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Controlled company										
MAPFRE Vida Sociedad Anónima de Seguros y Reaseguros sobre la vida humana	10,813.2	13,241.5	190.4	216.9	13,660.7	16,558.6	1,300.2	1,678.4	9,693.6	11,990.4
MAPFRE RE compañía de Reaseguros, S.A.	5,352.7	5,296.5	539.5	524.9	10,537.1	9,274.5	1,846.6	1,763.5	7,954.8	6,794.3
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	5,078.0	6,158.9	985.4	899.2	8,643.9	9,702.4	1,528.9	2,494.8	5,979.6	5,839.2
M.S.V. Life P.L.C.	1,998.3	2,424.3	—	0.4	2,356.7	2,723.3	223.9	222.1	1,962.0	2,326.5
Bankinter seguros de vida, S.A.	1,561.0	1,768.9	42.6	40.7	1,942.8	2,159.3	100.9	145.5	1,144.2	1,247.4
Companhia de seguros aliançado Brasil, S.A.	1,529.9	1,196.3	970.2	784.6	3,737.4	2,870.4	325.6	244.4	2,595.6	1,975.8
The Commerce insurance company	1,139.4	1,394.8	370.8	326.6	2,421.0	2,516.3	636.9	875.5	1,602.5	1,397.9
Subtotal controlled companies	27,472.5	31,644.6	3,098.9	3,078.5	43,299.6	44,499.1	5,963.0	7,154.4	30,932.3	30,897.1
Joint arrangement										
Solunion Seguros de Crédito S.A.	121.3	79.7	88.6	70.3	606.2	472.4	131.6	118.8	323.1	241.0
Subtotal joint arrangements	121.3	79.7	88.6	70.3	606.2	472.4	131.6	118.8	323.1	241.0

Figures in millions of euros

INCOME STATEMENT

Entity	Revenue				Results					
	From insurance business		Totals		From insurance business		From operations		From global account	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Controlled company										
MAPFRE VIDA Sociedad Anónima de Seguros y Reaseguros sobre la vida humana	2,594.7	2,854.2	2,618.9	2,873.2	269.9	292.0	237.9	271.3	42.4	261.2
MAPFRE RE Compañía de Reaseguros. S.A.	5,383.0	4,960.7	8,387.2	7,479.6	175.1	182.3	129.9	142.2	(139.6)	94.5
MAPFRE España Compañía de Seguros y Reaseguros S.A.	4,789.9	4,964.9	5,730.9	5,792.0	166.6	423.6	134.4	330.5	(554.3)	175.9
M.S.V. Life p.L.C.	348.9	535.1	352.3	538.2	17.0	16.6	11.5	10.9	11.5	10.9
Bankinter Seguros de Vida. S.A.	432.6	334.9	443.5	348.2	92.7	87.2	69.2	65.0	22.1	65.4
Companhia de Seguros Aliado Brasil. S.A.	2,014.5	1,332.8	2,894.6	1,814.9	706.0	286.2	511.5	214.3	512.6	197.7
The Commerce Insurance Company	1,132.8	1,032.0	1,656.5	1,416.4	(18.9)	143.7	(18.0)	128.7	(18.0)	128.7
Subtotal controlled companies	16,696.4	16,014.6	22,083.9	20,262.5	1,408.4	1,431.6	1,076.4	1,162.9	(123.3)	934.3
Joint Arrangement										
Solunion Seguros de Crédito S.A.	48.8	39.2	320.0	247.6	26.8	15.9	12.4	9.1	6.6	6.8
Subtotal Joint Arrangements	48.8	39.2	320.0	247.6	26.8	15.9	12.4	9.1	6.6	6.8

Figures in millions of euros

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

BALANCE SHEET

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

Figures in millions of euros

INCOME STATEMENT

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

Figures in millions of euros

Information relating to joint arrangements and associated undertakings

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

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

BALANCE SHEET

Joint Arrangement	Cash and cash equivalents		Financial liabilities		Repayment		Revenue		Expenses		Expenses or income after tax on profit	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Solunion Seguros de Crédito S.A.	5.1	11.4	—	—	—	—	3.9	1.3	2.4	1.3	(4.4)	(3.9)
Total	5.1	11.4	—	—	—	—	3.9	1.3	2.4	1.3	(4.4)	(3.9)

Figures in millions of euros

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

Remuneration of key management personnel

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

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

Figures in millions of euros

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

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

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

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

Executive directors do not receive the fixed amount established for external directors. Regarding variable short-term remuneration accrued in the current and previous years, in 2022 3.2 million euros are pending payment (3.8 million euros in 2021).

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

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

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

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

• Senior Management

Remuneration paid in the last two years is as follows:

Item	Amount	
	2022	2021
Number of senior management members	8	9
Fixed remuneration	2.4	2.6
Variable remuneration	1.4	1.7
Other concepts	0.3	0.3
Total remuneration	4.1	4.6
Life insurance	0.04	0.04

Figures in millions of euros

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

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

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

Additionally, regarding incentive plans, on February 9, 2022, the Board of Directors of MAPFRE S.A. approved, as proposed by the Appointments and Remuneration Committee, a long-term incentive plan for the 2022-2026 period, comprising three overlapping cycles with

a three-year target measurement period per cycle, aimed at Management and key professionals of the Company and Group companies. The total amount provisioned for 2022 and corresponding to the first overlapping cycle (2022-2024) reached a total of 0.46 million euros in cash and equity instruments.

6.26. EVENTS SUBSEQUENT TO CLOSING

There are no relevant events subsequent to closing.

7. RISK MANAGEMENT

The Board of Directors of MAPFRE S.A. establishes the risk level that the Group would be ready to assume to attain its business objectives with no significant deviations, even in adverse situations. That level, which establishes limits applicable to risk taking, configures the MAPFRE Group's risk appetite.

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

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

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

- c.** Establish reporting chains of command and communication responsibilities of the risk supervisor.

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

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

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

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

A. INSURANCE RISK

1. Sensitivity to insurance risk

This sensitivity analysis measures the effect on capital fluctuations upward and downward of the determining factors of insurance risk (number of insured risks, average premium value, frequency and cost of claims). One measure of the sensitivity to the Non-Life insurance risk is the impact that a one percentage point change in the combined ratio would have on the annual results and,

consequently, on equity. The following table shows this effect and the volatility index of the ratio, calculated according to the standard deviation in a five-year time horizon:

In the case of the Life business, MAPFRE uses the Market Consistent Embedded Value (MCEV) methodology, which consists of determining the asset returns and the credit risk so that the net asset flows, discounted at origin, coincide with

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

Figures in millions of euros

their market value. As such, the returns and the credit risk stop being a hypothesis and become a consequence of the market price of the assets.

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

• **Embedded Value = Adjusted net asset value + Value of in-force business**

• **Adjusted Net Asset Value (ANAV) =** Net equity in line with IFRS adjusted for: committed donations and dividends, goodwill, deferred expenses, and any other element needed to obtain the economic value of the capital.

• **Value of In-Force Business (VIF) = PVFP - TVFOG - CoC**, which are:

PVFP = The Present Value of Future Profits is equal to the present value of future accounting earnings expected from the in-force portfolio at the date of valuation, after taxes and discounted with the reference curve. The financial returns of the in-force business has been calculated based on reference yield curve rates, except for assets with fixed interest rates from Life Savings insurance products, where credit-risk-adjusted book yields based on the market value of the assets has been used. The PVFP includes the “intrinsic value” of the FOG granted to the insurance clients. The financial return of future investments has been calculated based on reference yield curve rates.

TVFOG = Time Value of Financial Options and Guarantees granted to policyholders. The characteristics of the business subject to calculation are those that imply the existence of guarantees with a potential value, over the level or nature of the policyholder benefits, or options to change said benefits, at the discretion of the policyholder, and where the potential value depends on the performance of the financial variables.

CoC = Cost of Capital. In line with the Solvency II Risk Margin calculation, the CoC used in the 2021 MCEV has been measured applying a fixed rate of 6 percent (gross of taxes) to 100 percent of the solvency capital requirement, excluding market risks.

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

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

As such, the main assumptions used have been:

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

The Group calculates its Solvency Capital Requirement (SCR) in line with the methodology requirements established by the Solvency II regulation, applying the standard formula for all risks except the longevity sub-risk for MAPFRE

VIDA, which is calculated with a partial internal model and approved by the Directorate General for Insurance and Pension Funds (DGSFP) in Spain.

Adequate allocation of technical provisions is one of the basic principles of the Group's insurance management. The technical provisions are calculated by the companies' actuarial teams and the amounts are validated by an independent party that did not participate in the calculation. The establishment of technical provisions is regulated by a specific policy.

Based on the sensitivity analysis carried out regarding the main technical variables (mortality, disability, expenses and lapses) in the Group's main Life insurers, there are no relevant deviations from Life insurance provisions and, therefore, from the own funds of these entities or the Group.

The main actuarial methodologies considered to be adequate, applicable and relevant for the calculation of technical provisions under Solvency II for MAPFRE Group are:

• For Non-Life insurance:

Combinations of generally accepted deterministic methods to determine the ultimate loss ratio based on the selection of factors to determine average cost and frequency.

Stochastic methods to determine the loss ratio assuming a probability distribution function.

• For Life insurance:

Policy by policy calculation of the current expected value of acquired commitments based on existing statistical information regarding mortality, longevity, disability, etc.

Projections based on groupings of homogenous policies or 'model points' where the policy by policy cash flow calculations are disproportionate in relation to the nature and complexity of the company's risks, as long as the projection does not distort the results obtained.

Stochastic calculations, where relevant, to recognize the temporary value of the options and guarantees.

2. Concentrations of insurance risk

The Group has a high degree of insurance risk diversification since it operates in virtually all insurance lines in Spain and has a wide presence in the international markets.

The Group has implemented a system of procedures and limits which allows it to control the level of concentrated insurance risk.

It is standard practice to use reinsurance contracts to mitigate the insurance risk arising from the concentration or accumulation of guarantees exceeding the maximum acceptance levels.

2.a) Premiums by risk

The following tables show the breakdown for the last two years of written direct insurance and accepted reinsurance premiums classified according to the type of business underwritten:

2022

Item	Accepted reinsurance				Direct insurance		Other risks		
	Non-Life			Total	Catastrophic risk	Life	Non-Life		Total
	Life	Catastrophic risk	Other risks				Automobile	Other	
Written premiums, direct insurance	–	–	–	–	302.8	4,498.5	5,860.7	9,810.0	20,472.0
Premiums from accepted reinsurance	692.5	491.1	2,884.9	4,068.5	–	–	–	–	–

Figures in millions of euros

2021

Item	Accepted reinsurance				Direct insurance		Other risks		
	Non-Life			Total	Catastrophic risk	Life	Non-Life		Total
	Life	Catastrophic risk	Other risks				Automobile	Other	
Written premiums, direct insurance	–	–	–	–	491.8	4,252.2	5,335.8	8,047.8	18,127.6
Premiums from accepted reinsurance	630.0	404.4	2,992.6	4,027.0	–	–	–	–	–

Figures in millions of euros

2.b) Premiums by product and segment

The following tables show premiums issued for direct insurance and accepted reinsurance by product and segment, in the last two years:

2022

Product	Iberia	LATAM North	LATAM South	Brazil	North America	EURASIA	Asistencia	Global Risks	Reinsurance	Corporate areas and consolidation adjustments	Total
Life	1,915.5	481.9	343.1	1,505.0	1.0	259.4	0	0	0	0	4,505.9
Automobile	2,267.1	282.7	483.7	623.2	1,494.9	758.1	2.8	0	0	(2.5)	5,910.0
Homeowners and commercial risks	1,101.9	150.5	111.6	480.4	738.0	87.8	0	0	0	<(0.1)	2,670.1
Health	717.9	590.3	89.7	0	43.4	127.7	0	0	0	0	1,569.0
Accident	97.7	20.6	126.7	0	2.0	6.7	0	0	0	(0.1)	253.6
Other Non-Life	1,525.5	591.1	852.1	2,242.9	310.3	77.6	210.9	0	(52.8)	(44.7)	5,712.9
Reinsurance	0	0	0	0	0	0	0	1,550.6	5,723.5	(3,355.1)	3,919.0
Total	7,625.6	2,117.1	2,006.9	4,851.5	2,589.6	1,317.3	213.7	1,550.6	5,670.7	(3,402.5)	24,540.5

Figures in millions of euros

2021

Product	Iberia	LATAM North	LATAM South	Brazil	North America	EURASIA	Asistencia	Global Risks	Reinsurance	Corporate areas and consolidation adjustments	Total
Life	2,097.6	403.8	265.4	1,154.6	0.8	335.0	0	0	0	0.3	4,257.5
Automobile	2,258.6	244.1	388.7	461.4	1,282.2	749.1	3.6	0	0	(3.0)	5,384.7
Homeowners and commercial risks	1,055.2	122.7	92.8	355.7	632.7	91.3	0	0	0	(0.6)	2,349.8
Health	672.4	480.0	68.3	0.3	43.1	102.9	0	0	0	7.0	1,374.0
Accident	105.8	13.5	95.7	0	2.0	5.4	0	0	0	0.2	222.6
Other Non-Life	1,406.8	923.6	706.8	1,368.1	112.3	77.1	482.8	0	0	(348.9)	4,728.6
Reinsurance	0	0	0	0	0	0	0	1,283.0	4,991.6	(2,437.2)	3,837.4
Total	7,596.4	2,187.7	1,617.7	3,340.1	2,073.1	1,360.8	486.4	1,283.0	4,991.6	(2,782.2)	22,154.6

Figures in millions of euros

2.c) Premiums by currency

The following tables show the breakdown for the last two years of written direct insurance premiums.

Currency	Financial Year	
	2022	2021
Euro	8,420.2	8,567.3
US dollar	4,148.4	3,843.8
Brazilian real	4,851.5	3,340.1
Mexican peso	691.6	572.1
Argentine peso	158.6	131.1
Venezuelan digital bolivar	13.3	13.4
Turkish lira	288.7	209.2
Colombian peso	407.0	268.7
Chilean peso	218.9	158.5
Pound sterling	2.2	41.9
Peruvian sol	411.0	292.7
Indonesian rupiah	24.6	36.0
Other currencies	836.0	652.8
Total	20,472.0	18,127.6

Figures in millions of euros

3. Claims

Section 3.4 of Note 6.13 of the annual report, "Technical Provisions", offers information about the progression of claims.

B. CREDIT RISK

1. Credit risk arising from reinsurance contracts

The following table shows the breakdown of receivables against reinsurers in the last two years:

Ceded and retroceded reinsurance	Book value	
	2022	2021
Provision for life insurance	53.8	54.4
Provision for outstanding claims	4,298.5	4,142.8
Other technical provisions	0	0.5
Receivables on ceded and retroceded reinsurance transactions	352.4	381.2
Due on ceded and retroceded reinsurance transactions	(996.6)	(892.1)
Total Net Position	3,708.1	3,686.8

Figures in millions of euros

The following table shows the breakdown of credits against reinsurers based on the financial solvency margin:

Level (*)	Book value	
	2022	2021
AAA	72.7	648.2
AA	923.8	892.0
A	1,270.4	1,239.6
BBB	583.2	153.2
BB or less	115.7	116.7
Without credit rating	742.3	637.2
Total Net Position	3,708.1	3,686.8

Figures in millions of euros

(*) According to local criteria

The following table shows the type and amount of the guarantees granted by reinsurers in the last two years:

Type of surety	Amount	
	2022	2021
Letters of credit	126.0	110.5
Guarantees	0	0
Pledging of assets	0	0
Other guarantees	21.5	22.1
Total	147.5	132.6

Figures in millions of euros

The balances corresponding to receivables on direct insurance and co-insurance operations amounted to 4.1 and 3.9 billion euros at December 31, 2022 and 2021, respectively. Estimated losses due to impairment are recorded in the income statement as specified in accounting policy 5.9.

2. Credit risk arising from other financial instruments

The breakdown for the last two years of the portfolio of fixed-income securities, hybrid securities, deposits and cash, based on the payment capacity of issuers of fixed-income securities and financial institutions, is shown in the accompanying chart:

Issuer capacity for payment (*)	Book value							
	Held-to-maturity portfolio		Available-for-sale portfolio		Trading portfolio		Cash	
	2022	2021	2022	2021	2022	2021	2022	2021
AAA	821.1	1,054.2	2,356.7	2,477.0	1,501.5	1,158.8	183.0	182.2
AA	55.7	83.2	3,293.1	2,919.9	301.3	346.1	260.4	147.0
A	39.6	27.4	10,402.1	13,607.0	330.6	566.0	1,484.2	1,845.1
BBB	89.5	167.6	5,612.0	6,553.5	542.8	759.9	215.6	402.5
BB or less	162.4	30.5	779.0	289.3	273.8	43.0	99.2	74.1
Without credit rating	189.2	142.3	334.4	284.7	115.3	202.7	332.1	236.7
Total	1,357.5	1,505.2	22,777.3	26,131.4	3,065.3	3,076.5	2,574.5	2,887.6

Figures in millions of euros

(*) According to local criteria

3. Fixed-income securities in default

There were no fixed-income securities in default for significant amounts at December 31, 2022 and 2021.

4. Receivables

The following table shows the composition of the receivables heading at December 31, 2022 and 2021, as well as impairment losses, gains on recorded impairment reversals, and received amounts for guarantees in the last two years:

Item	Net balance on balance sheet		Impairment				Guarantees Received	
			Recorded losses		Reversal gains			
	2022	2021	2022	2021	2022	2021	2022	2021
Receivables on direct insurance and co-insurance operations	4,102.4	3,892.0	(11.1)	(8.5)	6.7	7.1	82.2	0
Receivables on reinsurance operations	685.5	791.7	0	(1.7)	3.0	2.7	0	0
Tax receivables	447.5	365.1	0	0	0	0	0	0
Corporate and other receivables	756.4	545.9	(3.2)	(3.9)	2.4	3.3	0	0
Total	5,991.8	5,594.7	(14.3)	(14.1)	12.1	13.1	82.2	0

Figures in millions of euros

C. LIQUIDITY RISK

With respect to liquidity risk, MAPFRE has a Liquidity Risk Management Policy and an Asset and Liability Management Policy, which together comprise the benchmark framework for acting in this regard. In MAPFRE, the general practice is based on maintaining sufficient cash balances to comfortably cover the commitments arising from its obligations to insured parties and creditors. Thus, at December 31, 2022, the cash and cash equivalent balance amounted to 2.6 billion euros (2.9 billion euros the previous year), equivalent to 7.5 percent of total financial investments and cash (7.4 percent at the close of 2021).

For Life and Savings insurance, the investment criteria applied consists in matching the maturities of investments with obligations entered into

under the terms of insurance contracts in order to mitigate the long-term liquidity risk. In addition, most fixed-income investments have an investment grade and are traded in organized markets, providing ample capacity to act against potential liquidity stress.

Assets with maturity exceeding one year are described in the "Interest rate risk" section.

Lastly, MAPFRE's low level of debt as regards shareholders' equity, combined with the amount not drawn down from the syndicated loan taken out by the controlling company, provides additional liquidity through financing operations. Note 6.12 "Financial liabilities" provides information on the Group's debt with credit institutions and its other financial liabilities.

1. Liquidity risk arising from insurance contracts

The following table shows the estimated schedule of disbursements for insurance liabilities recorded at December 31, 2022 and 2021 (non-financial discount amounts).

2022

Item	Estimated cash outflows in years							Total
	2023	2024	2025	2026	2027	2028 to 2032	Subsequent	
Provisions for Life insurance	2,909.0	1,608.9	1,344.7	1,353.7	1,112.9	3,992.1	6,121.1	18,442.4
Provision for outstanding claims	6,476.2	2,266.9	1,102.4	691.3	485.5	962.7	647.8	12,632.8
Other technical provisions	132.4	54.2	54.6	55.9	57.3	312.9	565.8	1,233.1
Due on direct insurance and coinsurance operations	963.9	25.1	10.2	8.4	6.1	11.3	8.4	1,033.4
Due on reinsurance operations	1,050.0	17.7	7.5	5.4	3.8	7.1	3.8	1,095.3
Total	11,531.5	3,972.8	2,519.4	2,114.7	1,665.6	5,286.1	7,346.9	34,437.0

Figures in millions of euros

2021

Item	Estimated cash outflows in years							Total
	2023	2024	2025	2026	2027	2025 to 2029	Subsequent	
Provisions for Life insurance	2,624.3	1,609.6	1,390.6	1,256.9	1,185.8	4,264.3	6,543.9	18,875.4
Provision for outstanding claims	5,905.0	2,398.1	1,136.2	680.9	459.2	928.5	478.2	11,986.1
Other technical provisions	103.6	48.7	50.4	50.7	52.2	278.3	670.2	1,254.1
Due on direct insurance and coinsurance operations	857.2	20.5	12.0	8.2	4.9	11.0	1.2	915.0
Due on reinsurance operations	1,234.4	6.2	4.2	2.5	1.5	3.4	0.6	1,252.8
Total	10,724.5	4,083.1	2,593.4	1,999.2	1,703.6	5,485.5	7,694.1	34,283.4

Figures in millions of euros

2. Liquidity risk arising from subordinated liabilities and financial liabilities

The breakdown for the last two years of disbursement maturities for subordinated and financial liabilities, excluding the financial discount, is shown in the accompanying chart:

2022

Item	Maturity in						Total
	2023	2024	2025	2026	2027	Subsequent	
Subordinated liabilities	60.0	61.3	61.3	61.3	61.3	1,625.9	1,931.1
Issue of debentures and other negotiable securities	13.9	13.9	13.9	862.6	0	0	904.3
Due to credit institutions	51.5	51.0	269.4	30.5	9.9	48.0	460.3
Other financial liabilities (excluding for trading, others at fair value and w/o maturity)	580.7	0.7	0	0.5	0.3	1.8	584.0
Total	706.1	126.9	344.6	954.9	71.5	1,675.7	3,879.7

Figures in millions of euros

2021

Item	Maturity in						Total
	2022	2023	2024	2025	2026	Subsequent	
Subordinated liabilities	46.9	46.9	46.9	46.9	46.9	1,167.5	1,402.0
Issue of debentures and other negotiable securities	13.9	13.9	13.9	13.9	871.2	0	926.8
Due to credit institutions	221.6	45.7	56.2	658.3	58.3	82.3	1,122.4
Other financial liabilities (excluding for trading, others at fair value and w/o maturity)	710.0	0.8	0.3	0.7	0.3	2.3	714.4
Total	992.4	107.3	117.3	719.8	976.7	1,252.1	4,165.6

Figures in millions of euros

D. MARKET RISK

The MAPFRE Risk Management Area carries out resilience and sensitivity tests regarding the impact of financial variables from the market on its solvency position.

The Group's Investment Area regularly conducts analyses of the sensitivity of the investment portfolio's value to market risk. Among others, the

most usual indicators are the modified duration, for fixed-income securities, and the VaR, or value at risk, for equity instruments.

1. Interest rate risk

The following tables show the significant information of the last two years regarding the level of exposure to interest rate risk of the financial assets and liabilities:

Portfolio	Amount of assets exposed to interest rate risk at fair value					
	Fixed interest rate		Not exposed to risk		Total	
	2022	2021	2022	2021	2022	2021
To maturity	1,279.5	1,419.5	101.7	108.3	1,381.2	1,527.8
Available for sale	12,673.6	23,573.6	12,379.0	5,387.9	25,052.6	28,961.5
Trading	2,215.9	4,570.8	2,973.7	1,183.3	5,189.6	5,754.1
Total	16,169.0	29,563.9	15,454.4	6,679.5	31,623.4	36,243.4

Figures in millions of euros

The assets with a fixed interest rate include the immunized portfolios, which amounted to 7.5 and 10.3 billion euros at December 31, 2022 and 2021 respectively, thus reducing the interest rate risk.

Item	Amount of liabilities exposed to interest rate risk at fair value					
	Fixed interest rate		Not exposed to risk		Total	
	2022	2021	2022	2021	2022	2021
Subordinated liabilities	1,627.0	1,122.2	0	0	1,627.0	1,122.2
Issue of debentures and other negotiable securities	863.5	862.8	0	0	863.5	862.8
Due to credit institutions	70.4	167.1	373.9	939.4	444.3	1,106.5
Other financial liabilities	885.4	974.1	1,105.6	1,394.5	1,991.0	2,368.6
Total	3,446.3	3,126.2	1,479.5	2,333.9	4,925.8	5,460.1

Figures in millions of euros

The following tables show the breakdown of financial investments by maturity for 2022 and 2021.

December 31, 2022

	Closing balance	Maturity in:						Subsequent or without maturity
		1 year	2 years	3 years	4 years	5 years		
HELD TO MATURITY PORTFOLIO								
Fixed income	1,357.5	440.4	130.9	76.3	54.4	73.4	582.0	
Other investments	23.7	16.8	0.8	0	0.2	3.0	2.9	
TOTAL HELD TO MATURITY PORTFOLIO	1,381.2	457.2	131.7	76.3	54.6	76.4	584.9	
AVAILABLE FOR SALE PORTFOLIO								
Fixed income	22,777.3	2,693.3	2,397.5	2,570.6	2,525.2	2,905.6	9,685.1	
Other investments	79.3	0	0	0	0	0	79.3	
TOTAL AVAILABLE FOR SALE PORTFOLIO	22,856.6	2,693.3	2,397.5	2,570.6	2,525.2	2,905.6	9,764.4	
TRADING PORTFOLIO								
Financial swaps	89.6	(186.4)	(237.1)	(120.0)	(311.4)	(132.6)	1,077.1	
Options	1.5	0	0	0	(0.2)	0	1.7	
Fixed income	3,050.0	1,332.6	275.7	275.2	240.7	296.4	629.3	
Hybrids	15.3	0	0	0	15.3	0	0	
Deposits	0	0	0	0	0	0	0	
Total Trading Portfolio	3,156.4	1,146.2	38.6	155.2	(55.6)	163.8	1,708.1	

Figures in millions of euros

December 31, 2021

	Maturity in:						Subsequent or without maturity
	Closing balance	1 year	2 years	3 years	4 years	5 years	
HELD TO MATURITY PORTFOLIO							
Fixed income	1,505.2	420.5	258.2	115.8	47.9	100.4	562.4
Other investments	22.6	13.9	0.8	0.2	0	3.7	4.0
Total held to maturity portfolio	1,527.8	434.4	259.0	116.0	47.9	104.1	566.4
AVAILABLE FOR SALE PORTFOLIO							
Fixed income	26,131.4	2,522.4	2,176.3	2,088.7	2,088.6	3,645.7	13,609.7
Other investments	147.5	8.1	0.8	0.9	0.4	0	137.3
Total available for sale portfolio	26,278.9	2,530.5	2,177.1	2,089.6	2,089.0	3,645.7	13,747.0
TRADING PORTFOLIO							
Financial swaps	420.6	(104.8)	(175.4)	(220.2)	(72.9)	(295.6)	1,289.5
Options	0	0	0	0	0	0	0
Fixed income	2,859.7	1,092.7	248.6	219.3	138.4	271.6	889.1
Hybrids	216.8	74.6	65.6	5.5	9.0	49.2	12.9
Deposits	0	0	0	0	0	0	0
Total Trading Portfolio	3,497.1	1,062.5	138.8	4.6	74.5	25.2	2,191.5

Figures in millions of euros

The average interest rate and modified duration of fixed-income investments in 2022 and 2021 are as follows:

Item	2022	2021
Average interest rate (%)	4.25	3.42
Modified duration (%)	5.46	6.95

The modified duration reflects the sensitivity of the value of the assets to movements in interest rates and represents an approximation of the

percentage variation that the value of financial assets would experience for every percentage point (100 bp) of variation of interest rates. The balances included in the "Receivables" heading under the assets on the balance sheet and in the "Due on direct insurance and co-insurance operations", "Due on reinsurance operations", "Tax liabilities" and "Other debts" accounts under the liabilities on the balance sheet do not accrue interest and they are usually settled the following year. Liabilities with a maturity exceeding one year are covered in the section "Liquidity risk arising from subordinated liabilities and financial liabilities".

2. Exchange rate risk

The following table shows the breakdown of assets and liabilities regarding the currencies in which they are recorded at the end of the last two years.

Currency	Assets		Liabilities		Net Total	
	2022	2021	2022	2021	2022	2021
Euro	30,651.5	36,162.5	28,036.1	33,036.3	2,615.4	3,126.2
US dollar	13,121.1	13,736.4	10,034.7	9,904.8	3,086.4	3,831.6
Mexican peso	1,374.8	1,231.7	956.7	891.8	418.1	339.9
Brazilian real	8,584.3	6,875.0	7,251.6	5,777.6	1,332.7	1,097.4
Turkish lira	487.7	382.5	500.9	402.0	(13.2)	(19.5)
Chilean peso	454.0	270.1	345.7	105.2	108.3	164.9
Venezuelan digital bolivar	12.6	12.7	9.3	10.0	3.3	2.7
Argentine peso	326.8	303.3	153.5	207.3	173.3	96.0
Colombian peso	1,127.4	1,217.0	1,115.9	1,144.8	11.5	72.2
Pound sterling	326.3	544.7	261.5	392.0	64.8	152.7
Canadian dollar	141.6	96.5	19.0	18.2	122.6	78.3
Philippine peso	83.3	157.4	33.1	75.0	50.2	82.4
Peruvian sol	1,236.2	780.0	1,103.1	656.3	133.1	123.7
Indonesian rupiah	1.2	158.9	1.7	67.2	(0.5)	91.7
Other currencies	1,697.0	1,925.5	1,442.8	1,499.1	254.2	426.4
Total	59,625.8	63,854.2	51,265.6	54,187.6	8,360.2	9,666.6

Figures in millions of euros

The sensitivity of the Group's equity to changes in euro exchange rates against the different currencies in which assets are stated is determined by the net total amount shown in the previous table, having deducted the amount for the non-monetary items. Similarly, the effect of these exchange rate variations on the Group's future results is determined by the volume of earnings obtained in each currency. In this regard, Annex 1 provides a breakdown of the country in which the operations of each Group company are located, and Annex 2 provides the result obtained by the most relevant companies in the Group.

3. Stock market risk

The VaR or value at risk (maximum variation expected in a one-year time horizon and at a confidence level of 99 percent) of equities and mutual funds exposed to stock market risk amounted to 1.1 billion and 1.3 billion euros at December 31, 2022 and 2021, respectively.

4. Property risk

At December 31, 2022 the Group had property assets representing approximately 5.1 percent of total investments and cash (5.2 percent at December 31, 2021), of which approximately 52.5 percent corresponds to its own offices (46.0 percent at December 31, 2021). This equity serves the dual function of providing administrative and

sales support as well as generating revenues from investments and diversifying investments. The breakdown of these property assets is shown in the following table:

Item	Net book value		Market value	
	2022	2021	2022	2021
Real estate investments	980.8	1,260.0	1,489.9	1,685.1
Real estate for own use	1,084.7	1,071.8	1,422.6	1,416.3
Total	2,065.5	2,331.8	2,912.5	3,101.4

Figures in millions of euros

Unrealized gains would offset a fall in the price of the properties equivalent to approximately 29.1 percent of their market value at the close of 2022 (24.8 percent at the close of 2021).

E. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISKS

MAPFRE is constantly analyzing all factors that, should they materialize, would or could impact the business. This analysis includes environmental, social and governance (ESG) factors, which makes it possible to obtain additional information about social movements and transformations, stakeholder expectations as well as those of the market, which affect the organization.

Based on the analysis of these ESG factors and how they can affect the business in the short, medium and long-term, they are included in the typology of risks established by the company, and measures for their prevention and mitigation are adopted.

The strategy for the fight against climate change is articulated in MAPFRE through the Corporate Environmental Footprint Plan 2021-2030, which gives continuity to the previous Energy Efficiency and Climate Change Plan 2014-2020, incorporating other environmental variables that are decisive in the adaptation and mitigation processes.

The MAPFRE S.A. Board of Directors also approved, in September 2021, a new update of the Group Environmental Policy in which key aspects such as Green Procurement are included, and the Circular Economy (via the zero waste initiative) and Natural Capital are introduced.

In line with the defined objectives, the 2021 carbon footprint of MAPFRE companies located in Spain and Portugal was neutralized. In the context of the new Environmental Footprint Plan, the Group has established new objectives to be added to the previously existing ones:

Objectives to 2024:

- Reduce the Group's carbon footprint by 19 percent compared to the 2019 baseline.
- Neutralize MAPFRE's carbon footprint in Brazil, the United States, Mexico, Peru, Puerto Rico, Germany, Italy and Turkey.

Objectives to 2030:

- Reduce the Group's carbon footprint by 50 percent compared to the 2019 baseline.
- Neutralize the remaining carbon footprint for the Group as a whole.

These lines of action define the Group's roadmap to fight climate change.

The following is a list of the key environmental commitments regarding underwriting and investment applicable to all Group entities starting in 2022:

Underwriting commitment:

In 2022, the previously established commitments regarding carbon, oil and gas have all been met, and there have been no exceptions approved for these issues.

MAPFRE has developed an internal ESG evaluation process, using specialized platforms, to evaluate and quantify the environmental, social and governmental impact of the business group's activity, considering the sector and the countries

in which it operates. Until 2022, the platform was used to offer a scoring for Global Risks clients. The 2022-2024 Sustainability Plan targets include expanding the ESG analysis model to underwriting portfolios in Spain and Brazil and facultative reinsurance.

In line with the ESG risk analysis model, at the close of 2022, 77 percent of the previously mentioned underwriting portfolios have been analyzed with environmental, social and good governance (ESG) criteria.

More detail on the MAPFRE Group environmental investment and underwriting commitments is available at: <https://www.mapfre.com/media/ENVIRONMENTAL-COMMITMENTS-IN-INVESTMENT-AND-UNDERWRITING.pdf>

Investment commitment:

In line with its commitment to the UN 2030 Agenda, in 2022 MAPFRE reassessed the impact of the balance sheet portfolios against the Sustainable Development Goals, using the methodology developed in 2019 with the University of Siena. Expanding the methodologies and integrating them into the ESG investment criteria continues to be worked on.

Within the 2022-2024 Sustainability Plan, the following targets have been established:

- 90 percent of the global investment portfolio to be ESG-rated for 2024.
- 10 percent emissions reduction in the investment portfolio at the close of 2024 (2019 base line over the related indicator: TmCO2eq/Million €).

The Integrated Report provides further information on the environmental risks and management.

8. OTHER INFORMATION

8.1. Information related to the governing body

In the last two years, there have not been any conflicts of interest, either direct or indirect, between the directors or the people connected to them and the Group.

In the last two years, the controlling company’s directors did not carry out any operations with the controlling company itself or with any other Group company either outside the scope of the companies’ ordinary trading activities or outside normal market conditions.

The insurance premium paid on behalf of the administrators for damages liability was 1.2 million euros in 2022 (1.0 million euros in 2021).

8.2. Fees earned by the auditors

The annual accounts of the controlling company and of the main Group companies for the financial year 2022 have been audited by the firm KPMG, with the main exception of the subsidiaries with registered offices in Turkey and Ecuador, whose auditors are RSM Turkey Arkan & Ergin and GRANT THORNTON, respectively.

The remuneration accrued by the main auditor is shown in the accompanying chart. It is deemed that these fees do not compromise the independence of the auditors.

Item	Amount	
	2022	2021
Audit services	9.4	7.0
Other verification services	1.6	1.4
Tax services	0	0
Other services	0.1	0.1
Total services of main auditor	11.1	8.5

Figures in millions of euros

The above mentioned amounts include those paid to the company KPMG Auditores, S.L. to the Group in 2022 for the amount of 2.5 million euros for audit services (2.3 million euros in 2021) and 0.6 million euros for Other verification services (0.5 million in 2021). The amounts paid to KPMG in countries other than Spain reached 6.4 million euros for audit services (4.7 million euros in 2021)

and 1.0 million euros for Other verification services (0.9 million euros in 2021).

These include, most notably, other required reviews (by regulation or requirement of external partners), as well as services regarding regulatory compliance, the most relevant of which are those corresponding to the review of the Solvency Reports (0.4 million euros in Spain and 0.3 million euros in the rest of the countries).

Other entities associated with KPMG International (KPMG Asesores, S.L.) have invoiced 0.1 million euros for an independent review of the Non-Financial Information Statement.

Fees related to account auditing services provided by auditors other than the main auditor amounted to 0.1 million euros in 2022 and 2021, in each year.

8.3. Environmental information

The Group companies do not have any environment-related item in the last two financial years that might be significant or specifically included in these consolidated annual accounts.

8.4. Information on average provider payment period

Details of the payments made by the Group's fully consolidated Spanish companies to providers in the financial years 2022 and 2021:

Item	Days	
	2022	2021
Average provider payment period	6.1	7.9
Ratio of paid operations	5.7	7.8
Ratio of operations pending payment	22.0	18.2

Item	Million euros	
	2022	2021
Total payments made	1,762.7	2,148.7
Total pending payments exceeding the maximum statutory term	37.5	29.5

Information regarding invoices paid in a period of time less than the maximum established in the late payment regulation is as follows:

Item	2022	2021
Monetary volume paid	1,762.7	2,148.7
Percentage over total monetary payments to providers	97.9 %	98.6 %
Number of invoices paid	262,135	269,194
Percentage over total number of invoices paid to providers	98.3 %	98.6 %

8.5. COVID-19

The accompanying table provides a breakdown of the most relevant impacts on Group results as a result of the COVID-19 crisis

Business Units	Amount	
	2022	2021
Iberia	14.3	32.7
Latam North	36.2	130.1
Latam South	3.0	42.7
Brazil	27.1	188.7
North America	2.3	2.7
Eurasia	0.5	3.3
Total Insurance	83.4	400.2
Reinsurance	27.8	52.1
Asistencia	4.6	8.0
Total	115.8	460.3

Figures in millions of euros

8.6. Ukraine

On February 24, 2022, Russia began its invasion of Ukraine territory, initiating a war that continues today.

The direct impacts on both insurance and reinsurance activity as well as on investments held in Russia and Belarus have been immaterial.

In order to comply with the international sanctions against Russia for the Ukraine conflict, MAPFRE Group has issued global directives restricting direct insurance and reinsurance operations for Russian or Belarusian citizens with interests located in or destined for Russia or Belarus.

APPENDIX



APPENDIX 1

SUBSIDIARIES, ASSOCIATED UNDERTAKINGS AND JOINT VENTURES AT DECEMBER 31, 2022 AND 2021

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	Ctra. Pozuelo, 50. Majadahonda. Madrid (España)	MAPFRE, S.A.	100.0000	83.5173	(A)	(1)
		MAPFRE PARTICIPACIONES, S.A.	0.0000	16.4827		
CLUB MAPFRE S.A.	Ctra. Pozuelo, 50. Majadahonda. Madrid (España)	MAPFRE ESPAÑA, S.A.	99.9875	99.9875	(A)	(1)
		MAPFRE AUTOMOCIÓN S.A.U	0.0125	0.0125		
CENTRO DE EXPERIMENTACIÓN Y SEGURIDAD VIAL MAPFRE, S.A.	Ctra.Valladolid, km 1 Ávila (España)	MAPFRE ESPAÑA, S.A.	99.9982	99.9982	(A)	(1)
		MAPFRE, S.A.	0.0018	0.0018		
MAPFRE AUTOMOCIÓN S.A.U	Ctra. Pozuelo, 50. Majadahonda. Madrid (España)	MAPFRE ESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
VERTI ASEGURADORA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A	C/ Doctor Esquerdo, 138. Madrid (España)	MAPFRE ESPAÑA, S.A.	99.9991	99.9991	(A)	(1)
		CLUB MAPFRE, S.A.	0.0009	0.0009		
VERTI MEDIACIÓN SOCIEDAD DE AGENCIA DE VALORES VINCULADA, S.L.	C/ Doctor Esquerdo, 138 Madrid (España)	VERTI ASEGURADORA S.A.	98.0000	98.0000	(A)	(1)
		CLUB MAPFRE, S.A.	2.0000	2.0000		
MAPFRE CONSULTORES DE SEGUROS Y REASEGUROS, S.A.	Ctra. Pozuelo, 50. Majadahonda. Madrid (España)	MAPFRE ESPAÑA, S.A.	50.0000	50.0000	(A)	(1)
		MAPFRE, S.A.	50.0000	50.0000		
MULTISERVICIOS MAPFRE MULTIMAP, S.A.	Ctra. Pozuelo, 52. Majadahonda. Madrid (España)	MAPFRE ESPAÑA, S.A.	97.5000	97.5000	(A)	(1)
		CENTROS MÉDICOS S.A.	2.5000	2.5000		
FUNESPAÑA, S.A.U.	C/ Doctor Esquerdo, 138. 5ª Plta. Madrid (España)	MAPFRE ESPAÑA, S.A.	99.7864	99.7810	(A)	(1)
FUNESPAÑA DOS, S.L.	C/ Doctor Esquerdo, 138, 5ª Plta Madrid (España)	FUNESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
POMPES FÚNEBRES DOMINGO, S.L.	C/ Mercaderes, 5 Bajo, Tortosa. Tarragona (España)	FUNESPAÑA DOS, S.L.	100.0000	100.0000	(A)	(1)
SERVICIOS FUNERARIOS FUNEMADRID, S.A.U.	C/ Doctor Esquerdo, 138, 5ª Plta. Madrid (España)	FUNESPAÑA DOS, S.L.	100.0000	100.0000	(C)	(3)
CEMENTERIO JARDÍN DE ALCALA DE HENARES, S.A.	Carretera de Pastrana km 3 Alcalá de Henares. Madrid (España)	FUNESPAÑA DOS, S.L.	49.0000	49.0000	(C)	(3)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
EMPRESA MIXTA SERVEIS MUNICIPALS DE TARRAGONA, S.L.	Carretera Villa de Valencia, 2 Tarragona (España)	FUNESPAÑA DOS, S.L.	49.0000	49.0000	(C)	(3)
CEMENTERIO PARQUE ANDUJAR, S.A.	C/ Cementerio, 4 Andujar. Jaén (España)	FUNESPAÑA DOS, S.L.	72.8200	72.8200	(A)	(1)
SERVICIOS FUNERARIOS DE ZARAGOZA, S.L.	C/ Doctor Esquerdo, 138 5º Pta Madrid (España)	FUNESPAÑA DOS, S.L.	70.0000	70.0000	(A)	(1)
TANATORIUM ZRT	Joseph Krt, 49 Budapest (Hungria)	FUNESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
INICIATIVAS ALCAÉSAR, S.L.	C / Viena, 2 1º A Cáceres (España)	FUNESPAÑA DOS, S.L.	40.0000	40.0000	(C)	(3)
SALZILLO SERVICIOS FUNERARIOS, S.L.	C/ Doctor Esquerdo, 138 5º Pta Madrid (España)	FUNESPAÑA DOS, S.L.	45.0000	45.0000	(C)	(3)
DE MENA SERVICIOS FUNERARIOS, S.L.	C/ Doctor Esquerdo, 138, 5ª Pta. Madrid (España)	FUNESPAÑA DOS, S.L.	70.0000	70.0000	(A)	(1)
ISABELO ÁLVAREZ MAYORGA, S.A.	Carretera Ávila - Valladolid, km 08. Ávila (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)
SERVICIOS FUNERARIOS DEL NERVIÓN, S.L.	Alameda de Recalde, 10. Bilbao (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)
NUEVO TANATORIO, S.L.	Avenida Hermanos Bou, 251. Castellón (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)
SERVICIOS FUNERARIOS LA CARIDAD, S.L.	Carretera Sanlúcar - Trebujena, km 1,5. Sanlúcar de Barrameda. Cádiz (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)
TANATORIO DE ÉCIJA, S.L.	C / Camino del Valle, Écija. Sevilla (España)	FUNESPAÑA DOS, S.L.	33.3300	33.3300	(C)	(3)
TANATORIO SE-30 SEVILLA, S.L.	C/ Huerta de la Fontanilla, 14. Sevilla (España)	FUNESPAÑA DOS, S.L.	10.0000	10.0000	(C)	(3)
ALL FUNERAL SERVICES, S.L.	C/ Doctor Esquerdo, 138, 5ª Pta. Madrid (España)	FUNESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
FUNESPAÑA CHILE, S.A.	Santiago de Chile (Chile)	FUNESPAÑA, S.A.	50.0000	50.0000	(B)	(B)
FUNEUROPA CHILE, S.A.	Santiago de Chile (Chile)	FUNESPAÑA, S.A.	50.0000	50.0000	(B)	(B)
FUNERARIAS REUNIDAS DEL BIERZO, S.A.	C/ Doctor Esquerdo, 138, 5ª Pta. Madrid (España)	FUNESPAÑA DOS, S.L.	85.8200	85.8200	(A)	(1)
SERVICIOS FUNERARIOS LUCEM S.L.	C/ La Costera, 20. Polígono Industrial Bovalar 46970, Alaquás. Valencia.(España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)
FUNERARIA SAN VICENTE, S.L.	C/ Restauración, nº2-bajo. Polígono Industrial y de Servicios "Matallana" 41440-Lora del Río. Sevilla (España)	FUNESPAÑA DOS, S.L.	50.0000	50.0000	(C)	(3)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
INVERSIONES FUNERARIAS ANDALUZAS, S.L.	C/Torredonjimeno, s/n. Martos, Jaén (España)	FUNESPAÑA DOS, S.L.	33.3300	33.3300	(C)	(3)
FUNERARIA ALIANZA CANARIA, S.L.	Luis Doreste Silva, 18B. 35004, Las Palmas de Gran Canaria (España)	FUNESPAÑA DOS, S.L.	100.0000	100.0000	(A)	(1)
MEDISEMAP, AGENCIA DE SEGUROS, S.L.	Ctra. Pozuelo, 52. Majadahonda. Madrid (España)	MAPFRE ESPAÑA, S.A.	66.6667	66.6667	(A)	(1)
		MAPFRE VIDA, S.A.	33.3333	33.3333		
CENTROS MÉDICOS MAPFRE, S.A.	Ctra. Pozuelo, 50. Majadahonda. Madrid (España)	MAPFRE ESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE VÍDEO Y COMUNICACIÓN S.A.	Ctra. Pozuelo, 50. Majadahonda. Madrid (España)	MAPFRE ESPAÑA, S.A.	75.0000	75.0000	(A)	(1)
		MAPFRE VIDA, S.A.	25.0000	25.0000		
BANKINTER SEGUROS GENERALES, CÍA DE SEGUROS Y REASEGUROS S.A.	Avda. Bruselas, 12. Alcobendas. Madrid (España)	MAPFRE ESPAÑA, S.A.	50.1000	50.1000	(A)	(1)
AUDATEX ESPAÑA, S.A.	Avda. de Barajas, 34. Parque Empresarial Omega. 28108, Alcobendas. Madrid (España)	MAPFRE ESPAÑA, S.A.	12.5000	12.5000	(C)	(3)
TECNOLOGÍAS DE LA INFORMACIÓN Y REDES PARA LAS ENTIDADES ASEGURADORAS, S.A	C/ García Paredes, 55. Madrid (España)	MAPFRE ESPAÑA, S.A.	22.9506	22.9506	(C)	(3)
AGROSEGURO	C/ Gobelos, 23. Madrid (España)	MAPFRE ESPAÑA, S.A.	19.2300	19.8100	(C)	(3)
SALVADOR CAETANO AUTO (SGPS), S.A.	Avenida Vasco da Gama, 14-10. 4430-247 Vila Nova de Gaia (Portugal)	MAPFRE ESPAÑA, S.A.	24.6100	24.6100	(C)	(3)
SALUD DIGITAL MAPFRE S.A.	Ctra. Pozuelo, 50. Majadahonda. Madrid (España)	MAPFRE ESPAÑA, S.A.	97.5000	97.5000	(A)	(1)
		CENTROS MÉDICOS MAPFRE, S.A.	2.5000	2.5000		
PUY DU FOU ESPAÑA, S.A.	C/ Cuesta de Carlos V, 9. 45001 Toledo (España)	MAPFRE ESPAÑA, S.A.	19.5430	19.3810	(C)	(3)
SANTANDER MAPFRE SEGUROS Y REASEGUROS S.A	Ctra. Pozuelo, 50. Majadahonda. Madrid (España)	SANTANDER MAPFRE SEGUROS Y REASEGUROS, S.A.	50.0100	50.0100	(F)(C)	(F)(3)
SANTANDER ASSURANCE SOLUTIONS, S.A.	C/ Juan Ignacio Luca de Tena, 11 28027 Madrid (España)	SANTANDER MAPFRE SEGUROS Y REASEGUROS, S.A.	33.0000	33.0000	(F)(C)	(F)(3)
MAPFRE INMUEBLES, S.G.A.	Ctra. Pozuelo, 52. Majadahonda. Madrid (España)	MAPFRE ESPAÑA, S.A.	82.9732	82.9732	(A)	(1)
		MAPFRE, S.A.	9.9983	9.9983		
		MAPFRE VIDA, S.A.	7.0279	7.0279		
DESARROLLOS URBANOS CIC, S.A.	Ctra. Pozuelo, 52. Majadahonda. Madrid (España)	MAPFRE INMUEBLES, S.G.A.	99.9216	99.9216	(A)	(1)
		MAPFRE, S.A.	0.0784	0.0784		

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
SERVICIOS INMOBILIARIOS MAPFRE S.A.	Ctra. Pozuelo, 52. Majadahonda Madrid (España)	MAPFRE INMUEBLES, S.G.A.	99.9000	99.9000	(A)	(1)
		DESARROLLOS URBANOS CIC, S.A	0.1000	0.1000		
MAP SL EUROPEAN INVEST SARL	3 Rue Gabriel Lippmann L- 5365, Munsbach. Grand Duchy of luxembourg	MAPFRE INMUEBLES, S.G.A.	50.0000	50.0000	(F)(E)	(F)(3)
MAPAR IMPERIAL 14, S.L.	Cra. Húmera, 52. 28023 Madrid (España)	MAPFRE INMUEBLES, S.G.A.	100.0000	100.0000	(F)(A)	(F)(1)
INMO ALEMANIA GESTIÓN DE ACTIVOS INMOBILIARIOS, S.L. (Liquidated in 2022)	Paseo. de la Castellana, 24. (Madrid) España	MAPFRE ESPAÑA, S.A.	0.0000	20.0000	(H)	(H)
MAPFRE TECH, S.A.	Ctra. Pozuelo, 52. Majadahonda Madrid (España)	MAPFRE ESPAÑA, S.A.	0.0000	65.1574	(A)	(1)
		MAPFRE VIDA, S.A.	0.0000	11.6834		
		MAPFRE RE, S.A.	0.0000	0.8002		
		MAPFRE ASISTENCIA, S.A.	0.0000	1.5684		
		MAPFRE INTERNACIONAL, S.A.	0.0000	20.0000		
		MAPFRE INVERSIÓN, S.A.	0.0000	0.0160		
MAPFRE, S.A.	100.0000	0.7746				
MAPFRE SEGUROS GERAIS S.A.	Rua Doutor António Loureiro Borges, 9. Algés (Portugal)	MAPFRE ESPAÑA, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE SEGUROS DE VIDA S.A.	Rua Doutor António Loureiro Borges, 9. Algés (Portugal)	MAPFRE SEGUROS GERAIS S.A.	100.0000	100.0000	(A)	(1)
MAPFRE SANTANDER PORTUGAL COMPANHIA DE SEGUROS, S.A.	Rua Doutor António Loureiro Borges, 9. Algés (Portugal)	MAPFRE SEGUROS GERAIS S.A.	50.0100	50.0100	(A)	(1)
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	Carretera de Pozuelo, 50. (28222) Majadahonda. Madrid (España)	MAPFRE, S.A.	99.9234	99.9234	(A)	(1)
CONSULTORA ACTUARIAL Y DE PENSIONES MAPFRE VIDA S.A.	Carretera de Pozuelo, 50. (28222) Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	99.9339	99.9339	(A)	(1)
		MAPFRE, S.A.	0.0661	0.0661		
GESTIÓN MODA SHOPPING S.A.	Avenida General Perón, 40. Madrid (España)	MAPFRE VIDA, S.A.	99.8215	99.8215	(A)	(1)
		MAPFRE, S.A.	0.1785	0.1785		
MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.	Carretera de Pozuelo, 50-1, M-4. 2ª Planta Módulo Sur. (28222) Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	99.9991	99.9991	(A)	(4)
		MAPFRE, S.A.	0.0009	0.0009		
MAPFRE ASSET MANAGEMENT, S.G.I.I.C., S.A	Carretera de Pozuelo, 50-1, M-4. 2ª Planta Módulo Norte. (28222) Majadahonda Madrid (España)	MAPFRE INVERSIÓN, S.A.	99.9853	99.9853	(A)	(4)
		MAPFRE, S.A.	0.0147	0.0147		

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MAPFRE VIDA PENSIONES, ENTIDAD GESTORA DE FONDOS DE PENSIONES S.A.	Carretera de Pozuelo, 50-1, M-4. 2ª Planta Módulo Norte. (28222) Majadahonda Madrid (España)	MAPFRE INVERSIÓN, S.A.	99.9971	99.9971	(A)	(4)
		MAPFRE, S.A.	0.0029	0.0029		
MIRACETI S.A.	Carretera de Pozuelo, 50. 28222, Majadahonda. Madrid (España)	MAPFRE VIDA, S.A.	99.9991	99.9991	(A)	(1)
		MAPFRE, S.A.	0.0009	0.0009		
BANKINTER SEGUROS DE VIDA, S.A. DE SEGUROS Y REASEGUROS	Avda. Bruselas, 12. Alcobendas. Madrid (España)	MAPFRE VIDA, S.A.	50.0000	50.0000	(A)	(1)
CAJA CASTILLA LA MANCHA VIDA Y PENSIONES, S.A. (Sold in 2022)	C/ Carretería, 5. Cuenca (España)	MAPFRE VIDA, S.A.	0.0000	50.0000	(H)	(H)
MAPFRE AM- GOOD GOVERNANCE	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE VIDA, S.A.	33.7119	40.7924	(A)	(3)
		OTRAS SOCIEDADES DEL GRUPO	22.5640	25.3849		
MAPFRE AM- IBERIAN EQUITIES	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE VIDA, S.A.	44.2173	58.4544	(A)	(3)
		OTRAS SOCIEDADES DEL GRUPO	19.6045	21.3475		
MAPFRE AM-EUROPEAN EQUITIES	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE VIDA, S.A.	46.5176	71.7228	(A)	(3)
		OTRAS SOCIEDADES DEL GRUPO	18.7100	19.3435		
MAPFRE AM-MULTI ASSET STRATEGY	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE ESPAÑA, S.A.	44.2679	41.6139	(A)	(3)
		MAPFRE RE, S.A.	46.3691	43.5891		
		OTRAS SOCIEDADES DEL GRUPO	9.3630	8.8017		
FONDMAPFRE ELECCIÓN DECIDIDA	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	38.4656	39.6963	(A)	(1)
		OTRAS SOCIEDADES DEL GRUPO	26.1010	21.3012		
FONDMAPFRE ELECCIÓN MODERADA	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	45.0771	48.9819	(A)	(1)
		OTRAS SOCIEDADES DEL GRUPO	12.0472	7.3393		
FONDMAPFRE ELECCIÓN PRUDENTE	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	44.3462	48.3609	(A)	(1)
		OTRAS SOCIEDADES DEL GRUPO	10.6556	7.5003		
FONDMAPFRE BOLSA AMÉRICA	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	31.9098	27.0780	(A)	(3)
		MAPFRE ESPAÑA, S.A.	20.7919	16.7966		
		OTRAS SOCIEDADES DEL GRUPO	14.4734	17.3079		

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			Percentage			
			2022	2021		
FONDMAPFRE RENTA DÓLAR	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE RE, S.A.	0.0000	23.0525	(H)	(H)
		MAPFRE ESPAÑA, S.A.	0.0000	23.0941		
		MAPFRE VIDA, S.A.	38.5713	23.7764		
		OTRAS SOCIEDADES DEL GRUPO	0.0121	5.7878		
FONDMAPFRE GLOBAL F.I.	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	43.2321	40.9075	(A)	(3)
		OTRAS SOCIEDADES DEL GRUPO	1.9864	4.3135		
FONDMAPFRE BOLSA MIXTO F.I.	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	58.5200	57.6716	(A)	(3)
		OTRAS SOCIEDADES DEL GRUPO	3.4879	5.1444		
FONDMAPFRE BOLSA EUROPA F.I.	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	9.2931	12.2207	(A)	(3)
		MAPFRE RE, S.A.	22.5386	21.3734		
		OTRAS SOCIEDADES DEL GRUPO	18.3976	24.7377		
MAPFRE AM- SHORT TERM EURO I	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE ESPAÑA, S.A.	32.5587	31.7476	(A)	(3)
		MAPFRE RE, S.A.	44.5393	40.6023		
		OTRAS SOCIEDADES DEL GRUPO	3.3558	3.5981		
FONDMAPFRE GARANTÍA, F.I.	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	99.9989	99.9989	(A)	(1)
FONDMAPFRE GARANTÍA II, F.I.	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	99.9970	99.9971	(A)	(1)
STABLE INCOME EUROPEAN REAL ESTATE FUND	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE ESPAÑA, S.A.	0.0000	18.0882	(C)	(3)
		MAPFRE RE, S.A.	16.0000	19.9213		
		MAPFRE VIDA, S.A.	20.0000	12.6184		
		OTRAS SOCIEDADES DEL GRUPO	9.0000	0.0000		
MAPFRE AM-BEHAVORIAL FUND I	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE RE, S.A.	25.9254	21.6982	(A)	(3)
		OTRAS SOCIEDADES DEL GRUPO	13.5998	23.2531		
MAPFRE AM-INCLUSION RESPONSABLE	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE ESPAÑA, S.A.	8.7409	18.5859	(A)	(3)
		MAPFRE RE, S.A.	22.7889	27.9465		
		OTRAS SOCIEDADES DEL GRUPO	29.0887	19.5280		
MAPFRE AM-US FORCOTTEN VALUE	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE ESPAÑA, S.A.	34.4366	33.5656	(A)	(3)
		MAPFRE RE, S.A.	23.0684	27.5133		
		OTRAS SOCIEDADES DEL GRUPO	9.7818	15.5137		
MAPFRE AM CAPITAL RESPONSABLE	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE VIDA, S.A.	18.1394	17.2586	(H)	(H)
		MAPFRE INVERSIÓN, S.A.	0.0000	2.2048		
		OTRAS SOCIEDADES DEL GRUPO	12.7811	9.4987		

Participation in Capital

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			2022	2021		
MAPFRE AM GLOBAL BOND FUND	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE VIDA, S.A.	39.7719	47.6583	(A)	(3)
		MAPFRE ESPAÑA, S.A.	9.3791	10.9931		
		OTRAS SOCIEDADES DEL GRUPO	13.8924	16.5518		
SWISSLIFE SPPICAV	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE ESPAÑA, S.A.	14.9800	15.0675	(C)	(3)
		MAPFRE RE, S.A.	16.9800	17.0497		
		OTRAS SOCIEDADES DEL GRUPO	17.1900	17.8828		
OLIFAN INMO 18 OPC1	60, avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg	MAPFRE ESPAÑA, S.A.	24.2422	25.7487	(A)	(3)
		MAPFRE RE, S.A.	30.2062	32.0832		
		OTRAS SOCIEDADES DEL GRUPO	4.4109	5.7552		
MAPFRE INFRAESTRUCTURAS FCR	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE ESPAÑA, S.A.	8.0654	8.0654	(C)	(3)
		MAPFRE RE, S.A.	9.3366	9.3366		
		OTRAS SOCIEDADES DEL GRUPO	4.5148	4.5148		
MAPFRE PRIVATE EQUITY I FCR	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE ESPAÑA, S.A.	28.0800	28.0800	(A)	(3)
		MAPFRE RE, S.A.	35.7600	35.7600		
		OTRAS SOCIEDADES DEL GRUPO	14.6400	14.6400		
MAPFRE FONDTESORO PLUS, F.I.	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	13.9277	12.2424	(H)	(H)
		OTRAS SOCIEDADES DEL GRUPO	11.5808	11.9171		
MAPFRE ENERGÍAS RENOVABLES I, F.C.R.	Avda. de Bruselas, 13, planta 1, puerta C. 28108 Alcobendas (Madrid)	MAPFRE ESPAÑA, S.A.	26.4900	29.1500	(F)(A)	(F)(3)
		MAPFRE RE, S.A.	25.3600	27.9000		
		OTRAS SOCIEDADES DEL GRUPO	27.9300	24.4500		
ENERGÍAS RENOVABLES IBERMAP, S.L.	C/ Tomás Redondo, 1. Madrid (España)	MAPFRE ENERGÍAS RENOVABLES I, F.C.R.	80.0000	80.0000	(F)(C)	(F)(3)
FONDMAPFRE RENTA FIJA FLEXIBLE	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	41.5233	34.0210	(F)(A)	(F)(3)
		OTRAS SOCIEDADES DEL GRUPO	1.0625	1.2402		
MAPFRE AM SELECTION	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE ESPAÑA, S.A.	100.0000	0.0000	(G)(A)	(G)(3)
FONDMAPFRE GARANTÍA III, F.I.	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE ESPAÑA, S.A.	20.0109	0.0000	(G)(A)	(G)(3)
		MAPFRE RE, S.A.	22.0119			
		OTRAS SOCIEDADES DEL GRUPO	13.6947			
FONDMAPFRE GARANTÍA IV, F.I.	Ctra. Pozuelo, 50. Majadahonda Madrid (España)	MAPFRE VIDA, S.A.	100.0000	0.0000	(G)(A)	(G)(3)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MEAG EUROPE OFFICE SELECT EOS SCSP	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE S.A.	5.0000	0.0000	(G)(C)	(G)(3)
		MAPFRE ESPAÑA, S.A.	22.5000			
		MAPFRE RE, S.A.	22.5000			
SIEREFF MACQUÛRIE 2	60, avenue J. F. Kennedy L-1855 Luxembourg. Grand Duchy of Luxembourg	MAPFRE VIDA, S.A.	12.6984	0.0000	(G)(C)	(G)(3)
		MSV LIFE PLC	15.8730			
		OTRAS SOCIEDADES DEL GRUPO	19.0476			

BRAZIL

MAPFRE SEGUROS GERAIS S.A.	Avda. Nações Unidas, 11711 16. Andar Brooklin São Paulo. (Brasil)	MAPFRE PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(7)
MAPFRE VERA CRUZ CONSULTORIA E ADMINISTRAÇÃO DE FUNDOS LTDA.	Avda. Nações Unidas, 11711 16. Andar Brooklin São Paulo (Brasil)	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(1)
BB MAPFRE PARTICIPAÇÕES, S.A.	Avda. Nações Unidas, 11711 16. Andar Brooklin São Paulo (Brasil)	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	25.0100(*)	25.0100(*)	(A)	(1)
MAPFRE CAPITALIZAÇÃO S.A.	Avda. Nações Unidas, 11711 16. Andar Brooklin São Paulo (Brasil)	MAPFRE PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE PARTICIPAÇÕES, S.A.	Avda. Nações Unidas, 11711 16. Andar Brooklin São Paulo (Brasil)	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE BRASIL PARTICIPAÇÕES, S.A.	Avda. Nações Unidas, 11711 16. Andar Brooklin São Paulo (Brasil)	MAPFRE INTERNACIONAL, S.A.	99.1700	99.1700	(A)	(1)
		MAPFRE INVESTMENT S.A.	0.8300	0.8300		
MAPFRE VIDA S.A.	Avda. Nações Unidas, 11711 16. Andar Brooklin São Paulo (Brasil)	MAPFRE PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(7)
MAPFRE INVESTIMENTOS LTDA.	Avda. Nações Unidas, 11711 16. Andar Brooklin São Paulo (Brasil)	MAPFRE INVESTIMENTOS E PARTICIPAÇÕES S.A.	99.9900	99.9900	(A)	(9)
		MAPFRE BRASIL PARTICIPAÇÕES, S.A.	0.1000	0.1000		
MAPFRE PREVIDENCIA S.A.	Avda. M ^e Coelho Aguiar, 215 Jardim São Luis Bloco F - 2 ^o andar, São Paulo (Brasil)	MAPFRE PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(7)
MAPFRE INVESTIMENTOS E PARTICIPAÇÕES, S.A.	Avda. Nações Unidas, 11711 16. Andar Brooklin São Paulo (Brasil)	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(1)
ALIANÇA DO BRASIL SEGUROS, S.A.	R. Manuel da Nobrega, 12809. Andar, Rio de Janeiro Sao Paulo (Brasil)	BB MAPFRE PARTICIPAÇÕES S.A.	100.0000	100.0000	(A)	(7)

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			Percentage			
			2022	2021		
BRASILSEG COMPANHIA DE SEGUROS S.A.	R. Senador Dantas, 105, 29 parte, 30 e 31. Andares. São Paulo-SP (Brasil)	BB MAPFRE PARTICIPAÇÕES S.A.	100.0000	100.0000	(A)	(7)
MAC INVESTIMENTOS S.A.	Avda. Nações Unidas, 12145, 11º Andar Brooklin São Paulo (Brasil)	MAPFRE INVESTIMENTOS E PARTICIPAÇÕES SA	100.0000	100.0000	(A)	(1)
MAPFRE SAUDE LTDA	Avda. Nações Unidas, 12145, 11º Andar Brooklin São Paulo (Brasil)	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	99.9900	99.9900	(A)	(1)
PROTENSEG CORRETORA DE SEGUROS LTDA	Avenida das Nações Unidas, 12.495 11º Andar Brooklin São Paulo-SP (Brasil)	MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000	(A)	(1)

LATAM NORTH

MAPFRE TENEDORA DE ACC, S.A.	Costa del Este, diagonal al Business Park. Panamá (Panamá)	MAPFRE AMÉRICA CENTRAL, S.A.	100.0000	100.0000	(A)	(9)
MAPFRE AMÉRICA CENTRAL S.A.	Costa del Este, diagonal al Business Park. Panamá (Panamá)	MAPFRE INTERNACIONAL, S.A.	99.9000	99.9000	(A)	(1)
MAPFRE SEGUROS HONDURAS S.A.	Avenida Berlín y Calle Viena, piso 7 Lomas del Guijarro Sur. Edificio Plaza Azul. Tegucigalpa, M.D.C. (Honduras)	MAPFRE TENEDORA DE ACC, S.A.	73.2569	73.2569	(A)	(9)
		MAPFRE AMÉRICA CENTRAL, S.A.	25.1031	25.1031		
MAPFRE PANAMÁ S.A.	Costa del Este, diagonal al Business Park. Panamá (Panamá)	MAPFRE AMÉRICA CENTRAL, S.A.	99.3772	99.3772	(A)	(1)
MAPFRE SEGUROS EL SALVADOR, S.A.	Alameda Roosevelt, 3107, Nivel 7. San Salvador (El Salvador)	MAPFRE AMÉRICA CENTRAL, S.A.	78.1065	78.1065	(A)	(9)
INMOBILIARIA AMERICANA S.A.	Alameda Roosevelt, 3107. San Salvador (El Salvador)	MAPFRE AMÉRICA CENTRAL, S.A.	78.9000	78.9000	(A)	(9)
MAPFRE SEGUROS COSTA RICA S.A.	Barrio Tournón, Edificio Alvasa, 2º piso. Diagonal al Periódico La República en intersección con Ctra. de Guapiles (Ruta 32). San José (Costa Rica)	MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000	(A)	(9)
MAPFRE SEGUROS GUATEMALA S.A.	5a Avda. 5-55 Zona 14 Europlaza Europlaza Torre 4 Nivel 16 y PH. Ciudad de Guatemala (Guatemala)	MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000	(A)	(9)
MAPFRE SEGUROS NICARAGUA S.A.	Edificio Invercasa, 1er. piso. Managua (Nicaragua)	MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000	(A)	(9)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MAPFRE DOMINICANA S.A.	Avda. Abraham Lincoln, 952 esq. José Amado Soler. Ensanche Piantini, Santo Domingo (República Dominicana)	MAPFRE INTERNACIONAL, S.A.	99.9999	99.9999	(A)	(9)
		CREDIPRIMAS, S.A.	0.0001	0.0001		
MAPFRE BHD COMPAÑÍA DE SEGUROS, S.A.	Avda. Abraham Lincoln, 952 esq. José Amado Soler. Ensanche Piantini, Santo Domingo (República Dominicana)	MAPFRE DOMINICANA S.A.	51.0000	51.0000	(A)	(9)
CREDIPRIMAS, S.A.	Avda. Abraham Lincoln, 952 esq. José Amado Soler. Ensanche Piantini, Santo Domingo (República Dominicana)	MAPFRE BHD COMPAÑÍA DE SEGUROS S.A.	100.0000	100.0000	(A)	(9)
MAPFRE SALUD ARS	Avda. 27 de Febrero N° 50. Edificio ARS Palic, Urb. El Vergel, Santo Domingo (República Dominicana)	MAPFRE DOMINICANA S.A.	51.0000	51.0000	(A)	(9)
MAPFRE MÉXICO S.A.	Avenida Paseo de la Reforma n° 243, Delegación Cuauhtémoc. Distrito Federal C.P. 06500 (México)	MAPFRE INTERNACIONAL, S.A.	55.6602	55.6602	(A)	(7)
		GRUPO CORPORATIVO LML S.A.	44.3398	44.3398		
GRUPO CORPORATIVO LML S.A. DE C.V.	Avenida Paseo de la Reforma n° 243, Delegación Cuauhtémoc. Distrito Federal C.P. 06500 (México)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE UNIDAD DE SERVICIOS S.A. DE C.V.	Avenida Paseo de la Reforma n° 243, Delegación Cuauhtémoc. Distrito Federal C.P. 06500 (México),	MAPFRE MÉXICO S.A.	99.9982	99.9982	(A)	(7)
MAPFRE DEFENSA LEGAL S.A. DE C.V.	Avenida Paseo de la Reforma n° 243, Delegación Cuauhtémoc. Distrito Federal C.P. 06500 (México)	MAPFRE MÉXICO S.A.	100.0000	100.0000	(A)	(7)
MAPFRE TEPEYAC INC.	109 Este, San Ysidro Blvd N° 65. San Isidro, California. (EE.UU.)	MAPFRE MÉXICO S.A.	100.0000	100.0000	(A)	(7)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MAPFRE SERVICIOS MEXICANOS S.A.	Avenida Paseo de la Reforma nº 243, Delegación Cuauhtémoc, Distrito Federal C.P. 06500 (México)	MAPFRE MÉXICO S.A.	99.9900	99.9900	(A)	(7)
CESVI MÉXICO, S.A.	Calle 1 Sur, Nº 101 Parque Industrial Toluca 2000, Toluca, Estado de México (Mexico)	MAPFRE MÉXICO S.A.	16.6700	16.6700	(D)	(7)
MAPFRE FIANZAS S.A.	Avenida Paseo de la Reforma nº 243, Delegación Cuauhtémoc, Distrito Federal C.P. 06500 (México)	MAPFRE MÉXICO S.A.	100.0000	100.0000	(A)	(7)
LATAM SOUTH						
MAPFRE ARGENTINA HOLDING S.A.	Avda. Juana Manso, 205 C, 1107CBE Puerto Madero, Buenos Aires (Argentina)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE ARGENTINA SEGUROS S.A.	Avda. Juana Manso, 205 C, 1107CBE Puerto Madero, Buenos Aires (Argentina)	MAPFRE ARGENTINA HOLDING S.A.	99.9988	99.9988	(A)	(1)
CLUB MAPFRE ARGENTINA S.A.	Avda. Juana Manso, 205 C, 1107CBE Puerto Madero, Buenos Aires (Argentina)	MAPFRE ARGENTINA HOLDING S.A.	97.0000	97.0000	(A)	(1)
		MAPFRE ARGENTINA SEGUROS DE VIDA S.A.	3.0000	3.0000		
MAPFRE ARGENTINA SEGUROS DE VIDA S.A.	Avda. Juana Manso, 205 C, 1107CBE Puerto Madero, Buenos Aires (Argentina)	MAPFRE INTERNACIONAL, S.A.	64.0000	64.0000	(A)	(9)
		MAPFRE ARGENTINA HOLDING S.A.	36.0000	36.0000		
CESVI ARGENTINA, S.A.	Calle 9 y 17, Parque Ind. Pilar, Buenos Aires (Argentina)	MAPFRE ARGENTINA SEGUROS S.A.	60.6400	60.6400	(A)	(1)
MAPFRE CHILE SEGUROS S.A.	Isidora Goyenechea 3520, p 16, Las Condes Santiago de Chile (Chile)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE CHILE ASESORÍAS, S.A.	Isidora Goyenechea 3520, p 16, Las Condes Santiago de Chile (Chile)	MAPFRE CHILE SEGUROS S.A.	99.9999	99.9999	(A)	(1)
		MAPFRE INTERNACIONAL, S.A.	0.0001	0.0001		
MAPFRE COMPAÑÍA DE SEGUROS GENERALES DE CHILE S.A.	Isidora Goyenechea 3520, p 16, Las Condes Santiago de Chile (Chile)	MAPFRE CHILE SEGUROS S.A.	87.2900	87.2900	(A)	(1)
		MAPFRE CHILE ASESORÍAS, S.A.	12.7100	12.7100		

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MAPFRE CHILE VIDA, S.A.	Isidora Goyenechea 3520, p 16. Las Condes Santiago de Chile (Chile)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(9)
MAPFRE COMPAÑÍA DE SEGUROS DE VIDA DE CHILE S.A.	Isidora Goyenechea 3520, p 16. Las Condes Santiago de Chile (Chile)	MAPFRE CHILE VIDA S.A.	99.9968	99.9968	(A)	(9)
		MAPFRE INTERNACIONAL, S.A.	0.0032	0.0032		
MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	Carrera, 14, nº 96-34, Santa Fé de Bogotá (Colombia)	MAPFRE INTERNACIONAL, S.A.	93.8525	93.8525	(A)	(1)
		APOINT S.A.	6.1425	6.1425		
CREDIMAPFRE S.A.	Carrera, 14, nº 96-34, Santa Fé de Bogotá (Colombia)	MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	100.0000	100.0000	(A)	(1)
MAPFRE COLOMBIA VIDA SEGUROS S.A.	Carrera, 14, nº 96-34, Santa Fé de Bogotá (Colombia)	MAPFRE INTERNACIONAL, S.A.	94.3541	94.3541	(A)	(1)
		APOINT S.A.	5.6459	5.6459		
CESVI COLOMBIA, S.A.	Carrera 87, nº 15-87, Santa Fé de Bogotá (Colombia)	MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	67.7723	67.7723	(A)	(1)
MAPFRE SERVICIOS EXEQUIALES SAS	Carrera, 14, nº 96-34, Santa Fé de Bogotá (Colombia)	CREDIMAPFRE S.A.	100.0000	100.0000	(A)	(1)
MAPFRE ATLAS COMPAÑÍA DE SEGUROS, S.A.	Kennedy e Norte, Justino Cornejo y Avda. Luis Orrantía. Edificio Torres Atlas Guayaquil (Ecuador)	MAPFRE INTERNACIONAL, S.A.	67.6550	67.6550	(A)	(9)
MAPFRE PARAGUAY COMPAÑÍA DE SEGUROS S.A.	Avda .Mariscal López, 910 Asunción (Paraguay)	MAPFRE INTERNACIONAL, S.A.	89.5400	89.5400	(A)	(9)
MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS S.A. (Absorbed in 2022 por MAPFRE PERU VIDA CIA. DE SEGUROS Y REASEGUROS)	Avda. Veintiocho de Julio, 873 Miraflores- Lima 18 (Perú)	MAPFRE INTERNACIONAL, S.A.	0.0000	99.2902	(H)	(H)
		MAPFRE PERÚ CIA. SEGUROS Y REASEGUROS S.A.	1.4134	1.4134		
MAPFRE PERÚ ENTIDAD PRESTADORA DE SALUD	Avda. Veintiocho de Julio, 873 Miraflores- Lima 18 (Perú)	MAPFRE INTERNACIONAL, S.A.	98.5866	98.5866	(A)	(9)
		MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	0.0000	4.4771		
MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS S.A. (in 2021 Mapfe Peru Vida cia. de Seguros y Reaseguros)	Avda. Veintiocho de Julio, 873 Miraflores- Lima 18 (Perú)	MAPFRE INTERNACIONAL, S.A.	99.5900	95.3906	(A)	(1)
		MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	0.0000	4.4771		
CORPORACIÓN FUNERARIA, S.A.	Avda. Veintiocho de Julio, 873 Miraflores- Lima 18 (Perú)	MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	100.0000	100.0000	(A)	(1)
APOINT S.A.	Col. 993 Piso 3, Montevideo (Uruguay)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(9)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MAPFRE URUGUAY SEGUROS S.A.	Juncal 1385, piso 2, Montevideo (Uruguay)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(9)
MAPFRE LA SEGURIDAD C.A. DE SEGUROS	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14. Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)	MAPFRE INTERNACIONAL, S.A.	99.5159	99.5159	(A)	(9)
CENTRO DE FORMACIÓN PROFESIONAL SEGUROS LA SEGURIDAD C.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14. Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)	MAPFRE LA SEGURIDAD C.A. DE SEGUROS	100.0000	100.0000	(A)	(9)
INVERSORA SEGURIDAD-FINANCIADORA DE PRIMAS, C.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14. Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)	MAPFRE LA SEGURIDAD C.A. DE SEGUROS	100.0000	100.0000	(A)	(9)
CLUB MAPFRE S.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14. Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)	MAPFRE LA SEGURIDAD C.A. DE SEGUROS	100.0000	100.0000	(A)	(9)
AUTOMOTRIZ MULTISERVICAR-VENEZUELA, C.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14. Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)	MAPFRE LA SEGURIDAD C.A. DE SEGUROS	97.0000	97.0000	(A)	(9)
AMA-ASISTENCIA MÉDICA ADMINISTRADA, C.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14. Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)	MAPFRE INTERNACIONAL, S.A.	99.7000	99.7000	(A)	(9)
UNIDAD EDUCATIVA D,R FERNANDO BRAVO PÉREZ C.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14. Urbanización La Castellana. Chacao, Estado Miranda (Venezuela)	MAPFRE LA SEGURIDAD C.A. DE SEGUROS	99.7000	99.7000	(A)	(9)
NORTH AMERICA						
MAPFRE INSURANCE COMPANY OF FLORIDA	5959 Blue Lagoon Drive, Suite 400, Miami (EE.UU.)	COMMERCE INSURANCE	100.0000	100.0000	(A)	(7)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MAPFRE INSURANCE COMPANY	100 Campus Drive New Jersey 07932-2007 (EE.UU.)	COMMERCE INSURANCE	100.0000	100.0000	(A)	(7)
MAPFRE INTERMEDIARIES	5959 Blue Lagoon Drive, Suite 400, Miami (EE.UU.)	COMMERCE INSURANCE	100.0000	100.0000	(A)	(7)
MAPFRE USA CORPORATION INC	211 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
THE COMMERCE INSURANCE COMPANY	211 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(7)
THE CITATION INSURANCE COMPANY	211 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(7)
MAPFRE TECH USA CORPORATION	211 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(1)
ACIC HOLDINGS COMPANY, INC.	215 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(1)
AMÉRICAN COMMERCE INSURANCE COMPANY	3590 Twin Creeks Drive, Columbus, OH 43204 (EE.UU.)	ACIC HOLDINGS	100.0000	100.0000	(A)	(7)
MM REAL ESTATE, LLC	Blue Lagoon, Drive Suite, 200 Miami (EE.UU.)	COMMERCE INSURANCE	100.0000	100.0000	(A)	(7)
THE COMMERCE WEST INSURANCE COMPANY	4301 Hacienda Drive, Suite 200, Pleasanton, CA 94588 (EE.UU.)	ACIC HOLDINGS	100.0000	100.0000	(A)	(7)
BIGELOW & OLD WORCESTER, LLC	211 Main Street, Webster, MA 01570 (EE.UU.)	COMMERCE INSURANCE	100.0000	100.0000	(A)	(7)
BFC HOLDING CORPORATION	211 Main Street, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(1)
VERTI INSURANCE COMPANY	211 Main St, Webster, MA 01570 (EE.UU.)	MAPFRE USA CORPORATION	100.0000	100.0000	(A)	(7)
AUTO CLUB MAPFRE INSURANCE	4400 Easton Commons Way, Suite 125, Columbus, OH 43219 (EE.UU.)	MAPFRE USA CORPORATION	68.3800	0.0000	(G)(A)	(G)(7)
MAPFRE ASSISTANCE USA INC.	7300 Corporate Center Drive, Suite 601, Miami, FL 33126 (EE.UU.)	MAPFRE ASISTENCIA, S.A.			(A)	(1)
		MAPFRE USA CORPORATION INC	100.0000	100.0000		
MAPFRE WARRANTY CORPORATION OF FLORIDA	5959 Blue Lagoon Drive, Suite 400 Miami, FL 33126 (EE.UU.)	MAPFRE ASSISTANCE USA INC	100.0000	100.0000	(A)	(1)
CENTURY AUTOMOTIVE SERVICES COMPANY	6565 Americas Parkway NE, Suite 1000, Albuquerque NM 87110 (EE.UU.)	MAPFRE ASSISTANCE USA INC	100.0000	100.0000	(A)	(1)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
FEDERAL ASSIST COMPANY	7300 Corporate Center Drive, Suite 601, Miami Florida 33126 (EE.UU.)	MAPFRE ASSISTANCE USA INC.	100.0000	100.0000	(A)	(1)
MAPFRE PRAICO CORPORATION	Urb. Tres Monjitas Industrial, 297. Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE PRAICO INSURANCE COMPANY	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
MAPFRE PAN AMERICAN INSURANCE COMPANY	Urb. Tres Monjitas Industrial, 297. Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
MAPFRE INSURANCE AGENCY OF PUERTO RICO, INC.	Urb. Tres Monjitas Industrial, 297. Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
MAPFRE FINANCE OF PUERTO RICO CORP.	Urb. Tres Monjitas Industrial, 297. Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
MAPFRE LIFE INSURANCE COMPANY OF PUERTO RICO	Urb. Tres Monjitas Industrial, 297. Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
MAPFRE SOLUTIONS, INC	Urb. Tres Monjitas Industrial, 297. Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico))	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
MULTISERVICAR INC	Calle Celestial Esq. Joaquina Bo. Cangrejo Arriba Carolina (Puerto Rico)	MAPFRE PRAICO CORPORATION	100.0000	100.0000	(A)	(1)
EURASIA						
VERTI VERSICHERUNG AG	Rheinstraße, 7a 14513 Teltow (Alemania)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)
VERTI ASSICURIZIONI S.P.A.	Via Alessandro Volta, 16 20093 Cologno Monzese MI (Italia)	MAPFRE INTERNACIONAL, S.A.	100.0000	100.0000	(A)	(1)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MAPFRE MIDDLESEA P.L.C.	Middle Sea House Floriana JTL, 16 (Malta)	MAPFRE INTERNACIONAL, S.A.	55.8325	55.8325	(A)	(1)
MAPFRE M.S.V. LIFE P.L.C.	Middle Sea House Floriana FRN 9010 (Malta)	MAPFRE MIDDLESEA INSURANCE P.L.C.	50.0000	50.0000	(A)	(1)
BEE INSURANCE MANAGEMENT LTD	4th Floor Development House St. Anne Street Floriana FRN 9010 (Malta)	MAPFRE MIDDLESEA INSURANCE P.L.C.	100.0000	100.0000	(A)	(1)
GROWTH INVESTMENTS LIMITED	Piazza Papa Giovanni XXIII, Floriana, FRN 1420 (Malta)	MAPFRE M.S.V. LIFE P.L.C.	100.0000	100.0000	(A)	(4)
CHURCH WARF PROPERTIES	Middle Sea House, St. Publius Street Floriana FRN 1442 (Malta)	MAPFRE MIDDLESEA INSURANCE P.L.C.	50.0000	50.0000	(B)	(10)
		MAPFRE M.S.V. LIFE P.L.C.	50.0000	50.0000		
EURO GLOBE HOLDINGS LIMITED	Middle Sea House, St. Publius Street Floriana FRN 1442 (Malta)	MAPFRE MIDDLESEA INSURANCE P.L.C.	100.0000	100.0000	(B)	(10)
EUROMED RISKS SOLUTIONS LIMITED	4th Floor Development House St. Anne Street Floriana FRN 9010 (Malta)	BEE INSURANCE MANAGEMENT LTD	100.0000	100.0000	(A)	(1)
MAPFRE SIGORTA, A.S.	Yenişehir Mah. Irmak Cad. N° 11. 34435 Salipazari Estambul (Turquía)	MAPFRE INTERNACIONAL, S.A.	99.7450	99.7450	(A)	(1)
MAPFRE YASAM SIGORTA, A.S.	Yenişehir Mah. Irmak Cad. N° 11. 34435 Salipazari Estambul (Turquía)	MAPFRE SIGORTA, A.S.	99.7778	99.7778	(A)	(1)
GENEL SERVİS YEDEK PARÇA DAGITIM TICARET A.S	Çevreyolu Caddesi N° 2 34020 Bayrampaşa Estambul (Turquía)	MAPFRE SIGORTA, A.S.	51.0000	51.0000	(A)	(1)
MAPFRE INSULAR INSURANCE CORPORATION (Salida por venta en 2022)	Acacia Ave Mandrigal Business Park Ayala Alabarg Muntinlupa City (Filipinas)	MAPFRE INTERNACIONAL, S.A.	0.0000	74.9384	(H)	(H)
PT ASURANSI BINA DANA ARTA TBK (Sold in 2022)	Plaza ABDA, 27th floor, Jl. Jend. Sudirman Kav. 59 JAKARTA 12190 (Indonesia)	MAPFRE INTERNACIONAL, S.A.	0.0000	62.3264	(H)	(H)
ASSISTANCE						
MAPFRE ASISTENCIA COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A.	Ctra. Pozuelo, 52 Majadahonda Madrid (España)	MAPFRE, S.A.	99.9970	99.9970	(A)	(1)
		MAPFRE ESPAÑA, S.A.	0.0030	0.0030		
IBERO ASISTENCIA, S.A.	Edificio Europa, Avda. José Malhoa, 16 F, 7º, 1070-159 Lisboa (Portugal)	MAPFRE ASISTENCIA, S.A.	100.0000	100.0000	(A)	(1)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MAPFRE ASISTENCIA LTDA	Alameda Rio Negro 503, 24º andar, sala 2414 Barueri/SP, CEP 06454-000 São Paulo (Brasil)	MAPFRE ASISTENCIA, S.A.	99.9990	99.9990	(A)	(1)
		MAPFRE BRASIL PARTICIPAÇÕES, S.A.	0.0010	0.0010		
AFRIQUE ASSISTANCE, S.A.	Immeuble Tamayouz, 4ème Etage, 1082 Centre Urbain Nord Tunis 1002 (Túnez)	MAPFRE ASISTENCIA, S.A.	49.0000	49.0000	(A)	(1)
SERVICIOS GENERALES VENEASISTENCIA, S.A.	4ª transversal de Montecristo Edificio Axxa, Planta Baja. Los Dos Caminos, Caracas, (Venezuela)	MAPFRE ASISTENCIA, S.A.	99.9980	99.9980	(A)	(1)
		MAPFRE RE, S.A.	0.0020	0.0020		
ANDIASISTENCIA COMPAÑÍA DE ASISTENCIA DE LOS ANDES, S.A.S	Carrera 14, Nº 96 -34 Piso 2 Bogotá (Colombia)	MAPFRE ASISTENCIA, S.A.	98.0900	98.0900	(A)	(1)
		IBEROASISTENCIA S.A.	1.9100	1.9100		
IBEROASISTENCIA, ARGENTINA S.A.	Lavalle 344/346/348, PB y 3º. Ciudad de Buenos Aires (Argentina)	MAPFRE ASISTENCIA, S.A.	98.4200	98.4200	(A)	(1)
		IBEROASISTENCIA S.A.	1.5800	1.5800		
SUR ASISTENCIA, S.A.	Avda .Apoquindo 4499, Santiago de Chile (Chile)	MAPFRE ASISTENCIA, S.A.	99.0000	99.0000	(A)	(1)
		IBEROASISTENCIA S.A.	1.0000	1.0000		
IBEROASISTENCIA, S.A.	Ctra, Pozuelo, 52 Majadahonda. Madrid (España)	MAPFRE ASISTENCIA, S.A.	99.9300	99.9300	(A)	(1)
		MAPFRE ESPAÑA, S.A.	0.0700	0.0700		
IRELAND ASSIST, LTD	22-26 Prospect Hill Galway (Irlanda)	MAPFRE ASISTENCIA, S.A.	100.0000	100.0000	(A)	(1)
GULF ASSIST, B.S.C. (Sold in 2022)	Manama Centre Building Manama (Barhrain)	MAPFRE ASISTENCIA, S.A.	0.0000	74.6250	(H)	(H)
MAPFRE INSURANCE SERVICES AUSTRALIA PTY LTD. (Sold in 2022)	Suite 4 Level 1, 19 Harris Street, Pymont NSW 2009 Sydney, NSW 2000 (Australia)	MAPFRE ASISTENCIA, S.A.	0.0000	100.0000	(H)	(H)
EUROSOS ASSISTANCE, S.A	473 Messogion Avenue 15343 Agia Paraskevi. Atenas (Grecia)	IBEROASISTENCIA S.A.	0.0000	0.5000	(C)	(3)
		MAPFRE ASISTENCIA, S.A.	25.0000	99.5000		
CARIBE ASISTENCIA, S.A.	Avda. Tiradentes Esq. Pres. González. Edif. La Cumbre. Ens. Naco. Domingo (República Dominicana)	MAPFRE ASISTENCIA, S.A.	83.5823	83.5823	(A)	(1)
ECUASISTENCIA, S.A.	Avda. Doce de Octubre, Nº 42 -562 Nº42 -562 y Luis Cordero Quito (Ecuador)	MAPFRE ASISTENCIA, S.A.	99.2600	99.2600	(A)	(1)
		ANDIASISTENCIA S.A.	0.7399	0.7399		

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MÉXICO ASISTENCIA, S.A	Avda. Insurgentes Sur, Nº 2453, Piso 15. Col. Tizapán San Ángel Deleg. Álvaro Obregón. C.P. 01090 México D.F. (México)	MAPFRE ASISTENCIA, S.A.	99.9998	99.9998	(A)	(1)
PANAMÁ ASISTENCIA, S.A.	Costa del Este - Avenida la Rotonda, Torre GMT, Piso 1 - Edificio Mapfre Ciudad de Panamá (Panamá)	MAPFRE ASISTENCIA, S.A.	84.0000	84.0000	(A)	(1)
TUR ASSIST, LTD. (Sold in 2022)	19 Mayıs Cd.İsmet Öztürk Sk. Şişli Plaza Ofis Blokları E Blok B-2 Şişli Estambul (Turquía)	MAPFRE ASISTENCIA, S.A.	0.0000	99.8300	(H)	(H)
		IBEROASISTENCIA S.A.	0.0000	0.1700		
URUGUAY ASISTENCIA,S.A.	Plaza Cagancha 1335, oficina 901 Montevideo (Uruguay)	MAPFRE ASISTENCIA, S.A.	97.3317	97.9000	(A)	(1)
		IBEROASISTENCIA S.A.	2.6683	2.1000		
QUETZAL ASISTENCIA, S.A.	8a. Avda. 3-80 Zona 14. Edificio La Rambla II nivel 5 Of. 5-2 (Guatemala)	MAPFRE ASISTENCIA, S.A.	99.9920	99.9920	(A)	(1)
EL SALVADOR ASISTENCIA, S.A.	Alameda Roosevelt Nº 3107. Edificio La Centro Americana, Nivel 7. San Salvador (El Salvador)	MAPFRE ASISTENCIA, S.A.	99.9900	99.9900	(A)	(1)
		IBEROASISTENCIA S.A.	0.0100	0.0100		
NICASSIST, S.A.	Edificio Invercasa, Torre II, piso 5, módulo # 501 Managua (Nicaragua)	MAPFRE ASISTENCIA, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE WARRANTY S.P.A.	Strada Trossi, 66 13971 Verrone (Italia)	MAPFRE ASISTENCIA, S.A.	100.0000	100.0000	(A)	(1)
NORASSIST, INC D/B/A ROAD CANADA (Sold in 2022)	2445 Eagle Steet, North Cambridge. ON N3H 4R7, (Canadá)	MAPFRE ASISTENCIA, S.A.	0.0000	100.0000	(H)	(H)
ROAD CHINA ASSISTANCE Co, LTD	Suite 603, Zhongyu Plaza, A6 Gongti North Road, Chaoyang District, Beijing, PR (China)	MAPFRE ASISTENCIA, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE ABRAXAS SOFTWARE, LTD (Dissolved in 2022)	9, Blenheim Court Beaufort, Park Almondsbury, Bristol BS32 4NE (Reino Unido)	MAPFRE ASISTENCIA, S.A.	0.0000	100.0000	(H)	(H)
ABRAXAS INSURANCE	1 Victoria Street, Bristol Bridge Bristol BS1 6AA (Reino Unido)	MAPFRE ABRAXAS SOFTWARE, LTD	100.0000	100.0000	(A)	(1)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
INDIA ROADSIDE ASSISTANCE PRIVATE LIMITED	602, Thawar Apartment, Opp. Heena Residency Main Carter Road, Kasturba Rd., Borivali (East), Mumbai 400066 - Maharashtra (India)	MAPFRE ASISTENCIA, S.A.	99.6300	99.6300	(A)	(I)
		IBEROASISTENCIA S.A.	0.3700	0.3700		
ARABA ASSIST FOR LOGISTIC SERVICES (Sold in 2022)	Abdel Hamid Sharaf Street, The plenary Center, Bldg. N° 74, 2nd floor P.O. Box 5906 Amman 11953 (Jordania)	GULF ASSIST, B.S.C.	0.0000	100.0000	(H)	(H)
ROADSIDE ASSIST ALGERIE SPA	45, Rue des Freres Adessalami 5eme étage, Vieux Kouba, Alger 16050 (Argelia)	MAPFRE ASISTENCIA, S.A.	60.3000	60.3000	(A)	(I)
		IBEROASISTENCIA S.A.	0.4000	0.4000		
		CONSULTING SOL. Y TEC. SIAM	0.3000	0.3000		
NILE ASSIST	18th Floor, Apartment N° 1804 of Holiday Inn Maadi Hotel, building Comeish Maadi, El Cairo (Egipto)	MAPFRE ASISTENCIA, S.A.	98.0000	98.0000	(A)	(I)
		IBEROASISTENCIA S.A.	1.0000	1.0000		
		CONSULTING SOL. Y TEC. SIAM	1.0000	1.0000		
MAPFRE ASISTENCIA COMPANY LIMITED (Sold in 2022)	3F. N° 43, Sec. 1, Min-sheng E. Rd. Zhongshan District Taipei City 104 - (Taiwán)	MAPFRE ASISTENCIA, S.A.	0.0000	100.0000	(H)	(H)
MIDDLESEA ASSIST LIMITED	18ª, Europa Centre, John Lopez St., Floriana, FRN 1400 (Malta)	MAPFRE ASISTENCIA, S.A.	51.0000	51.0000	(A)	(I)
		MIDDLESEA INSURANCE P.L.C.	49.0000	49.0000		
PT MAPFRE ABDA ASSISTANCE (Sold in 2022)	Plaza Kelapa Gading (Ruko Inkopal), Blok A, n° 9 Jalan. Raya Boulevard Barat Kelapa Gading 14240 Jakarta Utara (Indonesia)	MAPFRE ASISTENCIA, S.A.	0.0000	51.0000	(H)	(H)
		PT ASURANSI BINA DANA ARTA TBK	0.0000	49.0000		
PARAGUAY ASISTENCIA CÍA. DE SERVICIOS S.A.	Avda. Mariscal López, 930, Asunción (Paraguay)	MAPFRE ASISTENCIA, S.A.	98.9500	98.9500	(A)	(I)
		IBEROASISTENCIA S.A.	1.0500	1.0500		
REINSURANCE						
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	Paseo de Recoletos, 25. Madrid (España)	MAPFRE, S.A.	94.2086	93.7719	(A)	(I)
		MAPFRE ESPAÑA, S.A.	0.0003	0.0003		
MAPFRE CHILE REASEGUROS, S.A.	Avda. Apoquindo, 4499, Santiago de Chile (Chile)	MAPFRE RE, S.A.	99.9900	99.9900	(A)	(I)
CAJA REASEGURADORA DE CHILE S.A.	Avda. Apoquindo, 4499, Santiago de Chile (Chile)	MAPFRE CHILE REASEGUROS S.A.	99.8467	99.8467	(A)	(I)
C R ARGENTINA, S.A.	Bouchard 547, piso 14, Buenos Aires (Argentina)	MAPFRE CHILE REASEGUROS S.A.	99.9960	99.9960	(A)	(I)

Name	Address	Holder	Participation in Capital		Consolidation method	Integration method for Solvency
			Percentage			
			2022	2021		
MAPFRE RE DO BRASIL COMPAÑÍA DE REASEGUROS S.A.	Rua Olimpíadas, 242, 5º andar. Conjunto 52 Vila Olímpia; São Paulo (Brasil)	MAPFRE RE, S.A.	99.9999	99.9999	(A)	(1)
		MAPFRE ASISTENCIA LTDA	0.0001	0.0001		
MAPFRE RE ESCRITORIO DE REPRESENTACIÓN COMPAÑÍA DE REASEGUROS	Rua Olimpíadas, 242, 5º andar. Conjunto 52 Vila Olímpia; São Paulo (Brasil)	MAPFRE RE, S.A.	99.9999	99.9999	(B)	(10)
		MAPFRE RE DO BRASIL S.A.	0.0001	0.0001		
INMOBILIARIA PRESIDENTE FIGUEROA ALCORTA, S.A.	Boucharard 547, piso 14 B. Aires (Argentina)	MAPFRE RE, S.A.	99.9985	99.9985	(B)	(10)
MAPFRE MANDATOS Y SERVICIOS, S.A. (Liquidated in 2022)	Boucharard 547, piso 14 B. Aires (Argentina)	MAPFRE RE, S.A.	0.0000	95.0000	(H)	(H)
		MAPFRE ARGENTINA HOLDING	0.0000	5.0000		
REINSURANCE MANAGAMENT INC.	100 Campus Drive 07932, New Jersey (EE.UU.)	MAPFRE RE, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE EURO BONDS FUND	Ctra. Pozuelo, 50. Majadahonda (Madrid)	MAPFRE RE, S.A.	100.0000	100.0000	(A)	(3)
MAPFRE RE VERMONT CORPORATION	122 Cherry Tree Hill Road, 05651 East Montpelier Vermont (EE.UU.)	MAPFRE RE, S.A.	100.0000	100.0000	(A)	(1)
RISK MED SOLUTIONS, S.L.	Paseo de Recoletos, 25. Madrid (España)	MAPFRE RE, S.A.	100.0000	100.0000	(A)	(1)
OTHER						
FRE INTERNACIONAL S.A.	Ctra. Pozuelo, 52. Majadahonda. Madrid (España)	MAPFRE, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE INVESTMENT S.A.	Avda. 18 de Julio, 841 Montevideo (Uruguay)	MAPFRE, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE AM INVESTMENT HOLDING, S.A. (Merged with Mapfre S.A. in 2022)	Ctra. Pozuelo, 52. Majadahonda. Madrid (España)	MAPFRE, S.A.	0.0000	100.0000	(H)	(H)
LA FINANCIERE RESPONSABLE	52, rue de Ponthieu 75008, Paris (Francia).	MAPFRE S.A.	24.9500	24.9500	(C)	(3)
STABLE INCOME REAL STATE FUN GP S.A.R.L.	15, rue Bender L-1229 (Luxemburgo)	MAPFRE S.A.	100.0000	100.0000	(A)	(10)
MAPFRE GLOBAL RISK AGENCIA DE SUSCRIPCIÓN	Ctra. Pozuelo, 52. Majadahonda. Madrid (España)	MAPFRE, S.A.	100.0000	100.0000	(A)	(1)
MAPFRE PARTICIPACIONES, S.A.	Ctra. Pozuelo, 52. Majadahonda. Madrid (España)	MAPFRE, S.A.	0.0000	100.0000	(H)	(H)
SOLUNION SEGUROS DE CRÉDITO S.A.	Avda. General Perón, 40. Madrid (España)	MAPFRE S.A.	50.0000	50.0000	(E)	(3)
ALMA MUNDI INSURTECH FUND, FCRE	Pza. Santa Bárbara, 2. Madrid (España)	MAPFRE S.A.	26.3992	28.4600	(F)(C)	(F)(3)
ALMA MUNDI INSURTECH II FUND, FCRE	Pza. Santa Bárbara, 2. Madrid (España)	MAPFRE S.A.	35.4700	0.0000	(G)(C)	(G)(3)
SANTANDER MAPFRE HIPOTECA INVERSA EFC, S.A.	Calle Juan Ignacio Luca de Tena, 11. Madrid (España)	MAPFRE S.A.	50.0000	0.0000	(G)(C)	(G)(3)

CONSOLIDATION METHOD OR PROCEDURE

- (A) Subsidiaries consolidated by global integration
- (B) Subsidiaries excluded from consolidation
- (C) Equity-accounted associated and investee companies
- (D) Associated and investee companies excluded from consolidation
- (E) Joint ventures consolidated using the equity method
- (F) Companies added to the scope of consolidation in 2021
- (G) Companies added to the scope of consolidation in 2022
- (H) Companies removed from the scope of consolidation in 2022

INTEGRATION METHOD FOR SOLVENCY CALCULATION

- (1) Full consolidation
- (3) Adjusted equity-accounting
- (4) Sectorial standards
- (7) Local standards
- (9) Exclusion from the scope of group supervision, pursuant to article 214 of Directive 2009/138/EC
- (10) Consolidated as an equity investment
- (* MAPFRE holds the majority voting rights in the Annual General Shareholders' Meeting

APPENDIX 2

FINANCIAL INFORMATION FOR MAIN COMPANIES AT DECEMBER 31, 2022

Name	Effective tax rate	Activity	Year-end figures (thousand euros)			
			Assets	Equity	Revenue	Result for the year
IBERIA						
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	25 % (1)(2)	Insurance and reinsurance	8,643,913	1,528,942	5,730,860	134,411
VERTI ASEGURADORA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	25 % (1)(2)	Insurance and reinsurance	183,656	64,501	104,458	(2,823)
FUNESPAÑA, S.A.U.	25 % (1)	Burial services	89,676	87,676	1,334	840
FUNESPAÑA DOS, S.A.	25 % (1)	Burial services	133,401	93,984	23,901	1,709
MAPFRE VÍDEO Y COMUNICACIÓN S.A.	25 % (1)	Asset Management	81,963	79,344	9,430	2,372
SANTANDER MAPFRE SEGUROS Y REASEGUROS S.A.	25 % (2)	Insurance and reinsurance	125,680	63,857	71,796	(23)
MAPFRE INMUEBLES, S.G.A.	25 % (1)	Real Estate	550,194	485,766	15,180	(13,616)
MAPFRE TECH, S.A.	25 % (1)(2)	IT	91,926	27,926	233,582	(631)
MAPFRE SEGUROS GERAIS S.A.	21 %	Insurance and reinsurance	226,356	50,947	112,963	2,528
MAPFRE SEGUROS DE VIDA S.A.	21 %	Insurance	332,661	31,151	38,167	1,403
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	25 % (1)(2)	Insurance and reinsurance	13,660,685	1,300,249	2,618,913	237,900
MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.	25 % (1)(2)	Investment company	151,434	111,651	111,492	53,520
BANKINTER SEGUROS DE VIDA, S.A.	25 % (2)	Insurance and reinsurance	1,942,758	100,926	443,465	69,167
BRAZIL						
MAPFRE SEGUROS GERAIS S.A.	34 %	Insurance	2,589,951	434,105	1,773,774	8,928
MAPFRE VIDA S.A.	34 %	Insurance	180,828	79,740	165,666	7,897
MAPFRE PREVIDENCIA S.A.	34 %	Insurance	559,662	23,784	123,196	(1,837)
ALIANÇA DO BRASIL SEGUROS, S.A.	34 %	Insurance	231,667	42,987	218,936	8,516
BRASILSEG COMPANHIA DE SEGUROS S.A. (3)	34 %	Insurance	3,737,368	325,649	0	0

Year-end figures (thousand euros)

Name	Effective tax rate	Activity	Assets	Equity	Revenue	Result for the year
LATAM NORTH						
MAPFRE SEGUROS HONDURAS S.A.	25 %	Insurance	113,691	28,933	103,377	4,544
MAPFRE PANAMÁ S.A.	25 %	Insurance	382,394	84,470	263,090	(7,598)
MAPFRE SEGUROS EL SALVADOR, S.A.	30 %	Insurance	104,233	22,693	105,170	4,226
MAPFRE SEGUROS GUATEMALA S.A.	25 %	Insurance	93,954	25,386	109,891	5,236
MAPFRE SEGUROS COSTA RICA, S.A.	30 %	Insurance	77,145	21,266	83,186	2,099
MAPFRE BHD COMPAÑÍA DE SEGUROS, S.A.	27 %	Insurance	286,006	64,012	213,784	7,988
MAPFRE SALUD ARS	27 %	Insurance	104,269	40,990	270,800	7,739
MAPFRE MEXICO S.A.	30 %	Insurance	1,825,777	279,205	1,085,008	28,259
LATAM SOUTH						
MAPFRE ARGENTINA SEGUROS S.A.	25 %	Insurance	272,297	70,379	257,342	1,013
MAPFRE COMPAÑÍA DE SEGUROS GENERALES DE CHILE S.A.	27 %	Insurance	911,761	61,177	403,693	4,675
MAPFRE COMPAÑÍA DE SEGUROS DE VIDA DE CHILE S.A.	27 %	Insurance	62,034	13,917	13,237	2,316
MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	35 %	Insurance	471,572	83,328	368,966	5,995
MAPFRE COLOMBIA VIDA SEGUROS S.A.	35 %	Insurance	703,938	19,008	161,787	40,814
MAPFRE ATLAS COMPAÑÍA DE SEGUROS, S.A.	25 %	Insurance	86,905	13,439	74,965	1,667
MAPFRE PARAGUAY COMPAÑÍA DE SEGUROS S.A.	10 %	Insurance	102,915	38,217	75,973	(6,264)
MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	29.5 %	Insurance	1,554,821	159,055	712,813	46,701
MAPFRE URUGUAY SEGUROS S.A.	25	Insurance	189,930	32,556	132,469	8,335
NORTH AMERICA						
MAPFRE INSURANCE COMPANY	21 %	Insurance and reinsurance	70,718	21,635	49,242	(2,141)
THE COMMERCE INSURANCE COMPANY	21 %	Insurance	2,421,049	636,906	1,656,477	(18,003)
THE CITATION INSURANCE COMPANY	21 %	Insurance	175,658	55,205	120,608	(4,713)
AMERICAN COMMERCE INSURANCE COMPANY	21 %	Insurance	294,591	90,655	197,374	(10,057)
THE COMMERCE WEST INSURANCE COMPANY	21 %	Insurance	157,056	48,879	112,736	1,854
CENTURY AUTOMOTIVE SERVICES COMPANY	21 %	Specialty risks	378,365	7,483	252,402	1,353
MAPFRE PRAICO INSURANCE COMPANY	21 %	Insurance	814,712	163,303	319,823	11,155
MAPFRE PAN AMERICAN INSURANCE COMPANY	21 %	Insurance	91,974	40,159	46,530	4,139

Year-end figures (thousand euros)

Name	Effective tax rate	Activity	Assets	Equity	Revenue	Result for the year
EURASIA						
VERTI VERSICHERUNG AG	30 %	Insurance	687,978	159,294	391,037	9,276
VERTI ASSICURIZIONI S.P.A.	24 %	Insurance	891,204	262,675	216,650	(2,365)
MAPFRE MIDDLESEA P.L.C.	35 %	Insurance	145,658	33,781	89,893	4,305
MAPFRE M.S.V. LIFE P.L.C.	35 %	Insurance	2,356,682	223,942	352,275	11,489
MAPFRE SIGORTA, A.S.	23 %	Insurance	491,012	58,736	440,197	(40,536)
ASSISTANCE						
MAPFRE ASISTENCIA COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A.	25 % (1)(2)	Insurance and reinsurance	347,165	139,162	231,702	6,090
REINSURANCE						
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	25 % (1)(2)	Reinsurance	10,537,071	1,846,550	8,387,152	129,914
MAPFRE RE DO BRASIL COMPAÑÍA DE REASEGUROS S.A.	34 %	Insurance and reinsurance	450,740	42,959	301,575	8,971
MAPFRE RE VERMONT CORPORATION	21 %	Insurance and reinsurance	388,572	47,652	330,005	(681)
OTHERS						
SOLUNION SEGUROS DE CRÉDITO S.A.	25 %	Insurance and reinsurance	560,814	124,295	280,286	9,579

TAX GROUP

(1) Company belonging to Tax Group 9/85

(2) Company belonging to VAT Group 87/10

(3) Confidential non-public information as of the current date

CONSOLIDATED MANAGEMENT REPORT



The content of this Consolidated Management Report (hereinafter "the Report") was prepared in accordance with the recommendations set out in the "Guide for the preparation of management reports by listed companies" published by the Spanish National Securities and Exchange Commission (the "CNMV").

The Alternative Performance Measures (APM) used in this report, which correspond to those financial measures that are used but not defined or explained in the applicable financial information framework, can be consulted at the following web page: <https://www.mapfre.com/media/shareholders/2022/2022-03-22-alternate-performance-measures-previo.pdf>

Some of the figures included in this Report have been rounded. Therefore, discrepancies may occur in the tables between the totals and the amounts listed due to this rounding.

ORGANIZATION OVERVIEW

BUSINESS MODEL

MAPFRE's Vision is to "YOUR TRUSTED GLOBAL INSURANCE COMPANY" for all our clients worldwide. We make this happen by leveraging a global presence and with a wide range of insurance, reinsurance and service products. We aspire to lead the markets we operate in through our proprietary and differentiated management model, which is sustainable and based on transformation and innovation to achieve profitable growth, with a clear and determined customer orientation, both private and enterprise, creating relationships founded on fairness and transparency, and with a multi-channel approach and a deep dedication to service.

Our corporate Purpose, the reason for the company's day-to-day existence, is defined when we tell the client that "We are by your side every step of the way, accompanying you to move forward with peace of mind, contributing to the development of a more sustainable and supportive society". In other words, we help them in the present and also in the future, because we are prepared to support them and offer what they need, not just today, but also down the line, just as we have been doing for many years. Because in an uncertain world, we are defined by the capacity of more than 250,000 employees, collaborators and providers,

giving the best service, innovating, adapting to customer needs and being there when they need us.

We execute on this commitment through the following Values, which help us make good on the Purpose and achieve the Vision of the company:

- **Solvency:** financial strength with sustainable results over time and full capacity to meet all obligations to stakeholders.
- **Innovation:** differentiation as a key aspect to delivering constant growth and improvement, with technology at the service of businesses and its objectives.
- **Service:** with the objective of delivering excellence and continuous improvement, aimed at creating more value for the client, and making service quality the relationship with the client differentiating elements.
- **Multicultural and diverse team:** attracting and retaining the best global talent to the company, and with the full involvement of employees, managers, agents and other collaborators with the MAPFRE project.

- **Integrity:** ethical action as the axis of behavior for everyone (managers, employees, agents and collaborators), with a socially responsible approach in all activities and long-term commitments.

MAPFRE's business model, which promotes profitable growth, is also geared towards contributing to the social development of the countries where we are present.

Accordingly, MAPFRE:

- Is firmly committed to growth in terms of both business volume and geographic development, generating suitable and sufficient profitability from its activities.
- Manages its business in an efficient manner and constantly improves productivity, reducing structural costs continuously in order to enhance its competitiveness.
- Professionally manages the risks it assumes, ensuring sustainable growth and results.
- Steers its development by diversifying its portfolio of insurance, reinsurance and service businesses as a means of boosting growth and minimizing risks.
- Deploys a global management model with ample capacity for local implementation, ensuring a balance between corporate involvement and business development in each country.
- Makes its resources available to the organization, thus harnessing the synergies derived from sharing talent, processes and tools.
- Promotes specialized management as a means of continuously optimizing results and enhancing service quality.

ORGANIZATIONAL STRUCTURE AND GOOD GOVERNANCE

A. Organizational structure

MAPFRE is a multinational company chiefly devoted to insurance and reinsurance activities, and operates in 38 countries worldwide.

The Group's parent company is the holding company MAPFRE S.A., the shares of which are listed on the Madrid and Barcelona stock exchanges. At year-end, the company is part of the IBEX 35, IBEX Top Dividend, FTSE All-World, FTSE Developed Europe and MSCI World Small Cap Index, as well as the FTSE4Good and FTSE4Good IBEX sustainability indexes, Bloomberg Gender Equality Index, IBEX Gender Equality Index, Ethibel Excellence and ESI Europe.

MAPFRE S.A. is a subsidiary of CARTERA MAPFRE, S.L. Sociedad Unipersonal, which is fully controlled by Fundación MAPFRE.

During 2022, the Group conducted its business activities through an organizational structure made up of four Business Units (Insurance, Asistencia, Global Risks and Reinsurance) and six Regional Areas⁽¹⁾ (Iberia (Spain and Portugal), Brazil, and LATAM North (Mexico, the sub-region of Central America and the Dominican Republic), LATAM South (Argentina, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay and Venezuela), North America (the United States, and Puerto Rico) and EURASIA⁽²⁾ (Europe, the Middle East, Africa, and Asia-Pacific).

The Insurance Business Unit is organized in line with the MAPFRE Regional Areas, which are the geographic units that plan, support and oversee the region.

The Reinsurance and GLOBAL RISKS units are integrated within MAPFRE RE.

The various Business Units' activities are supplemented by those of the Corporate Areas (Internal Audit, Strategy and M&A, Finance and Resources, Investment, Business and Clients⁽³⁾, Operations, People and Organization, External Relations and Communication, General Counsel and Legal Affairs Operation Transformation, Technology and Operations), which have global competences for all MAPFRE companies worldwide in terms of the development, implementation and monitoring of global, regional and local corporate policies.

The fact that the different MAPFRE companies belong to a business group implies, without prejudice to their legal autonomy, that they form an integral part of an organic structure that regulates their interrelations, the coordination of their activities and the oversight of the controlled companies by the controlling companies and, in the final instance, by the parent company.

The MAPFRE S.A. Board of Directors is the senior management and supervisory body for the entire Group. It features a Steering Committee that acts within all of its powers, except those which cannot be ceded by law, bylaws or the regulations of the Board of Directors, and three delegate committees (Audit and Compliance, Appointments and Remuneration, and Risk and Sustainability).

The Executive Committee is the body that exercises direct supervision over management of the Business Units and coordinates the various Areas and Units in the Group. The Transformation and Innovation Committee reports to the Executive Committee and has decision-making powers in relation to all transformation and innovation initiatives within MAPFRE.

(1) As of January 2023, LATAM NORTH and LATAM SOUTH are integrated into a single area called LATAM SOUTH-CENTER, and Mexico is considered a strategic country and ceases to belong to the regional area.

(2) The EURASIA Regional Area has been renamed to EMEA Regional Area with operational effect from January 1, 2023.

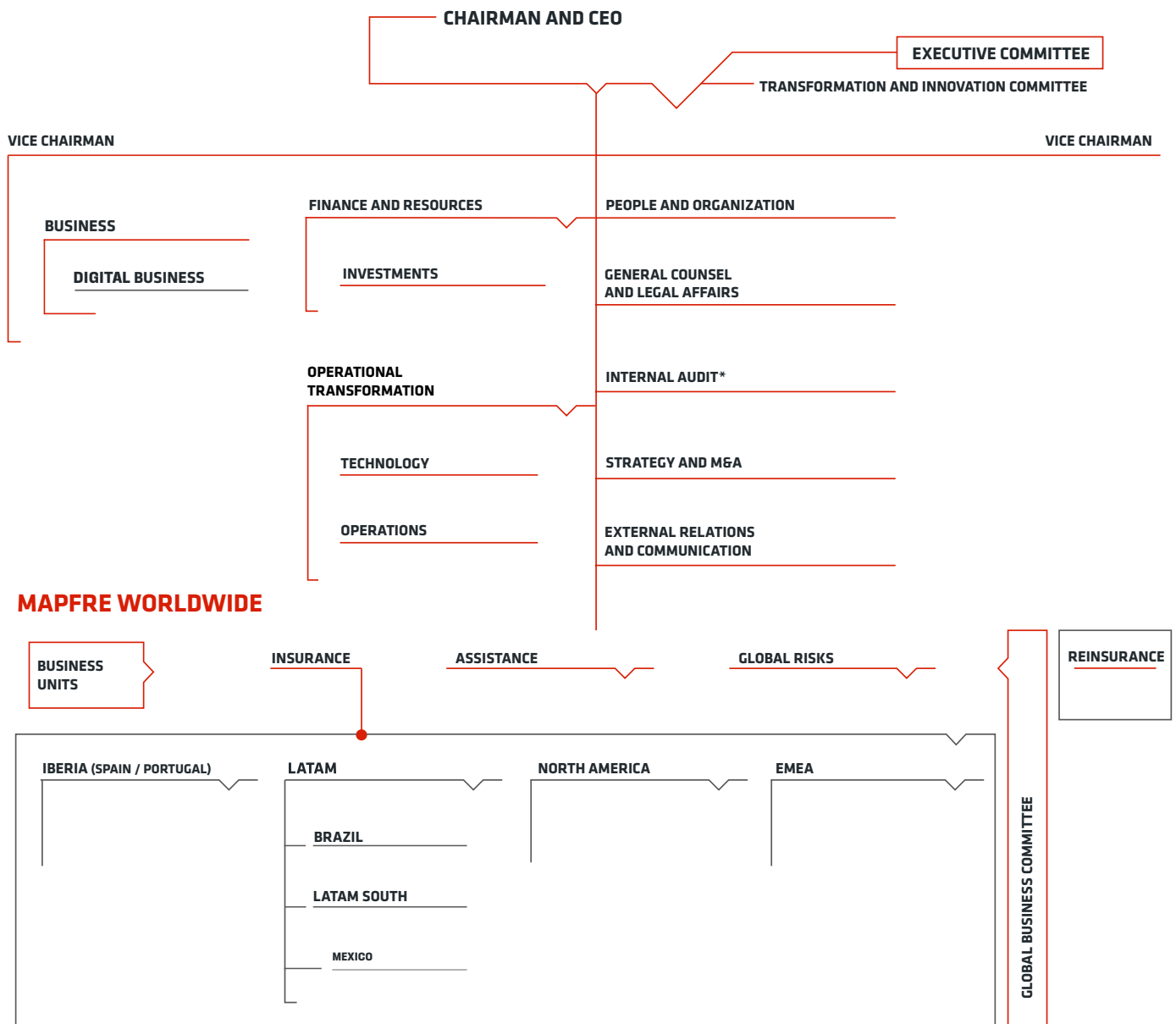
(3) The Corporate Business and Clients Area has been renamed the Corporate Business Area, with operational effect from January 1, 2023.

The Global Business Committee is also responsible for analyzing the development of MAPFRE's insurance business and services throughout the world, its compliance with approved plans, and for proposing measures to correct or improve them.

The management, coordination and supervision of the activities of the different Units and Areas are carried out, according to their respective remit, by the local, regional and business unit management committees as well as the Executive Committee.

Each of the subsidiary companies has its own governing bodies, in which the structure and complexity depend on the importance of their activities and any legal provisions that may be applicable. They usually have a Board of Directors and, depending on the importance of their activities, a Management Committee as well. In the case of shell or very small companies, these bodies are replaced by two administrators.

The Group's current organizational structure is shown in the accompanying chart.



*Reporting functionally to the Audit and Compliance Committee.

B. GOOD GOVERNANCE

MAPFRE has constantly and decidedly striven from the start to adopt the best corporate governance practices. MAPFRE's good governance practices are oriented toward creating sustained financial and social value over the long-term. The company's objective is to ensure financial stability and safeguard the interests of shareholders, while maximizing the positive impact on society as a whole.

MAPFRE is governed by the Recast Text of the Spanish Companies Act and has a series of Institutional, Business and Organizational Principles in place that have been approved by the Board of Directors of MAPFRE S.A., which, together with its Bylaws and the Board of Directors' Regulations, define the structure, composition and functions of each of its governing bodies and make up the minimum mandatory compliance framework for all of the companies in the MAPFRE Group and their respective governing bodies. In addition, MAPFRE's governance system is supplemented by a group of corporate policies⁽⁴⁾.

MAPFRE complies fully with 90.62 percent, and fully or partially with 96.87 percent, of the recommendations set out in the Spanish

National Securities Market Commission's Good Governance Code for listed companies at December 31, 2022.

The Annual Corporate Governance Report 2022 offers a detailed explanation of the structure of MAPFRE's governance system and its operation in practice⁽⁵⁾, providing the minimum content established by Article 540 of the Recast Text of the Spanish Companies Act.

Operational framework

During the financial year, the Group's activities were developed through its Business Units

The Insurance Business Unit was organized in 2022 in line with the Regional Areas⁽⁶⁾: the Iberia Regional Area, which is made up of Spain and Portugal; the Brazil Regional Area; the LATAM North Regional Area (Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama and the Dominican Republic); LATAM South (Argentina, Colombia, Chile, Ecuador, Paraguay, Peru, Uruguay and Venezuela); the North America Regional Area (United States and Puerto Rico) and the EURASIA⁽⁷⁾ Regional Area (which includes, with the exception of Spain and Portugal, operations in Europe, Africa, China, the Philippines, Japan, Malaysia and Singapore).

(4) The Institutional, Business and Organizational Principles of the MAPFRE Group and other corporate regulations are available on the Company's website (www.mapfre.com).

(5) For further information, please consult the Annual Corporate Governance Report 2022, which forms an integral part of this Consolidated Management Report.

(6) As of January 2023, LATAM NORTH and LATAM SOUTH are integrated into a single area called LATAM SOUTH-CENTER, and Mexico is considered a strategic country and ceases to belong to the regional area.

(7) The EURASIA Regional Area has been renamed to EMEA Regional Area with operational effect from January 1, 2023.

The MAPFRE distribution network is the largest in the Spanish insurance industry and one of the largest belonging to a financial group in Latin America.

MAPFRE is committed to multichannel distribution, adapting its sales structure to the legislation governing the different countries in which it operates.

Some of the key features behind the success of its business model include its client orientation, global product offering and adaptation to the legal and commercial nature of each market.

At the end of 2022, the MAPFRE global distribution network consisted of 12,387 offices. The breakdown is shown in the accompanying table.

Offices	2022	2021
IBERIA		
Direct and Delegate	3,176	3,163
Bancassurance	3,386	5,829
Subtotal IBERIA	6,562	8,992
BRAZIL		
Direct and Delegate	599	648
Bancassurance	3,983	4,368
Subtotal BRAZIL	4,582	5,016
LATAM NORTH		
Direct and Delegate	298	326
Bancassurance	167	176
Subtotal LATAM NORTH	465	502
LATAM SOUTH		
Direct and Delegate	386	396
Bancassurance	0	0
Subtotal LATAM SOUTH	386	396
NORTH AMERICA		
Direct and Delegate	6	28
Bancassurance	0	0
Subtotal NORTH AMERICA	6	28
EURASIA		
Direct and Delegate	349	381
Bancassurance	37	39
Subtotal EURASIA	386	420
TOTAL OFFICES	12,387	15,354

At the end of the year, MAPFRE's footprint in the Iberia Regional Area comprised 6,562 offices, while the Brazil Regional Area had 4,582 offices.

During 2022, more than 83,000 intermediaries, including agents, delegates and brokers, have collaborated in the distribution of products. The following table shows the composition of this group.

Sales network	2022	2021
IBERIA		
Agents	10,475	10,898
Delegates	2,879	2,865
Brokers	3,747	3,727
Subtotal IBERIA	17,101	17,490
BRAZIL		
Agents	0	0
Delegates	446	560
Brokers	19,090	19,090
Subtotal BRAZIL	19,536	19,650
LATAM NORTH		
Agents	12,728	3,688
Delegates	2,881	2,752
Brokers	4,466	5,133
Subtotal LATAM NORTH	20,075	11,573
LATAM SOUTH		
Agents	6,721	7,889
Delegates	410	446
Brokers	9,651	9,419
Subtotal LATAM SOUTH	16,782	17,754
NORTH AMERICA		
Agents	5,766	5,777
Delegates	0	15
Brokers	1,251	1,214
Subtotal NORTH AMERICA	7,017	7,006
EURASIA		
Agents	1,470	2,916
Delegates	106	141
Brokers	1,245	1,224
Subtotal EURASIA	2,821	4,281
TOTAL SALES NETWORK	83,332	77,754

(8) Source: S&P Global Ratings

MAPFRE's own networks are supplemented by the distribution capacity provided by the agreements with different companies, and especially bancassurance agreements (Banco Santander, Bankinter, Banco do Brazil, BHD Leon and Bank of Valleta, among others). MAPFRE distributed its products in 2021 through 7,573 bancassurance offices, 3,983 in Brazil, 3,386 in Spain and Portugal, 167 in LATAM North and 37 in EURASIA.

Within the insurance business, MAPFRE is the largest Spanish insurer in the world, holding 13.8 percent of the Spanish Non-Life insurance market and 7.1 percent of the country's Life segment. MAPFRE is the 10th largest insurer in Europe by premium volume and is present in nearly every country in Latin America, where it is the leading Non-Life insurance group, with a market share of 5.5 percent (according to the figures for 2021, the latest available). Furthermore, the Group's reinsurance company, MAPFRE RE, occupies position 18 in the global reinsurance ranking⁽⁸⁾.

BUSINESS PERFORMANCE AND RESULTS

ECONOMIC CONTEXT AND DEVELOPMENT OF INSURANCE MARKETS

Economic context

2022 was defined by the return of inflation. It started with energy, but quickly spread to the next levels of the production chain. General inflation surpassed 10 percent in the Eurozone and in many member states. Underlying inflation reached 5 percent in the Eurozone and 6 percent in Spain. In the United States, general inflation reached 9.1 percent and underlying reached 6.6 percent. The global economy has not seen these levels in 20 years.

The high gas prices, which impacted fertilizers as well as oil and electricity, directly affect final prices for food, which increased 20 percent in Germany and 15 percent in Spain. The cost of transportation also grew, especially flight prices, going up 30 percent in the Eurozone.

In the United States, producer prices have increased 8 percent (purchasing in general) and close to 20 percent for construction material. In the Eurozone, producer prices have also skyrocketed, reaching a maximum of 45.8 percent in Germany, while increasing 43 percent in Spain and 53 percent in Italy, influenced most significantly by energy. Producer prices, which companies have avoided passing on to the consumer, will eventually end up impacting the final price, if inflationary pressure continues.

For 2023, although it could go down as a result of the base effect, the CPI is expected to continue being high, for as long as the energy crisis continues. Hopes that the price index returns to around 2 percent seems to only be feasible for 2024. As such, the European Commission, in its projections this autumn, raised 2023 inflation expectations to 6.1 percent in the Eurozone and 7.0 percent in the whole of the European Union.

The energy crisis does not look like it is going to be resolved, due to the complications regarding Russian gas flowing toward Europe again. With regards to oil, the OPEC does not seem to be willing to increase the supply. In addition to this, the goal of shifting energy consumption toward green energies is leading the fossil fuel industry to reduce its investment in exploring, extracting and refining. This means the fuel supply will continue to be tight in the future, with the expected effect on prices. In France, there was already a fuel shortage this fall.

Central Banks continue to harden monetary conditions to control inflation, with interest rates hikes. These hikes will take time to affect bank loans (both for renewals as well as new loans) and with financial markets. As such, the Euribor will gradually be reflected in mortgages and in corporate loans.

In December, the US Federal Reserve raised interest rates to 4.5 percent, and the market expects that this could reach 4.9 percent by mid-2023. Further, it has indicated that interest rates will be high for some time. As a result, markets no longer consider an imminent scenario of inflection in the monetary policy, which will only occur when the Federal Reserve needs to defend employment levels.

The Federal Reserve has made it clear that it is determined to use all its available resources to control inflation, even if this implies a serious economic contraction. As such, the market has raised the probability of recession in the next 12 months in the United States to 65 percent, in the Eurozone to 80 percent, and in Germany to 90 percent.

In the Eurozone, the European Central Bank (ECB) is lagging behind in the rising interest rate cycle, with the market assuming that it could reach 3.25-3.50 percent by mid-2023. With recessions brewing for 2023 in some European countries (Germany and Italy in particular), the ECB will reevaluate its policy as new macroeconomic data is released.

Moreover, the strengthening of the dollar, although it lost momentum at the end of the year, is putting pressure on the whole of the international debt market issued in this currency. Additionally, many countries have had to accompany the Federal Reserve with rate hikes in order to defend their exchange rates.

In the short-term, the energy crisis is expected to continue as long as there is geopolitical pressure. The United States is using its strategic oil reserves in order to lower price tension in the market, but the OPEC wants prices to remain high. This situation, together with the lack of investment in fossil fuels, will keep prices high, at least in the short term. Energy planning in western countries, in their transition toward green energy, should keep this aspect in mind.

The following is a more detailed analysis of the most relevant markets in which MAPFRE operates:

Spain

Spanish GDP grew 5.3 percent in 2022. Among the European economies, Spain is one of the few that will escape recession in 2023, which will not prevent it from facing a small contraction at the beginning of 2023.

Inflation, although it seems to have reached maximums, will have trouble returning to previous levels. Energy costs are still high, the cost of financing is going up, and salary costs, which were contained in 2022, will possibly have to recover some of their lost ground in 2023.

Economic activity for Spain in 2023 will inevitably be marked by the rising Euribor and by inflation, which continues to be high for foods and is stabilizing at high levels for fuel. This all reduces household disposable income and will be reflected in spending. December CPI stood at 5.7 percent, with underlying inflation reaching 7.0 percent.

Regarding outlook indicators, PMIs have worsened. The manufacturing index receded to 46.4 points in December. The consumer confidence index continues getting worse (-29.9), getting close to the levels of the 2008 and 2012 crises (-37 and -39, respectively).

The IBEX 35 index fell 5.6 percent since January, closing at 8,229 points.

United States

The US economy grew 2.0 percent in 2022. The Federal Reserve has maintained its strategy of consistently raising interest rates with the aim of controlling inflation, and could only begin to worry about its other concerns – employment and economic activity – when unemployment increases.

Regarding expectations for future activity, December PMIs place the composite indicator at 45.0 points, manufacturing at 46.2 and services at 44.7 points (below the 50-point contraction level).

The hardening of financial conditions and the now expected recession have led to a 19 percent fall in the S&P and a 33 percent fall in the Nasdaq100. The 10-year Treasury bond yields have gone up from 1.51 percent at the close of the previous year to 3.88 percent at the end of December, while the 2-year bond reached 4.43 percent.

December CPI in the United States stood at 6.5 percent, already falling, but underlying inflation remained at 5.7 percent. The dollar finally gave way in the last two months of the year and closed at 1.07 euros, appreciating 6.6 percent.

The S&P500 index closed the year with a 19.4 percent fall, reaching 3,839 points.

Brazil

The Brazilian economy has behaved fairly well, with estimated growth of 3.0 percent in 2022. On the other hand, the beginning of 2023 could be more difficult, and a certain slow-down of activity is expected. For the whole of 2023, the economy is expected to grow 0.9 percent.

The interest rate cycle in Brazil has been ahead of the majority of developed and even emerging economies, and it seems to have been able to control inflation before everyone else. Interest rates could begin to go down in the second half of 2023.

Given the circumstances, the Brazilian economy is behaving well. Spending is estimated to have grown 3.8 percent and exports 2.5 percent. However, December PMIs are giving mixed signals, with a composite indicator of 49.1 points, manufacturing at 44.2 points and services at 51.0 points.

Inflation reached 5.8 percent in December, on a downward trend from the maximum of 12.1 percent in April. By item, food has increased 11.6 percent, household goods 7.9 percent, and automotive fuel went down 24 percent (the item that influences the decline the most).

In 2022, the Brazilian real appreciated 12.3 percent against the euro, closing at 0.1772 euros.

The BOVESPA index closed the year at 109,735 points, with a 4.7 percent increase.

Mexico

The Mexican economy is estimated to have grown 2.7 percent in 2022, although in the fourth quarter it will already have stood still in anticipation of the deceleration to come. Inflation, energy prices, rising interest rates, and weak private investment are factors that will persist in 2023 and will very probably cause a small economic contraction. In addition, the imminent economic slow-down in the United States will also affect the Mexican economy, due to the close economic and commercial ties between the two countries.

December PMIs are back to positive ground (51.3 points), and other industry surveys are also improving, save for investor confidence. Car sales have shown a downward trend the last six years, but that seem to have reached the “floor” in sales volume this year.

Inflation reached 7.8 percent in December, with underlying at 8.4 percent. Additionally, the increase in prices is beginning to translate to higher salaries, which in December picked up 8.4 percent year on year. The monetary policy interest rates stood at 10.5 percent after the Bank of Mexico raised rates 50 bps in December.

The exchange rate recovered 11.9 percent against the euro since the beginning of the year, closing at 0.0479 euros.

The Mexican Stock Exchange lost 9 percent in the year, closing at 48,464 points.

Development of insurance markets

Spanish market⁽⁹⁾

Despite the complex economic scenario in which the Spanish insurance sector operates, it continues to gradually recover from the decline in premiums that occurred in the first year of the COVID-19 pandemic, thanks above all to the boost in the Non-Life segment, which showed resilience during the health emergency and has maintained positive growth rates. The volume of premiums rose to 64.7 billion euros as of December 2022, 4.7 percent more than in 2021, with a 3.7 percent increase in Life volume and a 5.2 percent increase in Non-Life lines. However, these growths in the insurance business are not enough to offset an average inflation that in 2022 was around 8 percent.

As interest rates rise, the conditions for the development of some Life market modalities improve, which has had a positive behavior throughout 2022, with very similar increases in savings and risk insurance. The former have increased their premium volume by 3.7 percent and the latter by 3.8 percent. Analyzing the behavior of the different types of Life, in Life Savings the main boost came from life and temporary annuities, and Unit-Linked type products. Insurance pension plans, individual

(9) Source: ICEA

systematic savings plans, and individual long-term savings insurance (SIALP) showed decreases in premiums. Regarding managed savings, the technical provisions of the line stood at just under 194 billion euros, 1.01 percent less than in 2021.

Item	2022	2021	% Var. 22/21
Life	24,433	23,552	3.7%
Non-Life	40,240	38,247	5.2%
TOTAL Direct Insurance	64,673	61,798	4.7%

Figures in million euros

The Non-Life segment, for its part, grew by 5.2 percent in 2022, to 40.2 billion euros, with significant increases in premiums for Multirisk insurance (5.7 percent), highlighting the increases in Homeowners (5.5 percent), Industrial (8.8 percent), and Health (7 percent), due to the greater sensitivity of the population regarding health risks. Automobile insurance has started on the path of recovery in 2022, with premium volume of 11.4 billion euros, which represents an increase of 3.3 percent, thus recovering the level observed before the pandemic.

Item	2022	2021	% Var. 22/21
Automobile	11,353	10,990	3.3%
Health	10,543	9,854	7.0%
Multirisk	8,578	8,116	5.7%
Other Non-Life lines	9,765	9,287	5.1%
TOTAL NON-LIFE	40,240	38,247	5.2%

Figures in million euros

The claims ratio for the Non-Life lines rose by 0.7 percentage points (pp) as of September 2022 compared to the same period in 2021, which has resulted in the combined ratio worsening by 0.6 pp, while the expense ratio saw a slight improvement of 0.1 pp. In the Automobile line, the increase in mobility after the removal of restrictions due to COVID-19 and the current scenario of high inflation have caused an increase in the combined ratio, which in the first nine months of 2022 stood at 97.4 percent, which represents an increase of 2.6 pp compared to September 2021. For its part, Health insurance presents an increase of 0.9 pp in the claims ratio, as a result of the increase in the average cost of health benefits, as a product of the unblocking of pent-up demand during the pandemic. In Multi-risk insurance, the improvement in the loss ratio for Homeowners, Condominiums and Commercial lines led to a decrease of 1.9 pp in the combined ratio for the line. The Life technical financial result rose 6.8 percent, which offset a decrease in the result of the Non-Life technical account of 4.5 percent. Finally, in the third quarter of 2022, the Spanish insurance sector produced an aggregate profit of just under 4.1 billion euros, which represents an increase of 2.8 percent compared to the same period of the previous year.

Item	Total Non-Life		Automobile		Multirisk		Health	
	Sep. 2022	Sep. 2021	Sep. 2022	Sep. 2021	Sep. 2022	Sep. 2021	Sep. 2022	Sep. 2021
Loss ratio	69.3%	68.6%	76.5%	75.8%	62.8%	65.0%	79.1%	78.2%
Expense ratio	23.0%	23.1%	20.9%	19.0%	33.0%	32.7%	13.1%	13.0%
Combined ratio	92.3%	91.7%	97.4%	94.8%	95.8%	97.7%	92.2%	91.3%

The general increases in interest rates by central banks, high inflation, the war in Ukraine and the rise in energy prices continue to negatively affect financial markets. In Spain, the savings invested in insurance, pension plans and investment funds showed asset decreases in 2022. The volume of pension plan assets reached 115.6 billion euros as at the close of December 2022, 9.7 percent less than on the same date of the previous year, with decreases in the three systems. Year-on-year profitability at the end of December stood at -9.7 percent, as a result of the notable corrections that occurred in 2022. However, in the long and medium term, profitability remains positive: 2.8 percent at 26 years and 2.7 percent at 10 years.

Investment fund assets stood at 306.1 billion euros as at the close of December 2022, which represents a year-on-year decrease of 3.6 percent, with most investment funds registering decreases. The average return over 12 months for all the funds was negative, at -8.7 percent, with all categories posting negative returns.

Item	2022	2021	% Var. 22/21
Life insurance	193,753	195,721	-1.0%
Mutual funds	306,151	317,547	-3.6%
Pension funds	115,641	127,998	-9.7%
TOTAL	615,545	641,266	-4.0%

Figures in million euros

Latin American markets

Despite the complex economic environment in which the insurance sector operates, premium income in all Latin American markets showed very positive growth rates for the first months of 2022⁽¹⁰⁾, in local currency and at current prices, both in the Life and Non-Life businesses. The main Non-Life lines continue the positive evolution that they had already begun in 2021, with double-digit increases in most markets. Likewise, the Automobile and Health lines, which have the largest market shares in the region, continue to grow in all countries.

Country	Date	Non-Life	Life	Total
Argentina	Sep. 22	77.7%	71.6%	76.9%
Brazil	Nov. 22	24.9%	13.3%	17.4%
Chile	Sep. 22	25.7%	39.6%	32.6%
Colombia	Sep. 22	20.2%	20.9%	20.4%
Mexico	Sep. 22	10.3%	2.3%	6.6%
Peru	Nov. 22	8.3%	5.1%	6.7%
Puerto Rico	Dec. 21	8.6%	18.9%	9.6%

Source: MAPFRE Economic Research, using data from the supervisors in each country.

(10) All countries have published statistical information as of September 2022. For some markets, such as Brazil and Peru, data is available as of November 2022. The latest information published by the Puerto Rico Insurance Commissioner's Office refers to 2021.

Premiums in the Brazilian insurance sector rose by 17.4 percent in the first eleven months of 2022, with a growth rate of 13.3 percent for the Life segment and 24.9 percent for Non-Life. Automobile and Agriculture insurance performed excellently, with increases of 33.9 percent and 37.4 percent, respectively. Vida Gerador de Beneficios Livres (VGBL) insurance, which represent 74 percent of Life premiums in the Brazilian market, was up 12.5 percent against the period ending November of 2021.

Mexico, the second largest market in the region, also turned in a very favorable performance in 2022, with an increase in direct insurance premiums of 6.6 percent in the third quarter of the year, driven by Non-Life insurance lines, which grew 10.3 percent, while Life delivered more modest growth of 2.3 percent.

The rest of the large insurance markets in Latin America also presented very positive revenue data in the analyzed period, both in the Life and Non-Life segments. Chile stands out, where pension insurance premiums rose significantly, by 61 percent, (a fundamental segment in the Life line in the country), after the slight drop suffered up to the end of September 2021.

Other markets

United States⁽¹⁾

Premium income from the Life, Property & Casualty (P&C) and Health segments in the United States performed positively in the first half of 2022, with increases of 6 percent, 9.9 percent and 11 percent, respectively. Premiums and direct deposits issued for Life insurance reached 585 billion dollars in that period, with a significant boost from annuities, which rose by 12 percent, and growth in all modalities except for Accident and Illness (-1 percent). Net earnings from this market segment were 24 billion dollars, up 23 percent compared to the first six months of 2021.

Direct premiums issued in the P&C lines amounted to 434.1 billion dollars, with increases in almost all the main lines of business. This behavior was influenced by the increase in prices as a consequence of the continued hardness of the market due to inflation and the increase in the frequency and severity of catastrophic events. Sector earnings fell 14.5 percent compared to the first half of 2021, to 34 billion dollars, due to underwriting losses largely as a result of a significant deterioration in Personal Automobile insurance results due to increasing severity of civil liability claims and inflationary pressure on physical damage, and also in commercial civil liability lines, which experienced a constant upward trend in loss ratios in recent years, driven by inflation. However, the return on investment has helped to offset the decline in the technical result.

Finally, Health insurance registered an 11 percent increase in direct premiums issued, standing at 498 billion dollars. The increase is mainly due to the Medicare (19 percent) and Medicaid (13 percent) business lines. Net earnings for the line remained practically unchanged compared to the same period of the previous year.

Business performance

Revenues on operations

Item	Dec. 2022	Dec. 2021	Δ%
Total written and accepted premiums	24,540.3	22,154.6	10.8%
Financial income from investments	2,543.5	2,763.9	-8.0%
Revenue from non-insurance entities and other revenue	2,425.8	2,338.8	3.7%
Total consolidated revenues	29,509.7	27,257.2	8.3%

Figures in million euros

(1) Information obtained from the semi-annual reports of the National Association of Insurance Commissioners (NAIC) for the Property & Casualty, Life and Accident, and Health segments

The Group's consolidated revenue reached over 29.5 billion euros, with an 8.3 percent improvement.

Premiums from direct insurance and accepted reinsurance reached over 24.5 billion euros, with a 10.8 percent increase. This growth is impacted, on the one hand, by the issuing of the extraordinary multi-year policy in Mexico in June 2021 (563 million dollars) and the sale of BANKIA VIDA the same year (premiums for the amount of 159.3 million euros), and on the other hand, by the positive behavior of almost all currencies against the euro in 2022.

Eliminating the effects of the two-year policy in Mexico and BANKIA VIDA in 2021, and maintaining exchange rates constant in 2022, recurring growth would be 8.7 percent (10.8 growth in Non-Life and 2.1 growth in Life).

Non-Life premiums grew 12.5 percent, primarily from improved issuing in Auto, General P&C, and Health and Accident lines, which are up 9.7, 16.6 and 14.2 percent to December, respectively. Improvements in General P&C are thanks to

the favorable development in Brazil, the United States and Spain, while growth in Auto is primarily due to tariff increases in Brazil and the United States.

Life insurance premiums grew 5.8 percent thanks to Life Protection business, which grew 18.2 percent, primarily from business growth in Brazil, Peru, and Mexico.

Financial income from investments reached over 2.5 billion euros, 8.0 percent less than the previous year. This decrease comes primarily from Spain as a result of the BANKIA VIDA exit, as well as from lower gains in Unit-Linked products.

Finally, other revenue, which mostly includes non-insurance activity and non-technical revenue, went up 3.7 percent, primarily due to the increase of positive currency differences and the improvement of income from MAPFRE ASISTENCIA.

Earnings

The following chart gives a summary of the consolidated income statement as on December 2022, showing the various elements of MAPFRE's earnings and the comparison with the same period of the previous year.

Item	Dec. 2022	Dec. 2021	Δ%
I. REVENUE FROM INSURANCE BUSINESS	23,553.8	22,148.3	6.3%
1. Premiums earned, net	19,211.6	17,464.3	
2. Revenue from investments	2,446.1	2,671.0	
3. Positive currency differences	1,736.1	1,628.2	
4. Other technical and non-technical revenues and impairment reversals	160.0	384.8	
II. INSURANCE BUSINESS EXPENSES	(22,008.6)	(20,664.5)	-6.5%
1. Incurred claims for the year, net	(13,247.7)	(12,865.4)	
2. Net operating expenses	(5,153.9)	(4,655.4)	
3. Investment expenses	(1,605.1)	(1,035.1)	
4. Negative currency differences	(1,676.7)	(1,574.2)	
5. Other technical and non-technical expenses and impairment	(325.3)	(534.4)	
RESULT FROM THE INSURANCE BUSINESS	1,545.2	1,483.9	4.1%
III. OTHER ACTIVITIES	(87.3)	(115.6)	
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	(60.3)	(13.2)	
V. RESULT BEFORE TAXES	1,397.6	1,355.1	3.1%
VI. TAX ON PROFITS	(313.8)	(319.5)	
VII. RESULT AFTER TAX	1,083.8	1,035.6	4.7%
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	—	—	
IX. RESULT FOR THE FINANCIAL YEAR	1,083.8	1,035.6	4.7%
1. Attributable to non-controlling interests	441.6	270.4	
2. Attributable to the controlling company	642.1	765.2	-16.1%

Figures in million euros

Revenue from MAPFRE Group insurance business went up 6.3 percent. On the one hand, earned premiums grew as a result of higher issuing in the majority of operations as well as the positive exchange rate development. Revenue from investments went down as a result of the BANKIA VIDA exit from the Group, and from lower capital gains in Unit-Linked products.

The reduction in the heading "Other technical and non-technical revenues" is a result of the gain from the sale of BANKIA for the amount of 167.1 million euros, recorded in 2021.

Insurance business expenses went up 6.5 percent. The higher investment expenses due to growth of losses in Unit-Linked products in Spain and other Life Savings products in Malta are noteworthy. The increase in negative exchange differences is similar to the increase in positive differences that

were included within the heading for revenue from insurance business.

The reduction in “Other technical expenses” is a result of including, in 2021, 175 million euros for the voluntary early retirement scheme in IBERIA.

The insurance business result reached 1.5 billion euros, which is a 4.1 percent increase.

Non-Life Insurance Business (Appendix 13.5)

Non-Life insurance business results reached 823.3 million euros, with a 23.2 percent decrease compared to the same period the previous year.

The following chart provides a breakdown of the combined ratios in key Non-Life lines:

Non-Life Combined Ratio	Dec. 2020	Dec. 2021	Dec. 2022
AUTO	91.7%	100.8%	106.1%
GENERAL P&C	95.0%	91.8%	87.9%
HEALTH & ACCIDENT	94.1%	100.1%	100.1%
Total Non-Life	94.8%	97.5%	98.0%

By business line, the Auto combined ratio deteriorated, reaching 106.1 percent, as a result of the higher loss ratio. This relevant increase in losses is occurring across all Group regions, and comes from the current global high-inflation scenario as well as from the increase in mobility after the elimination of COVID restrictions.

General P&C performed favorably, with a noteworthy improvement in Agro and Burial insurance, in a better economic context for these lines.

Health and Accident has a combined ratio of 100.1 percent, the same as the previous period, from the higher losses coming from the increase in the average cost of medical services.

Life Insurance Business (Appendix 13.5)

The Life insurance technical financial result reached 721.9 million euros, a 75.2 percent increase compared to the previous year.

This improvement is due, on the one hand to the improvement of the financial yields of investments, and on the other hand to organic growth in the line, tariff increases, and the improvement in losses in the Life Protection line as a result of the positive development of the COVID pandemic.

The positive evolution of the combined ratio of the Life Protection business line is detailed in the accompanying table, which illustrates how at the end of the 2022 financial year, pre-COVID levels had been recovered, with an improvement of 11.5 percentage points compared to the previous financial year.

Combined ratio	Dec. 2020	Dec. 2021	Dec. 2022
LIFE PROTECTION	85.4%	94.6%	83.1%

Balance sheet

Item	Dec. 2022	Dec. 2021	Δ%
Goodwill	1,445.6	1,409.8	-1.8%
Other intangible assets	1,469.7	1,370.3	2.1%
Other fixed assets	217.2	238.9	-2.7%
Cash	2,574.7	2,418.9	-10.8%
Real estate	2,065.5	2,239.9	-11.4%
Financial investments	31,623.4	36,511.1	-12.7%
Other investments	2,087.1	1,220.8	20.0%
Unit-Linked investments	3,037.1	2,502.4	2.7%
Participation of reinsurance in technical provisions	6,215.4	5,378.6	2.1%
Receivables on insurance and reinsurance operations	4,787.9	4,489.5	2.2%
Deferred tax assets	642.0	221.7	114.3%
Assets held for sale	49.1	8,159.5	-87.0%
Other assets	3,411.4	2,991.2	9.5%
TOTAL ASSETS	59,626.1	69,152.6	-6.6%
Equity attributable to the Controlling company	7,289.3	8,536.0	-13.9%
Non-controlling interests	1,070.8	1,301.8	-11.0%
Equity	8,360.0	9,837.8	-13.5%
Financial debt	2,934.7	2,993.6	-5.1%
Technical provisions	41,196.8	41,692.6	-4.0%
Provisions for risks and expenses	522.2	582.6	-20.1%
Debt due on insurance and reinsurance operations	2,128.6	2,256.9	-1.8%
Deferred taxes liabilities	208.0	670.6	-61.3%
Liabilities held for sale	11.7	7,263.9	-90.6%
Other liabilities	4,264.1	3,854.7	-9.0%
TOTAL LIABILITIES	59,626.1	69,152.6	-6.6%

Figures in million euros

Total consolidated assets reached over 59.6 billion euros at December 2022 and are down 6.6 percent compared to the close of the previous year, in large part due to the lower valuation

of investment portfolios, partially offset by business growth and currency appreciation.

The deferred tax assets are up 114.3 percent mainly as a result of a reclassification from liabilities to assets as a result of lower gains on the assets available for sale portfolio.

The current balance of assets held for sale is down compared to December last year as a result of the exit of the majority of MAPFRE INMUEBLES land for sale, and to the sale of the ASISTENCIA business and direct insurance operations in Asia.

The rest of the changes in the headings for Assets and Liabilities from insurance and reinsurance operations are a result of the business management process itself.

Key indicators

Return on shareholders' equity (ROE)

Return on equity (ROE), which represents the relationship between net profit attributable to the parent company (deducting the share of non-controlling interests) and average shareholders' equity, was 8.2 percent (9 percent in 2021).

Management ratios

The combined ratio measures the impact on premiums of management costs and the loss ratio for the period. In 2022 and 2021 this ratio stood at 98.0 percent and 97.5 percent, respectively. The accompanying table shows the evolution of the main management ratios by business unit:

	Expense ratio ⁽¹⁾		Loss ratio ⁽²⁾		Combined ratio ⁽³⁾	
	2022	2021	2022	2021	2022	2021
IBERIA	22.4%	25.5%	74.4 %	72.6%	96.8%	98.1%
LATAM NORTH	25.2%	22.9%	73.0%	73.0%	98.3%	95.9%
LATAM SOUTH	35.5%	35.4%	68.9%	62.6%	104.4%	98.0%
BRAZIL	34.6%	35.8%	52.2%	52.0%	86.9%	87.7%
NORTH AMERICA	29.5%	30.4%	78.7%	68.4 %	108.2%	98.9%
EURASIA	28.4%	32.2%	83.8%	77.3%	112.2%	109.5%
MAPFRE RE	26.5%	29.0%	70.3%	68.1%	96.8%	97.1%
Reinsurance	27.3%	29.9%	70.1%	68.3%	97.4%	98.2%
Global Risks	16.5%	17.3%	73.5%	65.8%	90.0%	83.1%
MAPFRE ASISTENCIA	43.3%	48.1%	53.8%	54.0%	97.1%	102.0%
MAPFRE S.A.	27.4%	29.3%	70.6%	68.2%	98.0%	97.5%

1. (Operating expenses, net of reinsurance - other technical revenues + other technical expenses) / Allocated premiums, net of reinsurance. Figures refer to Non-Life insurance.

2. (Incurred claims for the period, net of reinsurance + variation in other technical provisions + profit sharing and returned premiums) / Allocated premiums, net of reinsurance. Figures refer to Non-Life insurance.

3. Combined ratio = expense ratio + loss ratio. Figures refer to Non-Life insurance

Information by Business Unit

MAPFRE structures its business through the following Business Units: Insurance, Reinsurance, Global Risks and Assistance. The Reinsurance and Global Risks Units are integrated into MAPFRE RE.

The accompanying chart shows the premiums, attributable result, and Non-Life combined ratio for each Business Unit:

Information by country:

Area / Business unit	Premiums			Attributable result			Combined ratio	
	2022	2021	Δ%	2022	2021	Δ%	2022	2021
IBERIA	7,625.6	7,596.4	0.4%	375.5	540.7	-30.6%	96.8%	98.1%
BRAZIL	4,851.5	3,340.1	45.3%	143.7	74.3	93.5%	86.9%	87.7%
LATAM NORTH	2,117.1	2,187.7	-3.2%	45.9	26.8	71.4%	98.3%	95.9%
LATAM SOUTH	2,006.8	1,631.1	23.0%	111.3	54.8	103.2%	104.4%	98.0%
NORTH AMERICA	2,589.5	2,073.1	24.9%	(16.8)	88.8	-119.0%	108.2%	98.9%
EURASIA	1,317.2	1,360.8	-3.2%	(29.6)	0.9	--	112.2%	109.5%
TOTAL INSURANCE	20,507.8	18,189.2	12.7%	630.0	786.2	-19.9%	98.5%	97.5%
REINSURANCE	5,670.7	4,991.6	13.6%	122.6	117.8	4.1%	97.4%	98.2%
GLOBAL RISKS	1,550.6	1,283.0	20.9%	20.8	33.9	-38.5%	90.0%	83.1%
ASSISTANCE	213.7	486.4	-56.1%	6.9	0.6	--	97.1%	102.0%
Holdings and consolidation adjustments	(3,402.5)	(2,795.6)	-21.7%	(138.1)	(173.3)	20.3%	---	---
MAPFRE S.A.	24,540.3	22,154.6	10.8 %	642.1	765.2	-16.1 %	98.0 %	97.5 %

Figures in million euros

Insurance unit

IBERIA

IBERIA encompasses the business activities of MAPFRE ESPAÑA and its subsidiary in Portugal, as well as the Life business managed by MAPFRE VIDA and its bancassurance subsidiaries. Iberia represents 27.0 percent of total group premium volume.

Information by Country

Region / Country	Premiums			Attributable result			Combined ratio	
	Dec. 2022	Dec. 2021	% Var	Dec. 2022	Dec. 2021	% Var	Dec. 2022	Dec. 2021
IBERIA	7,625.6	7,596.4	0.4%	375.5	540.7	-30.6%	96.8%	98.1%
SPAIN*	7,366.9	7,466.0	-1.3%	363.2	534.0	-32.0%	96.8%	98.1%
PORTUGAL	258.7	130.4	98.4%	12.3	6.6	85.2%	98.9%	98.0%

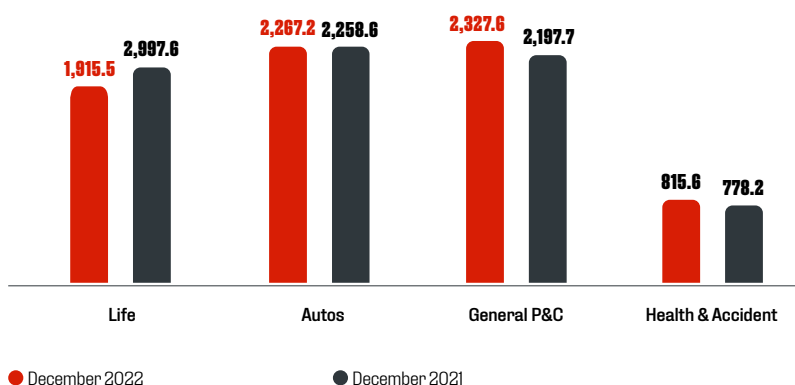
Figures in million euros

*Verti Spain's premiums totaled 98.6 million euros (+9.5 percent).

Premiums

Written premiums in IBERIA reached over 7.6 billion euros, a 0.4 percent increase. Eliminating the effect of BANKIA VIDA premiums, which reached 159.3 million euros in 2021, underlying growth would have been 2.5 percent.

Written premiums in key lines



● December 2022
 Figures in million euros

● December 2021
 Figures in million euros

Non-Life

Non-Life premiums grew 3.8 percent and reflect the positive development of the Homeowners, Health, Condominiums and Commercial business.

Life

Life premiums fell 8.7 percent, primarily due to BANKIA VIDA's exit from the Group scope. Excluding this effect, premiums would have fallen 1.2 percent.

Earnings

IBERIA's attributable result reached 375.5 million euros with a 30.6 percent decrease compared to the previous year, primarily from the deterioration in losses in the Auto line. In 2021, the resolution of the BANKIA agreement implied 167.1 million euros. Additionally, in 2021, an attributable impact of 131.3 million euros were recorded for expenses from the voluntary early retirement scheme.

At the close of December 2022, 43.7 million euros in financial gains, net of losses, were recorded in the actively managed portfolio (79.5 million as of December 2021)

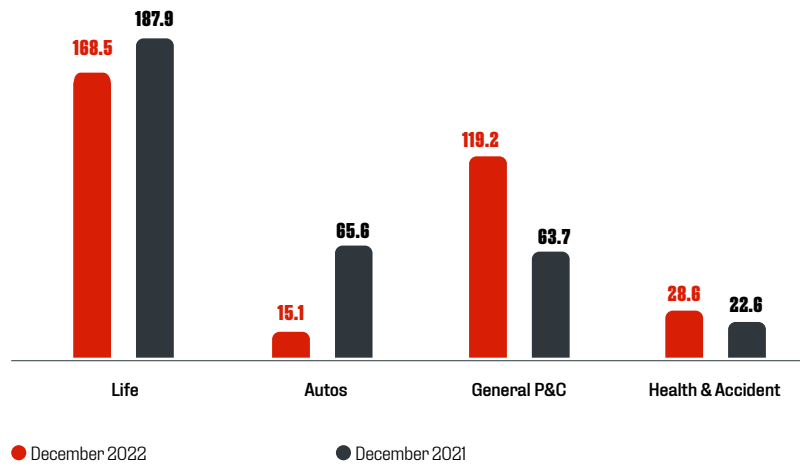
Non-Life

The Non-Life business result fell 41.2 percent, reaching 207.3 million euros, due to, on the one hand, the resolution of the BANKIA agreement in December 2021, which generated an extraordinary result of 140.4 million euros, and on the other hand, the current high inflation scenario worldwide, as well as from the increase in mobility after the elimination of COVID-19 restrictions.

Life

The Life business result fell 10.5 percent, reaching 168.2 million euros. This fall is caused by the resolution of the BANKIA agreement in December 2021, which generated an extraordinary result of 26.7 million euros.

Earnings in key lines



Shareholders' equity

The 32.6 percent fall in net equity in IBERIA is from a 998 million euro reduction in unrealized gains in the available for sale portfolio as a result of the increase in interest rates, as well as from a dividend upstream of 813.4 million euros, in order to adapt solvency levels to Group standards, after the exits of BANKIA and CCM.

The market shares in Spain* and Portugal as at December and September of 2022, respectively, are shown here:

SPAIN	Dec. 2022	Dec. 2021
Automobile	19.4%	20.0%
Health	6.8%	6.8%
Other Non-Life	14.4%	14.2%
Total Non-Life	13.8%	14.0%
Total Life	7.1%	8.5%
TOTAL	11.3%	11.9%

* Estimated market shares, using data published by ICEA, which only takes into account direct insurance written premiums.

PORTUGAL	Sep. 2022	Sep. 2021
Automobile	2.3%	2.3%
Total Non-Life	2.1%	2.0%
Total Life	3.7%	3.1%
TOTAL	2.9%	2.7%

Source: Portuguese Association of Insurance Companies
Includes Unit-Linked products and Assistance insurance.

BRAZIL

This regional area encompasses the insurance activity in Brazil. .

Region / Country	Premiums			Attributable result			Combined ratio	
	Dec. 2022	Dec. 2021	Δ%	Dec. 2022	Dec. 2021	Δ%	Dec. 2022	Dec. 2021
BRAZIL	4,851.5	3,340.1	45.3 %	143.7	74.3	93.5%	86.9%	87.7%

Figures in million euros

Premiums

Written premiums grew 45.3 percent in euros, and in Brazilian reais they grew 23.0 percent. The improvement in issuance is due on the one hand, to the positive development of the Agro Insurance, Auto and Life Protection business, which grew in euros 79.2, 35.1 and 32.4 percent, respectively, and on the other hand, to the positive development of the Brazilian real, which appreciated 18.1 percent.

The positive growth in the Agro and Mass Market Multi-Peril business in the bank channel, and the Industrial Risk, Agro and Auto lines in the MAPFRE channel is noteworthy.

Result

Gross earnings at the close of December 2022 reached 705.1 million euros, improving 133.0 percent compared to the previous year.

The attributable result in Brazil at the close of December 2022 improved 93.5 percent, reaching 143.7 million euros.

This improvement is primarily a result of the Life Protection business, which reached 53.5 million euros, compared to the result of 1.9 million euros

the previous year, as a result of the positive development of COVID-related losses

Additionally, the Agro business is performing positively, improving 143.0 percent compared to the previous year, despite having been negatively impacted by the drought in the central and southern regions of the country, which had a 36.7 million euro net impact on this line.

The Auto line has high losses, coming from the increase in frequency as a result of the return to normality and from the increase in average cost caused by current high inflation. Both of these effects have raised the combined ratio for this line to 114.8 percent.

The financial result improved 210.7 percent as a result of the higher yields in the fixed income securities portfolio with interest linked to inflation or central bank rates.

LATAM NORTH

This regional area includes Mexico and the subregion of Central America and Dominican Republic.

Region / Country	Premiums			Attributable result			Combined ratio	
	Dec. 2022	Dec. 2021	Δ%	Dec. 2022	Dec. 2021	Δ%	Dec. 2022	Dec. 2021
LATAM NORTH	2,117.1	2,187.7	-3.2%	45.9	26.8	71.4%	98.3%	95.9%

Figures in million euros

Premiums

Premiums in the region fell 3.2 percent compared to the previous year. This variation is due to the issuing in June 2021, of a multi-year policy in Mexico for the amount of 477.3 million euros. Eliminating the effect of this policy, growth would stand at 23.8 percent, driven in large part by the improvement in all currencies in the region.

Issuing in local currency grew in all countries in the region, with special emphasis on growth in Mexico (8.2 excluding the effect of the multi-year policy from 2021) and the Dominican Republic (12.1 percent).

Growth by business line in euros is equally positive, especially in General P&C, up 30.2 percent (excluding the effect of the multi-year policy from 2021), Health & Accident, up 23.8 percent, Life Protection, up 23.7 percent, and Auto, up 15.8 percent.

Result

The results in the LATAM NORTH region to December 2022 reached 45.9 million euros, 71.4 percent higher than the previous year.

This improvement in results comes in part from the improvement in all currencies in the region, and also from the improvement in the Life Protection and Health lines, which claims have been favored by the lower COVID incidence rate.

Life Protection had 8.7 million euros in earnings compared to 14.0 million euros in losses the previous year, due to the already mentioned positive development of the pandemic in the region in the year.

The result of the Health line, also affected by already mentioned improvement in COVID, is reporting earnings for the amount of 7.9 million euros.

The Auto line is down as a result of a deterioration in losses in the region due to the return to mobility, as well as from the increase in average claims costs from the high rate of inflation.

LATAM SOUTH

This regional area encompasses the business activities in Peru, Colombia, Argentina, Chile, Uruguay, Paraguay, Ecuador and Venezuela.

Region / Country	Premiums		Attributable result			Combined ratio		
	Dec. 2022	Dec. 2021	Dec. 2022	Dec. 2021	Dec. 2022	Dec. 2021		
LATAM SOUTH	2,006.8	1,631.1	23.0%	111.3	54.8	103.2%	104.4%	98.0%

Figures in million euros

Premiums

Premiums in the region grew 23.0 percent compared to the previous year. This growth is due to, on the one hand, to currency appreciation in the region, and on the other hand it reaffirms the good performance of the business which has already been very positive in recent years.

In general, issuing in local currency grew at a good rate in all countries in the region, highlighting Argentina (86.8 percent), Peru (19.6 percent), Chile (18.3 percent) and Colombia (12.1 percent).

By line of business, all lines improved issuing in euros compared to the same period the previous year, highlighting Life Protection (33.3 percent), Life Savings (18.3 percent), Health & Accident (26.4 percent), General P&C (20.4 percent) and Auto (24.2 percent).

Result

At the close of December 2022, LATAM SOUTH had an attributable result of 111.3 million euros, growing 103.2 percent.

By country, Peru is the highest contributor to results in the region, with 51.1 million euros, from the positive development of the technical and financial result. Of this result, 13 million euros come from fiscal gains arising from the merger of the Life and General P&C companies.

Colombia is the second largest contributing country in the region, with 46.8 million euros, due to the excellent financial results from investments with inflation-like interest rates, as well as to 8.2 million euros from reinsurance balance liquidations from previous years.

Paraguay had a 5.6 million euro negative result from the drought claim that has had a 9.0 million euro attributable impact and which was recorded in the first half of 2022.

By line of business, Auto and General P&C results have deteriorated as a result of the higher losses caused by inflation and the return to normality after the pandemic. On the other hand, the Life Protection and Health business have been favored by the reduction in the COVID incidence rate.

Market shares in the main Latinamerican countries

The following table shows market shares for direct Non-Life insurance in the main countries in the region:

Country	Ranking (at Dec. 2021)	Market share ⁽¹⁾	Market share date
Argentina	16	1.5%	Sep. 22
Brazil	2	13.8%	Nov. 22
Chile	5	6.3%	Sep. 22
Colombia	8	5.5%	Sep. 22
Honduras	3	16.5%	Sep. 22
Mexico	4	4.7%	Sep. 22
Panama	2	17.3%	Sep. 22
Peru	3	18.2%	Nov. 22
Dominican Republic	4	10.4%	Sep. 22

(1) Figures according to the latest available information for each market.
Source: MAPFRE Economic Research, using data from the supervisors in each country.

NORTH AMERICA

This regional area has its headquarters in Webster, MA (USA) and encompasses operations in United States and Puerto Rico.

Region / Country	Premiums			Attributable result			Combined ratio	
	Dec. 2022	Dec. 2021	% Var	Dec. 2022	Dec. 2021	% Var	Dec. 2022	Dec. 2021
NORTH AMERICA	2,589.5	2,073.1	24.9%	(16.8)	88.8	-119.0%	108.2%	98.9%

Figures in million euros

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

MASSACHUSETTS		
LINE	Dec. 2021	Dec. 2020
Automobile	18.4%	19.8%
Total Non-Life	9.0%	9.9%
Total Life	—	—
TOTAL	2.7%	3.0%

Source: MAPFRE Economics, using data from the supervisors in each country

In Puerto Rico:

PUERTO RICO		
LINE	Dec. 2021	Dec. 2020
Automobile	9.9%	10.7%
Non-Life (w/o Health)	12.9%	14.8%
Total Non-Life	2.5%	2.8%
Total Life	0.1%	0.3%
TOTAL	2.2%	2.5%

Source: MAPFRE Economics, using data from the supervisors in each country.

Premiums

At the close of December, premiums in NORTH AMERICA registered a 24.9 percent increase in euros, while in dollars they are 10.9 percent higher compared to the previous year.

Improved issuing is due in large part to the incorporation of Century (previously a MAPFRE ASISTENCIA subsidiary), which contributed 248.8 million euros to issuing at the close of December, as well as the positive development of the dollar. In 2021, only premiums corresponding to the fourth quarter were included.

Puerto Rico has 8.6 percent higher issuing in euros than the previous year.

Results

The result in NORTH AMERICA to December 31, 2022 stands at -16.8 million euros, compared to 88.8 million euros the previous year.

The fall in results is primarily due to the deterioration of the Auto line in the United States, which combined ratio stands at 110.9 percent, as a result of the increase in frequency, from the return to normality after the pandemic, as well as the high rates of inflation, which cause an increase in average claims costs.

Additionally, restrictions on tariff increases in some states limit the speed at which insurance prices can update for loss inflation.

Puerto Rico presents a result of 14.4 million euros, 10.6 percent lower than the same period the previous year, as a result of the catastrophic claim caused by Hurricane Fiona on September 14, with a 19.7 million euros attributable impact.

Over the course of 2022, 35.0 million euros in capital gains were realized on financial investments (42.7 million euros to December 2021).

Shareholders' equity

The 17.4 percent fall in net equity in NORTH AMERICA comes from a 274 million euro reduction in unrealized gains on the available-for-sale financial assets portfolio as a result of the increase in interest rates, as well as from upstreaming a 36.4 million euro dividend.

EURASIA

This regional area encompasses the insurance operations in Italy, Germany, Turkey, Malta, Indonesia and the Philippines. (The operations in the last two of these countries were sold in 2022).

Region / Country	Premiums			Attributable result			Combined ratio	
	Dec. 2022	Dec. 2021	Δ%	Dec. 2022	Dec. 2021	Δ%	Dec. 2022	Dec. 2021
EURASIA	1,317.2	1,360.8	-3.2%	(29.6)	0.9	--	112.2%	109.5

Figures in million euros

Market shares in EURASIA were as follows:

Line	GERMANY		ITALY		MALTA	
	Dec. 2021	Dec. 2020	Dec. 2021	Dec. 2020	Dec. 2021	Dec. 2020
Automobile	1.3%	1.2%	1.3%	2.2%	34.3%	34.4%
Total Non-Life	0.3%	0.3%	0.6%	1.2%	33.3%	33.2%
Total Life	—	—	—	—	75.5%	76.4%
TOTAL	0.2%	0.2%	0.2%	0.3%	61.8%	60.1%

Source: MAPFRE Economic Research, using data from the supervisors in each country..

Premiums

At the close of December, premiums in EURASIA were down slightly, 3.2 percent, with declines in Italy (-9.2 percent), and Malta (-17.1 percent) and improvements in Turkey (21.2 percent), and Germany (0.6 percent).

Issuing in Turkey is affected by two factors - on the one hand, the depreciation of the Turkish lira (-45.8 percent), and on the other hand the restatement for hyperinflation applied for the first time to the country in September this year. In local currency, issuing in Turkey improved 123.5 percent, in line with inflation.

The fall in issuing in Italy is tied to the restrictions for new business in the car dealership channel, and in Malta, to lower issuing in Life Savings in the bank channel.

Result

At the close of December 2022, EURASIA presents an attributable result of -29.6 million euros.

Turkey recorded losses of 40.3 million euros. The following impacts are noteworthy:

- An increase in the loss ratio in Auto from the high inflation in the country, which significantly impacted average claims costs, as well as a 9.5 million euro negative impact booked for the participation in the National Auto TPL Pool and the increase in minimum wage for this business.
- The restatement for hyperinflation applied to the financial statements from the country, which has had a 16.6 million euro net negative impact to December 2022.

Italy has losses of 2.4 million euros, due to higher losses in the Auto line, as a result of higher claims severity.

In the year, the sale of subsidiaries in Indonesia and Philippines were formalized, which generated an attributable result for the Group of 5.9 and 3.4 million euros, respectively.

MAPFRE RE

EMAPFRE RE is a global reinsurer and is the professional reinsurer of the MAPFRE Group.

MAPFRE RE offers reinsurance services and capacities, providing all kinds of solutions for reinsurance treaties and facultative reinsurance, in all Life and Non-Life lines.

MAPFRE RE also encompasses the GLOBAL RISKS Unit, which is the specialized unit within the MAPFRE Group for managing global insurance programs for large multinationals (policies that cover aviation, nuclear power, energy, civil liability, fire, engineering and transport for example).

The key data relating to MAPFRE RE is presented here.

Key figures

Item	Dec. 2022	Dec. 2021	Δ%
Gross written and accepted premiums	7,221.34	6,274.58	15.1%
- Non-Life	6,528.79	5,644.57	15.7%
- Life	692.55	630.01	9.9%
Net premiums earned	3,898.65	3,432.56	13.6%
Gross result	192.79	193.77	-0.5%
Tax on profits	(49.39)	(42.11)	
Attributable net result	143.40	151.65	-5.4%
Combined ratio	96.8 %	97.1 %	-0.3p.p
Expense ratio	26.5 %	29.0 %	-2.5p.p.
Loss ratio	70.3 %	68.1 %	2.2p.p.

Figures in million euros

Item	Dec. 2022	Dec. 2021	Δ%
Gross written and accepted premiums	7,221.3	6,274.6	15.1%
Reinsurance Business	5,670.7	4,991.6	13.6%
Global Risks Business	1,550.6	1,283.0	20.9%
Attributable net result	143.4	151.7	-5.4%
Reinsurance Business	122.6	117.8	4.1%
Global Risks Business	20.8	33.9	-38.5%
Combined ratio	96.8%	97.1%	-0.3p.p.
Reinsurance Business	97.4%	98.2%	-0.8p.p.
Global Risks Business	90.0%	83.1%	6.9p.p.
Expense ratio	26.5%	29.0%	-2.5p.p.
Reinsurance Business	27.3%	29.9%	-2.6p.p.
Global Risks Business	16.5%	17.3%	-0.8p.p.
Loss ratio	70.3%	68.1%	2.2p.p.
Reinsurance Business	70.1%	68.3%	1.8p.p.
Global Risks Business	73.5%	65.8%	7.7p.p.

Figures in million euros

Premiums

Total written premiums in MAPFRE RE went up 15.1 percent compared to the previous year (net earned premiums grew 13.6 percent compared to the previous year).

Written premiums from the Reinsurance business reached nearly 5.7 billion euros, which is a 13.6 percent increase compared to the previous year, essentially as a result of a generalized rate increase in a favorable environment, an increase in participations in some cedent programs, as well as the impact from exchange rates.

Premiums from the Global Risks Unit, integrated in MAPFRE RE, reached almost 1.6 billion euros, representing 20.9 percent more than the previous period.

Composition of premiums

The breakdown of premium weight distribution to December 2022 is as follows:

Item	%	Item	%
By type of business:		By ceding company:	
Proportional	64.2%	MAPFRE	50.1%
Non-proportional	14.2%	Other	49.9%
Facultative	21.6%		
By region:		By insurance line:	
IBERIA	17.1%	Property	43.5%
EURASIA	38.3%	Life & Accident	13.0%
LATAM	31.2%	Motor	15.1%
NORTH AMERICA	13.4%	Global Risks business	21.5%
		Transport	3.5%
		Other	3.5%

Result

MAPFRE RE's attributable net result at the close of December 2022 reached 143.4 million euros, versus 151.7 million euros in 2021. The result was positive despite the increase in the number of mid-sized catastrophic events in the Reinsurance portfolio.

Regarding relevant claims, MAPFRE RE was affected by significant droughts in the Paraná River bed in Brazil and Paraguay. This loss had a 67.2 million euro impact on the Group attributable result.

Various other catastrophic events for lower amounts were also recorded (Eunice storm, Hurricane Fiona, floods in Australia and South Africa, hail storms in France, and Hurricane Ian in the United States).

Regarding COVID-related claims from previous years, to date there have been no relevant deviations, and approximately half of reported claims have been settled. The claims reported in the Property lines are concentrated in large part in certain business interruption coverage in Europe. In the immense majority of the property portfolio, business interruption coverage is dependent on the existence of material

damage, and in this case, there is none. As such, this exposure only exists in exceptional cases. However, to date, there is still uncertainty about the final amount for possible claims and the results of certain claims that get taken to court or to arbitration, both with regards to the existence of coverage in original insurance policies as well as the validity of certain coverage claims in reinsurance contracts.

The attributable result of the Reinsurance business reached 122.6 million euros.

The attributable result of Global Risks business was a profit of 20.8 million euros.

The combined ratio of the Reinsurance business stands at 97.4 percent, while the combined ratio for the Global Risks business stands at 90.0 percent.

At the close of December 2022, net capital gains amounting to 3.4 million euros were recorded (70.2 million euros of capital gains to December 2021).

Shareholders' equity

The attributable equity increased 5.2 percent as a result of three effects:

1. A reduction of 282 million euros in unrealized gains on the available for sale portfolio as a result of the increase in interest rates.
2. An increase of 250 million euros from the capital increase carried out on December 30, 2022.
3. An increase of 143 million euros from the 2022 attributable result.

MAPFRE ASISTENCIA

MAPFRE ASISTENCIA specializes in travel assistance, roadside assistance, and other specialty risks of the Group.

Key figures

Item	Dec. 2022	Dec. 2021	Δ%
Operating revenue	432.0	559.6	-22.8%
- Gross written and accepted premiums	213.7	486.4	-56.1%
- Other revenue	218.3	73.1	198.5%
Net premiums earned	259.5	404.7	-35.9%
Result from other business activities	5.8	(4.7)	--
Gross result	10.6	(10.1)	--
Tax on profits	(3.4)	12.4	
Non-controlling interests	(0.3)	(1.7)	
Attributable net result	6.9	0.6	--
Combined ratio	97.1%	102.0%	-4.9p.p.
Expense ratio	43.3%	48.1%	-4.7p.p.
Loss ratio	53.8%	54.0%	-0.2p.p.

Figures in million euros

Premiums

Premiums reached 213.7 million euros in MAPFRE ASISTENCIA, a 56.1 percent decrease compared to the previous year. The exit of Travel Insurance operations in the United Kingdom, and Century in the United States in the second half of last year, as well as the sale of the Australian and Middle Eastern business in the first half of this year, are the main cause of this reduction.

Non-insurance revenue improved 198.5 percent as a result of assistance revenue being considered revenue from services.

Result

The following chart provides a breakdown of MAPFRE ASISTENCIA's result before taxes, by region and business line at the close of December 2022:

REGION	ASSISTANCE	TRAVEL INSURANCE	SPECIALTY RISKS	Dec. 2022	Dec. 2021
EURASIA	0.9			8.3	10.8
LATAM	(1.1)	2.0	3.1	4.0	7.1
NORTH AMERICA	(12.8)	8.1	20.8	16.1	(17.6)
DISCONT. OPERATIONS	0.0	0.0	0.0	(17.8)	(10.4)
TOTAL	(13.0)	12.4	29.0	10.6	(10.1)

Figures in million euros

At the close of December, MAPFRE ASISTENCIA recorded a positive attributable result of 6.9 million euros. After several years of thorough restructuring of operations which are now considered to be completed, the unit is re-focused on business in LATAM and Europe.

In 2022, MAPFRE ASISTENCIA concluded the sale of its operations in Australia, Turkey, the Middle East, Greece, Philippines and Indonesia with an attributable result of 13.8 million euros. Additionally, there was a 4.6 million euro restructuring expense.

At the close of December, MAPFRE ASISTENCIA maintained a total of 12.1 million euros reclassified under the balance sheet heading assets held for sale, for assets from operations in Africa and Asia. The majority of these transactions are expected to be finalized during 2023, once the necessary formalities are completed in each market.

SIGNIFICANT ECONOMIC AND CORPORATE EVENTS

Relevant Economic Facts

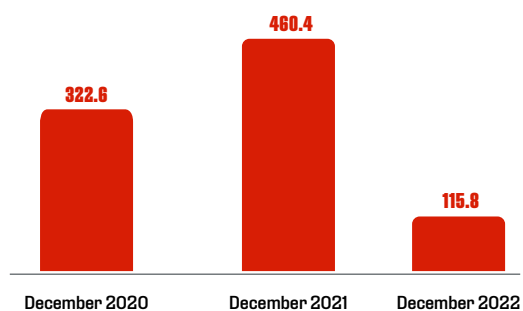
Following the recommendations from ESMA and EIOPA, the impacts from the COVID pandemic, the Russian invasion of Ukraine, and the inflationary environment's impact on insurance operations' assets and liabilities are included in the significant economic events in this report.

The changing impact of the COVID-19 loss ratio

In 2022, losses were down thanks to the positive advances in vaccination, despite the arrival of new variants of COVID-19, as well as the return to normality after the elimination of health and mobility restrictions.

The accompanying chart shows accumulated losses to December each year.

COVID LOSSES



Figures in million euros

The breakdown of COVID losses by region and business unit and line is as follows:

Regions and Units	Dec. 2022	Dec. 2021
IBERIA	14.3	32.7
LATAM NORTH	36.2	130.1
LATAM SOUTH	3.0	42.7
BRAZIL	27.1	188.7
NORTH AMERICA	2.3	2.7
EURASIA	0.5	3.3
TOTAL INSURANCE	83.3	400.2
MAPFRE RE	27.8	52.1
MAPFRE ASISTENCIA	4.6	8.0
TOTAL ACCUMULATED	115.8	460.4

Figures in million euros

Lines	Dec. 2022	Dec. 2021
LIFE PROTECTION	49.8	278.8
HEALTH	20.1	88.7
OTHER LINES	45.9	92.9
TOTAL ACCUMULATED	115.8	460.4

Figures in million euros

Invasion of Ukraine

On February 24, Russia began its invasion of Ukraine territory, initiating a war that continues today.

The direct impacts on both insurance and reinsurance activity as well as on investments held in Russia and Belarus have been immaterial.

In order to comply with the international sanctions against Russia for the Ukraine conflict, MAPFRE Group has issued global directives restricting direct insurance and reinsurance operations for Russian or Belarusian citizens with interests located in or destined for Russia or Belarus.

Impact of inflation on insurance and reinsurance operations

Persistent inflation has led to an increase in claims costs, especially in those Non-Life lines where the obligation to the client materializes through service provision. MAPFRE has chosen to implement efficiencies in its processes and reduce costs as a means of mitigating inflationary effects, as well as transfer to prices the minimum amount necessary to ensure sufficient tariffs to cover expected costs during the policy period.

This updating of tariffs, along with the insignificant amount of products with covers longer than one year, or where the payment of claims can be delayed for a period time (so-called long-tail lines), leads to MAPFRE having very limited exposure to inflationary impacts in its insurance liabilities.

Regarding investments related to insurance operations and inflationary impacts, MAPFRE opted in previous years to focus on diversification in alternative investments, primarily real estate and infrastructures, which offer additional protection against persistent inflation.

Further, MAPFRE chose in previous years to substitute part of its fixed coupon debt and bonds for securities with interest linked to inflation or to central bank interest rates, which provides protection against the current inflationary environment.

Interest rates and currency volatility

The rise in interest rates, the fall in equity markets, and the widening of credit spreads is negatively affecting shareholders' equity as a result of market price valuations. Interest rates have caused losses in valuation that do not constitute a risk to underlying earnings, however they reduce the value of assets and therefore of the net equity.

In the medium term, the financial result should improve as reinvestments are made at higher interest rates.

The US dollar and the majority of Latin American currencies have appreciated.

As such, at the close of December, the negative impact on assets as a result of the higher interest rates in investment portfolios reached nearly 1.8 billion euros, while currency conversion differences had a positive impact of 343.0 million euros.

Hyperinflationary economies

Economic indicators for Turkey continue to show adverse development, which has been reflected in a continuous depreciation of the currency against the euro. This fact has led to an accumulated negative impact in recent years in MAPFRE's consolidated shareholders' equity for the amount of 359.7 million euros, due to the loss of value of the subsidiary in this country from currency effects, as shown in section 5.2 of this report.

As established in EU-IAS 29 "Financial Reporting in Hyperinflationary Economies," the financial statements of companies registered in countries with high rates of inflation or hyperinflationary economies must be restated before being converted to euros.

As a result of the development of inflation in Turkey, MAPFRE has applied EU-IAS 29 to its subsidiary in this country. The following is a breakdown of the key impacts on MAPFRE Group financial statements at December 31, 2022:

- a. A 43.4 million euro increase in capital and reserves, primarily as a result of the revaluation of non-monetary assets from January 1, 2004 (date of the last restatement).
- b. A 16.6 million euro negative impact on results. This impact corresponds to the period from January to December 2022, which is reflected in the heading "Result from the restatement of financial statements".

Venezuela and Argentina continue to be considered hyperinflationary, with a 43.7 million euro negative impact on results in the period, indicated in the line "Result from the restatement of financial statements".

Catastrophic events

Drought in Brazil and Paraguay

Since the end of December 2021 a catastrophic loss took place in the Agro line in Brazil and Paraguay, as a result of one of the greatest droughts in the last century in the Paraná river valley, with relevant impacts in the year.

At December 31, 2022, the attributable impact of this loss reached 112.9 million euros, of which, 67.2 million euros correspond to MAPFRE RE, 36.7 million euros correspond to Brazil and 9.0 million euros to Paraguay.

Hurricane Fiona

At December 31, 2022, as a result of Hurricane Fiona hitting Puerto Rico, MAPFRE Group has had a 31.0 million euro negative attributable impact, of which 19.7 million euros correspond to our subsidiary in that country and 11.2 million euros correspond to MAPFRE RE.

Debt issuances

On April 6, MAPFRE established the terms of an issue of subordinated notes for a nominal amount of 500,000,000 euros. The notes accrue a fixed annual coupon of 2.875 percent, whose payment may be deferred in certain circumstances. The maturity date of the notes is April 13, 2030.

The notes are governed by Spanish law and are admitted to trading on the Spanish regulated Fixed Income Securities Market.

The notes qualify as Tier 3 capital for MAPFRE and its consolidated group pursuant to the applicable solvency regulation.

SIGNIFICANT CORPORATE EVENTS

Restructuring of MAPFRE ASISTENCIA

In 2022, MAPFRE ASISTENCIA carried out a large part of its restructuring plan with the aim of continuing to adapt to the business' needs, and centering its operations in LATAM and Europe. The main transactions are the following:

- On January 7, 2022, an agreement was reached for the sale of MAPFRE INSURANCE SERVICES Australia. With this transaction, MAPFRE completed its exit from the Australian market, primarily focused on the sale and distribution of Travel Insurance.

The attributable result of the transaction reached 6.0 million euros.

- In May, the sale of the assistance subsidiary in Turkey was closed for an amount similar to the company's shareholders' equity, which implied an attributable loss of 8.3 million euros from the recycling of the accumulated conversion differences.
- In June, the sale of the companies in the Middle East was formalized, which has implied an attributable result of 13.7 million euros.
- In August, the sale of the assistance subsidiary in Indonesia was closed, which implied an attributable result of 2.4 million euros.
- In November 2022, the assistance operation in the Philippines was sold. This transaction has implied an attributable result of 0.3 million euros.

Sale of ABDA

On March 7, 2022, MAPFRE reached an agreement for the sale of the entirety of its shareholding in the company PT ASURANSI BINA DANA ARTA TBK (ABDA), registered in Indonesia, which reached 62.3 percent.

MAPFRE first purchased its shareholding in ABDA in 2013 and bought another stake in 2017, through successive acquisitions for a total amount of 152.6 million euros, with an impairment of 102 million euros for this shareholding having been recorded in 2019 and 2020.

This transaction took place in August 2022 and has implied an attributable result of 5.9 million euros for the Group.

Sale of MAPFRE Insular

In May 2022, MAPFRE reached an agreement for the sale of MAPFRE Insular Insurance Corporation, registered in the Philippines in which MAPFRE held 74.9 percent of the share capital.

In October 2022, the sale was closed, which implied an attributable result of 3.4 million euros.

Merger of MAPFRE Peru Life and MAPFRE Peru

On June 1, 2022, the merger by absorption of MAPFRE PERÚ, CIA DE SEGUROS Y REASEGUROS, S.A. by MAPFRE PERÚ VIDA, CIA DE SEGUROS Y REASEGUROS, S.A., the latter now called MAPFRE PERU COMPAÑÍA DE SEGUROS Y REASEGUROS, took place.

The aim of this merger is to simplify administration, make the most of synergies and have more efficient capital management of the company.

This transaction generated a fiscal result that reached 13 million euros.

Ending of alliance with Caja Castilla la Mancha

On May 24, UNICAJA announced its decision to finalize the alliance for producing and distributing Life and Pension insurance through the UNICAJA network coming from Caja Castilla la Mancha.

On October 10, the transaction was formalized, with UNICAJA acquiring 50 percent, owned by MAPFRE, of CCM Vida y Pensiones, the company through which said alliance was carried out, for a consideration of 131.4 million euros, generating a net gain of 1.7 million euros.

Co-investment with Munich RE

In the third quarter of the year, MAPFRE Group, through MAPFRE INMUEBLES, formalized with MEAG (Munich RE's asset manager) a joint investment in a fund focused on real estate investment, with 50 percent participation from each party. MAPFRE contributed a singular property located in Madrid to the fund, resulting in a net gain of 28.5 million euros for the Group from this transaction

Termination of Bancassurance alliance with BANKIA

MAPFRE has initiated legal proceedings in the courts of Madrid against the company that performed the valuation, Oliver Wyman, and against CAIXABANK, based on the incorrectness of the life insurance business valuation carried out by the company that performed the valuation in relation to establishing the price of the BANKIA VIDA shares that CAIXABANK had to pay for the termination of the bancassurance alliance between BANKIA and MAPFRE. These proceedings are currently underway, without anything worthy of mention having come to light so far.

Additionally, MAPFRE and CAIXA decided to submit to arbitration the discrepancy regarding whether MAPFRE should receive, as established in the contract, an additional 10 percent of the total Life and Non-Life business value in the alliance. In accordance with the valuation established by Oliver Wyman, this additional 10 percent would reach 52 million euros, though the amount could be modified in line with the result of the valuation proceedings. The arbitration began at the end of 2021 and it is hoped it is concluded in 2023.

New EU-IFRS 17 and EU-IFRS 9 standards

Starting January 1, 2023, EU-IFRS 17 "Insurance Contracts", which will substitute EU-IFRS 4, and EU-IFRS 9 "Financial Instruments", which will substitute EU-IAS 39, will enter into force.

Both standards are applicable for 2023 MAPFRE Group consolidated accounts, with a retrospective approach, providing a comparison with the 2022 figures.

Within MAPFRE Group, for 2023, only the companies in Malta and Portugal have to adapt to this standard as a result of local requirements from their respective insurance supervisors.

More detail on the impacts and implications of these new regulations is included in the consolidated annual accounts of the MAPFRE Group, within note 2 of the report, "Bases of presentation of the consolidated annual accounts".

ISSUES RELATING TO THE ENVIRONMENT, SECURITY AND EMPLOYEES

Environment

In November 2021, COP26 came to a close in Glasgow, from which the Net-Zero Alliance arose with the aim of achieving net zero insured portfolios of alliance members by 2050. MAPFRE joined this initiative during 2022 and is currently working together with the other members of the alliance to define a protocol for establishing objectives.

In 2022, the progress of the objectives defined for 2024 of the Environmental Footprint Plan continues. Said objectives, as well as the actions necessary to achieve them, are included in the 22-24 Sustainability Plan, to guarantee the aligned and coordinated action of all MAPFRE Group entities in this matter. Among the achievements obtained are:

- a. In June 2022, MAPFRE in Spain surpassed the target for self-consumption for 2024, with a generation of more than 3GWh per year. The installation of an additional 2 GWh is expected to be completed in the first quarter of 2023.
- b. 100 percent renewable electricity purchase contracts are already available, when the electricity market allows it, in Spain, Germany and Portugal. Progress continues in the percentage of kWh under this modality in Italy and Brazil, according to the planned planning.
- c. The new corporate expense standard has been approved with a clear objective of reducing the impact on the carbon footprint of work trips, mainly by plane. The standard is being adapted in all countries and in Spain it is directly implemented.
- d. Progress has been made with the implementation of hybrid remote work models in Group entities, which will reduce the carbon footprint of employees when traveling to the workplace.

In accordance with the neutrality strategy, MAPFRE's carbon footprint in Spain and Portugal has been offset, which involved the planting of more than 6,500 trees as part of reforestation projects. The selection of compensation projects is carried out in accordance with the Corporate

Strategy for Greenhouse Gas Compensation, which defines the selection criteria to encourage the recovery of biodiversity and ensure ecosystem services and natural capital, going one step beyond the creation of carbon sinks.

To date, in the environmental aspect, MAPFRE continued to expand its certifications in this area, and already has 44 headquarters of Group companies in Spain, Brazil, USA, Mexico, Puerto Rico, Turkey, Peru, Italy, Germany, Colombia, Chile, Paraguay, Portugal and Argentina certified with ISO 14001, in addition to 26 headquarters buildings located in Spain, Puerto Rico and Mexico with ISO 50001 energy management certification.

Regarding the Carbon Footprint, the expansion of the scope of ISO 14064 also continues its progress according to the planned plan, having already verified the carbon footprint inventories of the Group entities located in Spain, Brazil, USA, Mexico, Puerto Rico, Turkey, Peru, Colombia, Chile, Germany, Italy, Portugal and the Dominican Republic.

Against the current backdrop of economic and climate crisis, the Circular Economy continues to stand out as a necessary solution, contributing to making companies more competitive and resilient. In this area, MAPFRE has certified its Data Processing Centers located in Alcalá de Henares in accordance with the AENOR Zero Waste Regulation, having previously maintained the same certification for the Group's headquarters located in Majadahonda (Madrid).

In relation to Natural Capital, the UN Conference on Biological Diversity (COP 15) took place in 2022, with the aim of agreeing on a new global framework to transform society's relationship with biodiversity and guarantee that, for 2050, the shared vision of living in harmony with nature is fulfilled. In this context, MAPFRE is analyzing, together with Fundación Biodiversidad, its current commitment in terms of Biodiversity and Natural Capital, to define the new challenges and objectives aligned with this new global framework.

Security

During 2022, work continued to ensure a safe environment in which MAPFRE could carry out its activity normally, through the protection of tangible and intangible assets, including the

services it provides to its clients, as established by the Corporate Security and Privacy Policy approved by the Board of Directors of MAPFRE S.A. on December 13, 2018.

In relation to protection against cyber risks, this year the MAPFRE Group's Cyber Resilience Plan (PCR) has continued to be deployed, a master plan that articulates MAPFRE's evolution in terms of Cybersecurity, Privacy, Data Protection and Operational Resilience Digital.

As at the end of 2022, the PCR was 55 percent deployed compared to what is envisaged in the plan for same. Highlights from the year include action taken to improve the protection of critical elements of the technological platform, the deployment of information technological security solutions updates to better protect job positions and email services, including access to cloud environments, the definition of the evolution of the protection architecture for remote access to the MAPFRE network and the new security support model for projects that use agile methodologies and platforms (DevSecOps).

In addition, the increase in remote work and the appearance of new cyber attack mechanisms that exploit weaknesses in knowledge and/or awareness have required a new boost in actions to improve the culture of cybersecurity. Thus, during 2022, development of the "Firewall Mindset MAPFRE, #CybersecurityCulture" was finalized in Spain, and the initiative, which aims to improve cybersecurity awareness through interactive and dynamic training that sees employees completing a practical case of identifying a targeted phishing attack, was rolled out to other companies. As at year end, 14,417 cyberagents (employees) had completed the training exercise.

To verify the effectiveness of the training and awareness actions carried out, cyber exercises are carried out on a recurring and systematic basis aimed at evaluating the behavior of employees in the face of the most common cyber attacks. In 2022, the percentage of employees who performed adequately in these exercises exceeded 83 percent.

In addition to the previous actions, MAPFRE has continued to promote collaboration with external entities, forming part of specialized cybersecurity groups, such as the EFR's Cybersecurity Working

Group, the CRO Forum's Ransomware Working Group and the Logical and Physical Security Working Group of UNESPA. In terms of privacy, MAPFRE Group experts are part of the Digital Transformation Working Group - GDPR of the Pan-European Insurance Forum (PEIF), the Working Group - Data Breach of the Data Privacy Institute (DPI) and the Data Protection working groups. Data and Digitization and Innovation of UNESPA.

In relation to Resilience and Continuity of Operations, it is worth highlighting the granting in 2022 by AENOR of the ISO22301 Business Continuity Management Systems Certification to the MAPFRE insurance companies located in Panama and Costa Rica, as well as to MAPFRE Investimentos of Brazil.

Added to the new certifications is the renewal and maintenance of those obtained in previous years by MAPFRE ESPAÑA, MAPFRE RE, MAPFRE GLOBAL RISKS, MAPFRE INVERSIÓN, MAPFRE Portugal, MAPFRE México, MAPFRE Turkey, MAPFRE Puerto Rico, MAPFRE BHD (Dominican Republic), MAPFRE Honduras, and the Global SOC of the MAPFRE Group, which means that 63 percent of the Group's premiums are covered by certified Business Continuity Plans.

In terms of privacy and data protection, in 2022, work was done on the automation and optimization of processes associated with compliance with the different legislation in force in this field, with the aim of facilitating a better response to requirements and minimizing human error.

In addition, in order to strengthen transparency in data processing and improve accessibility to the protection measures established at MAPFRE, the documents relating to privacy on our websites have been updated to provide greater detail. Additionally, a specific section on data protection has been implemented on the corporate website, where the MAPFRE Security document been included, with more comprehensive information on this subject.

Another of the lines of work undertaken during 2022 has been the development of Binding Corporate Regulations (BCR). Work commenced with the Spanish Agency for Data Protection with the aim of having these BCRs approved after the favorable opinion of the Committee European Union of Data Protection and in this way, ensure that MAPFRE has a level of protection in place that is essentially equivalent to that of the European Union in all Group companies, regardless of their location.

In relation to the protection of people, over the course of 2022 work continued on the design and implementation of specific measures in events, business trips and staff secondment, including training actions and direct and specialized support in the event of risk or crisis situations, monitoring more than 600 trips made by employees from different countries through the "We travel with you" website on the Group's Intranet.

In addition, installation and maintenance of security and fire protection systems was carried out in 183 buildings, and more than 175 emergency drills were carried out in these installations, with more than 4,500 employees receiving related training.

Employees

The accompanying chart shows the headcount at the end of 2022, compared with the headcount for the previous fiscal year.

CATEGORIES	TOTAL NUMBER	
	2022	2021
Board directors ^(*)	17	18
Executives	45	48
Senior management	1,616	1,628
Heads	4,896	4,602
Advisors	15,581	16,500
Associates	9,138	9,545
Total	31,293	32,341

^(*) Executive board directors of Spanish companies.

MAPFRE is a global company built on the continuous effort of 31,293 people who lie at the heart of our people management strategy, the

(12) <https://www.mapfre.com/media/seguridad-mapfre/seguridad-mapfre.pdf>

pillars of which are development, promotion and well-being.

The levers we use to meet these major challenges are:

- Strategic business needs
- Active listening to our employees
- A workplace centered on well-being that offers an inclusive and diverse environment that allows people to express themselves freely
- Developing capabilities through continuous learning, self-development and mobility
- Training in digital capabilities and new work methodologies
- Promoting social sustainability through constant improvement in the quality of employment and employability

With MAPFRE's commitment to people, our company becomes a place where the time that each person invests becomes meaningful.

Working in this regard helps to further our transition to a more open, more digital, and more transformative company.

MAPFRE has a Capability Transformation plan whose main objective is to identify and develop the necessary knowledge for the business in the short and medium term, in addition to improving employability with development plans, career plans, training itineraries, upskilling, reskilling and retention plans.

All countries define succession plans up to the third organizational level. These plans have a common methodology that defines immediate, short-term and medium-term replacement, as well as the professional road maps in order to prepare potential successors.

At MAPFRE, transfers remain essential for employee development and employability. In 2022, 15.7 percent of employees were transferred, representing 4,532 employees. In addition, 86.2 percent of managerial positions were filled internally.

A total of 41 percent of selection processes were covered by internal mobility.

MAPFRE has a global knowledge management technology platform in place, called Eureka, where all employees can connect to share knowledge and best practices

Currently more than 2,700 pieces of knowledge have been contributed from the company's 15 areas of knowledge, and more than 1,450 employees worldwide have been identified as Knowledge References, as they are the ones who mainly disseminate it.

MAPFRE promotes employee learning through its Corporate University, and all training activities are designed in accordance with its business strategy and objectives. The Corporate University has 15 schools, 17 knowledge rooms and an InnoLAB, and is present in all countries in which MAPFRE operates.

The company focuses on continuous and permanent collaboration with the world of education at a global level through our Universities Plan: "MAPFRE with Universities."

The plan is executed globally through three main pillars:

- Promoting knowledge of the insurance culture.
- Our "Grow with Us" Intern Plan.
- Sharing knowledge through a two-way relationship of collaboration, innovation and knowledge transfer.

We have developed a global transformational leadership plan in which we accompany leaders in a process toward a new way of working and leading. The plan will be implemented over three years and aims to support leaders and guide them so they can offer the "best version" of themselves.

Since MAPFRE is a company that cares for people, it establishes appropriate and competitive remuneration according to function/job position, merits and performance.

This remuneration is based on applicable regulations while guaranteeing equality and nondiscrimination. The remuneration model focuses on productivity and the generation of added value, with flexibility to adapt to the different groups and circumstances of an increasingly demanding talent market.

Its guiding principle is a transparent Remuneration Policy, known to all employees, that makes remuneration an element of motivation and satisfaction, enabling the targets to be met and the strategy to be fulfilled within the framework of the company's long-term interests.

This policy also promotes appropriate and efficient risk management by discouraging both the acceptance of risks that exceed the company's tolerance limits and conflicts of interest. It gives specific treatment to the remuneration of the management groups and those with special impact on the company's risk profile.

To fulfill its Sustainability Plan 2022–2024, MAPFRE has committed to reducing its pay gap to within +/-1 percent by 2024. Therefore, in 2022, the methodology for calculating the equal pay gap, verified in 2018 by the consulting firm Ernst & Young (EY), continued to be applied.

Following the extraordinary success of the 2022 Share Remuneration Plan in Spain, a new flexible Remuneration Plan for Group employees in Spain was launched for 2023, with the aim of increasing their link to the company's strategy and future profit. Like the previous one, this plan offers the possibility of voluntarily allocating an annual amount of remuneration to the purchase of MAPFRE S.A. shares, although in this new edition there will be no delivery of additional shares. These shares will be delivered monthly throughout 2023. The new plan had a total of 1,581 applicants, representing 15 percent of the workforce in Spain, which continues to reflect a high level of trust among employees in the company's future.

MAPFRE is a diverse, egalitarian and inclusive company with a Global Diversity and Equal Opportunity Policy approved by the MAPFRE Board of Directors on July 23, 2015, and a

Diversity, Inclusion and Equity Strategy called Inclusion for Sustainable Growth. People from five different generations coexist in the company, contributing and deploying all their talent and complementing each other with equal opportunities.

Both the aforementioned policies and the other corporate policies are available to the workforce on the Global Intranet.

Since February 2020, MAPFRE has been a signatory of the United Nations Women's Empowerment Principles. In 2021 and 2022, it was included in the Bloomberg GEI (Gender Equality Index), which distinguishes companies around the world that stand out for promoting equality and for their transparency in information related to gender issues. As at the end of 2022, women held 31.7 percent of management positions and accounted for 42 percent of job positions of responsibility.

MAPFRE promotes the integration of people with disabilities into the workforce and committed to ensuring that 3.5 percent of its employees are people with disabilities. Since 2015, the Group has had a Global Disability Program in place that has been implemented in every country, and it includes measures to promote integration and a culture of awareness. In 2022, people with disabilities made up 3.5 percent of the workforce.

Since October 2021, the group has been a part of the International Labour Organization (ILO) Global Business and Disability Network, which aims to help make corporate employment policies and practices more inclusive of people with disabilities worldwide, as well as to increase awareness of the positive relationship between disability inclusion and business growth.

The objective of the Policy on Health, Well-being, and Prevention of Occupational Risks is to protect and promote a safe and healthy workplace and improve the health of our employees and their families, both inside and outside the workplace. The Global Healthy Company Management Model, implemented worldwide, includes five areas of action: labor environment, health promotion, physical activity and nutrition, and mental well-being and work environment.

MAPFRE is present worldwide, with employees of 81 nationalities, giving the Group great cultural diversity and providing the talent it needs to successfully conduct its business activities while activating collaboration and sharing knowledge.

MAPFRE supports the diversity of sexual orientation and in 2020 adopted the Standards of Conduct for Business for Tackling Discrimination against Lesbian, Gay, Bi, Trans, & Intersex (LGBTI) People, an opportunity to expand companies' contribution to the fight against discriminatory practices around the world.

The company has implemented an active listening and experience measurement model that promotes employee participation and allows them to participate directly in decision-making on issues that affect them. This model involves the ongoing measurement of the employee's life cycle, identifying their different times of interaction with the company, from before they join the company until the time that they leave it, and is complemented by the continual measurement of employee satisfaction and commitments.

MAPFRE has a model in place to measure the employee experience:

- eNPS® Survey (RELATIONAL eNPS®).
- Employee experience life cycle analysis (TRANSACTIONAL eNPS®).

The eNPS® survey, which is conducted twice a year, provides indicators on recommendation, satisfaction and engagement, among others.

- Relational eNPS®: The employee net promoter score measures the likelihood that employees will recommend MAPFRE as a company to work for. In 2022, this was measured in 29 countries, and 91 percent of the workforce asked to rate this aspect gave a response of Very good or Excellent.

Employee Satisfaction Index - ESI: Measures employee satisfaction by assessing the following 10 elements: knowledge of objectives, pride in work carried out, recognition for work carried

out, contribution to the company, receipt of quality feedback, opportunities for development, collaboration, work tools, care for people, pride in the social footprint. In 2021, the result was 70 percent.

MAPFRE has deployed a People app to serve as a channel for communication and interaction with employees in Spain, Mexico, Brazil, Turkey, Peru, Puerto Rico, and Germany, with a total of 12,734 active users. This information, communication and management channel aimed at employees allows them to, among other things, receive notifications, view their salary receipts, request medical appointments, communicate leave and vacations, read important news and information about their workplace and sign up for volunteer activities.

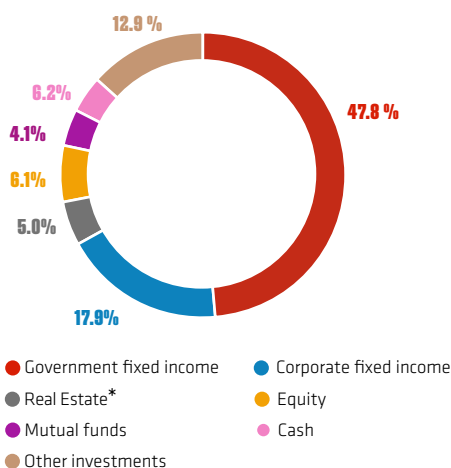
The Human Rights Policy guarantees the right to freedom of opinion, information and expression, respecting the diversity of opinions in the company and promoting dialog and communication, as well as the right to a safe and healthy working environment in which any display of harassment and violent or offensive behavior toward the rights and dignity of people is rejected. The Group expressly opposes, and does not tolerate, any harassment in the workplace, regardless of who the victim or perpetrator is. This commitment must be present in all relationships between employees and in relationships between employees and providers, clients, collaborators, and other stakeholders. Furthermore, it also extends to all the organizations with which MAPFRE works.

To facilitate well-being and a healthy work-life balance, MAPFRE offers its employees a wide range of company benefits, which accounted for an investment of 166.5 million euros in 2022.

LIQUIDITY AND CAPITAL RESOURCES

Investments and liquid funds

Details of the investment portfolio* by type of assets, as of December 31, for the last two financial years is shown in the following graph.



Item	2022	2021	Δ%
Government fixed income	19,778.9	22,879.0	-13.5%
Corporate fixed income	7,405.9	7,617.4	-2.8%
Real Estate*	2,065.5	2,331.9	-11.4%
Equity	2,504.1	3,051.8	-17.9%
Mutual funds	1,713.7	1,877.3	-8.7%
Cash	2,574.7	2,887.7	-10.8%
Other investments	5,345.0	5,514.7	-3.1%
TOTAL	41,387.9	46,159.7	-10.3%

Figures in million euros

*"Real Estate" includes both investment property and real estate for proprietary use (at acquisition price)

A breakdown of the Fixed Income portfolio by geographical area and asset type follows:

Item	Government	Total Corporate Debt	Total
Spain	8,902.9	1,569.4	10,472.3
Rest of Europe	4,229.9	2,647.6	6,877.5
United States	1,008.6	2,098.5	3,107.2
Brazil	2,733.6	1.4	2,735.1
Latin America - Other	2,005.2	750.9	2,756.1
Other countries	898.7	338.0	1,236.7
TOTAL	19,778.9	7,405.9	27,184.8

Figures in million euros

Four different types of portfolios are included in investment portfolio management:

- Those that aim for a strict immunization of the obligations derived from insurance contracts, and which minimize interest rate risk, through matching adjustments, by means of immunization techniques based on matching cash flow or duration.
- Portfolios that cover Unit-Linked policies composed of assets where the risk is borne by policyholders.
- Conditioned actively managed portfolios, that aim to exceed guaranteed returns and to obtain greater returns for policyholders within prudential parameters, such as portfolios with profit-sharing.
- Freely actively managed portfolios, which are only conditioned by the legal rules and internal risk limitations.

The following is a breakdown of actively managed Fixed Income portfolios:

		Market value (€bn)	Accounting yield (%)	Market yield (%)	Modified duration (%)
IBERIA Non-Life	12/31/2022	3.00	2.16	3.60	8.97
	12/31/2021	3.97	2.08	0.69	10.93
MAPFRE RE Non-Life	12/31/2022	3.26	1.87	4.04	3.46
	12/31/2021	3.18	1.28	0.69	3.78
IBERIA Life	12/31/2022	4.18	3.34	3.31	5.85
	12/31/2021	5.18	3.38	0.21	6.6
Brazil - MAPFRE SEGUROS	12/31/2022	0.94	8.85	11.44	2.86
	12/31/2021	1.13	7.05	8.73	3.07
LATAM NORTH	12/31/2022	1.05	7.06	7.55	3.12
	12/31/2021	0.99	5.48	5.39	3.48
LATAM SOUTH	12/31/2022	1.39	8.93	10.93	4.56
	12/31/2021	1.66	6.85	6.06	6.24
NORTH AMERICA	12/31/2022	1.80	2.62	5.30	4.40
	12/31/2021	1.98	2.47	1.74	5.63

The accounting yield of the IBERIA and MAPFRE RE Non-Life portfolios to December 31, 2022, would reach 2.4 and 2.1 percent excluding the impact of inflation-linked bonds.

At December 31, 2022, the unrealized capital losses on equity and mutual funds from IBERIA and MAPFRE RE's freely actively managed portfolios reached 12 million euros.

Assets under management

The following chart reflects the development of assets under management, which include the total Group investment portfolio as well as pension and mutual funds:

Item	Dec. 2022	Dec. 2021	Δ%
Investment portfolio	41,387.9	46,159.7	-10.3%
Pension funds	5,700.7	6,431.3	-11.4%
Mutual funds and other	5,526.0	5,403.3	2.3%
TOTAL	52,614.5	57,994.3	-9.3%

Figures in million euros

Real estate

The MAPFRE Group's strategy on real estate investments, both direct and through mutual funds, followed similar guidelines to the previous year. On the one hand, its investment focused on office properties in central locations in the main Eurozone capitals, profitable assets and top-level tenants; in short, assets with high price stability and resilience to crisis scenarios. And on the other hand, divestment from assets that do not fit that definition to the extent that they are unnecessary for MAPFRE's insurance operations.

New real estate investments are being made through agreements with top-tier international partners that provide their management capacity in markets such as France, Germany, Italy, Benelux, etc., including both preexisting agreements and those launched in 2022. These include the company's new agreement with Munich RE and its management firm (MEAG), with an expected investment volume of 500 million euros in its first phase, invested in Germany and Spain through an asset exchange; and the second fund managed by the Macquarie group, with a pan-European scope and an estimated investment volume of 500 million euros, which will incorporate its first assets imminently. As in previous cases, different companies in the MAPFRE Group invest in these funds.

The investment of the existing funds continued, with three assets being included in the pan-European agreement with Swiss Life totaling 72 million euros.

Several investments were also made in specialized funds in which MAPFRE does not participate as a manager.

Apart from these schemes, investments continue to be made on a one-off basis in real estate for the direct portfolio of Group companies, including the purchase of an office asset in Lima (Peru) for xx million euros this year. A building was also constructed that serves as MAPFRE Peru's headquarters.

On the divestments side, various sales agreements have been executed, on the one hand, for office buildings in Spain that did not fit into the group's current strategy; and on the other, for land, once purchased for housing developments, that has been sold for a combined amount of 87.5 million euros.

Investment asset rental plans are implemented consistently from year to year, and in 2022 the occupancy rate of assets located in Spain was raised by 0.6 percent, taking the overall occupancy rate for properties in Spain to 87.2 percent, with the direct portfolio in Spain producing a return of 3.83 percent for 2022.

At the end of 2022, MAPFRE's real estate investments at market value amounted to just over 2.9 billion euros, a net book value equivalent to 5.1 percent of total investments.

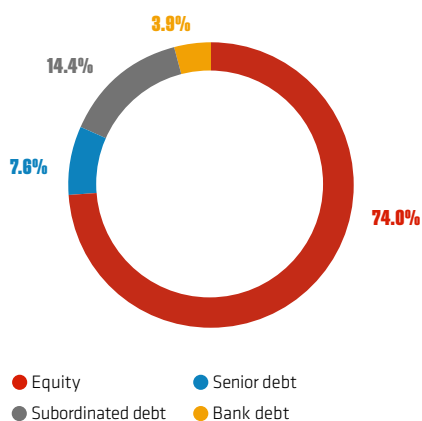
It was a year of consolidation for the infrastructure investments already made by MAPFRE in previous years. In the case of the investment with Macquarie, it was possible to commit 100 percent of the fund's size one year earlier than expected, and it will begin to distribute returns next year, as will the MAPFRE Energías Renovables I fund. Valuations have been maintained upward, thus showing its resilience to macroeconomic changes; the funds with Macquarie (invested in December 2020) are valued at 1.10x, and the co-investment in Iberdrola assets (which started in June 2021) is at 1.07x.

With regard to the MAPFRE Energías Renovables I fund, this year it was classified in the CNMV as an Article 8 fund under the SFDR sustainability standard. According to the sustainability KPIs at the close of the second quarter, 70,356 tons of CO2 equivalent were reduced from the atmosphere, having supplied 39,436 Spanish households with green energy and prevented 469,051 trees from being cut down per year.

CAPITAL RESOURCES

Capital structure

The accompanying chart shows the composition of the capital structure at the close of 2022:



Capital structure reached almost 11.3 billion euros, of which 74.0 percent corresponds to equity. The Group leverage ratio is 26.0 percent, a 1.8 percentage point increase compared to the close of 2021.

Debt instruments and leverage ratios

The following chart shows the evolution of the Group's debt instruments and leverage ratios:

Item	Dec. 2022	Dec. 2021
Total Equity	8,360.0	9,666.4
Total debt	2,934.7	3,091.5
- of which: senior debt - 5/2026	863.5	863.0
- of which: subordinated debt - (Issue 2022)	504.3	0.0
- of which: subordinated debt - 3/2047 (First Call 3/2027)	618.6	618.0
- of which: subordinated debt - 9/2048 (First Call 9/2028)	504.2	504.0
- of which: syndicated credit facility - 02/2025 (€ 1,000 M)	237.0	621.0
- of which: bank debt	207.2	485.5
Earnings before tax	1,397.6	1,355.1
Financial expenses	102.4	81.9
Earnings before tax and financial expenses	1,500.0	1,437.0
RATIOS		
Leverage	26.0	24.2%
Equity / Debt	2.8	3.1
Earnings before tax and financial expenses / financial expenses	14.6	17.5

Figures in million euros

At December 31, 2022, the leverage ratio was above the 25 percent maximum limit of the Group reference framework. This is a temporary situation, from the previously mentioned fall in net equity resulting from the higher interest rates.

The Group expects to recover the 23-25 percent reference framework in the coming quarters with the expected increase of Group equity. However, MAPFRE has other levers available to reduce its debt level, if necessary to achieve this target ratio.

Equity developments

Consolidated equity amounted to nearly 8.4 billion euros at December 31, 2022, as compared to almost 9.7 billion euros at December 31, 2021. To December 31, 2022, the 1.1 billion euros in non-controlling interests' shares in subsidiaries corresponds primarily to financial entities in Spain and Brazil with which MAPFRE has bancassurance agreements. Consolidated equity attributable to the controlling Company per share was 2.36 euros at December 31, 2022 (2.75 euros at December 31, 2021).

The accompanying chart shows changes in equity attributable to the controlling Company in the period:

Item	Dec. 2022	Dec. 2021
BALANCE AT 12/31 PREVIOUS YEAR	8,463.4	8,536.0
Additions and deductions recognized directly in equity		
Financial assets available for sale	(3,470.7)	(1,425.3)
Shadow accounting	1,715.1	947.7
Subtotal	(1,755.5)	(477.6)
Currency conversion differences	343.0	139.4
Other	28.0	12.2
TOTAL	(1,384.6)	(326.0)
Result for the period	642.1	765.2
Dividends	(446.5)	(415.6)
Other changes in net equity	14.8	(95.9)
BALANCE AS AT PERIOD END	7,289.3	8,463.6

Figures in million euros

Equity attributable to the controlling Company at the close of December 2022 includes:

- A decrease of 3.5 billion euros in the unrealized capital gains from the financial assets available for sale portfolio, as a result of the increase in interest rates, partially offset by shadow accounting for 1.7 billion euros.
- An increase of 343.0 million euros from currency conversion differences, mainly due to the appreciation of the Brazilian real, the US dollar, and the Mexican peso.
- Earnings to December 2022 for the amount of 642.1 million euros.
- A reduction of 446.5 million euros from the 2021 final dividend and the 2022 interim dividend.

The breakdown of equity attributable to the controlling Company is as follows:

Item	Dec. 2022	Dec. 2021
Capital, retained earnings and reserves	9,686.0	9,497.4
Treasury stock and other adjustments	-11.9	-61.7
Net capital gains / losses	-951.5	804.0
Unrealised gains /losses (Available for sale portfolio)	-827.4	2,643.3
Shadow accounting (Gains allocated to provisions)	-124.2	-1,839.3
Currency conversion differences	-1,433.3	-1,776.3
Attributable equity	7,289.3	8,463.6

Figures in million euros

The 827.4 million euros in net capital losses include 118.0 million euros corresponding to unrealized gains in the Life portfolio in Spain.

The following table shows a breakdown by region and Business Unit of gains/losses in the available for sale portfolio, net of shadow accounting, as well as its variation in the period:

Region / Unit	Dec. 2022	Dec. 2021	Var.
IBERIA	(220.7)	777.4	(998.1)
LATAM	(208.9)	(66.8)	(142.1)
NORTH AMERICA	(229.9)	43.9	(273.8)
EURASIA	(70.5)	(1.1)	(69.4)
TOTAL INSURANCE	(730.1)	753.3	(1,483.4)
MAPFRE RE AND OTHER	(221.4)	50.7	(272.1)
TOTAL	(951.5)	804.0	(1,755.5)

Figures in million euros

The following table shows a breakdown of the currency conversion differences and variations:

Currency	Dec. 2022	Dec. 2021	Var.
US dollar	601.2	458.9	157.8
Brazilian real	(857.4)	(940.9)	3.8
Venezuelan Bolivar	(420.2)	(419.2)	4.1
Turkish lira	(359.7)	(386.6)	-40.7
Argentine peso	(92.9)	(111.6)	10.2
Mexican peso	(97.9)	(129.4)	11.5
Colombian peso	(101.2)	(81.9)	-19.3
Other currencies	(105.2)	(165.7)	60.5
TOTAL	(1,433.3)	(1,776.3)	343.0

Figures in million euros

Hyperinflationary economies' effect on Equity

The Group accounting policy for recording operations in hyperinflationary economies consists of recording the accounting effects from inflation adjustments in non-monetary items and from currency conversion differences in Equity, with both recycled in P&L. The amounts included in the line "Currency conversion differences" and its variation in recent periods are the following:

ITEM	Dec. 2020	Var 2021	Dec. 2021	Var 2022	Dec. 2022
Restatement for inflation	582.5	20.7	603.2	92.6	695.8
Currency conversion differences	(1,127.6)	(6.4)	(1,134.0)	(434.5)	(1,568.5)
Net	(545.1)	14.3	(530.7)	(342.0)	(872.7)

Figures in million euros

The breakdown, by country, of results from accounting restatement and equity from the subsidiaries operating in hyperinflationary economies is as follows:

COUNTRY	Results from restatement		Attributable equity	
	Dec. 2022	Dec. 2021	Dec. 2022	Dec. 2021
Argentina	(43.5)	(12.7)	95.7	73.2
Venezuela	(0.2)	(0.5)	5.2	5.8
Turkey	(16.6)	0.0	49.6	62.9
Total	(60.3)	(13.2)	150.5	141.9

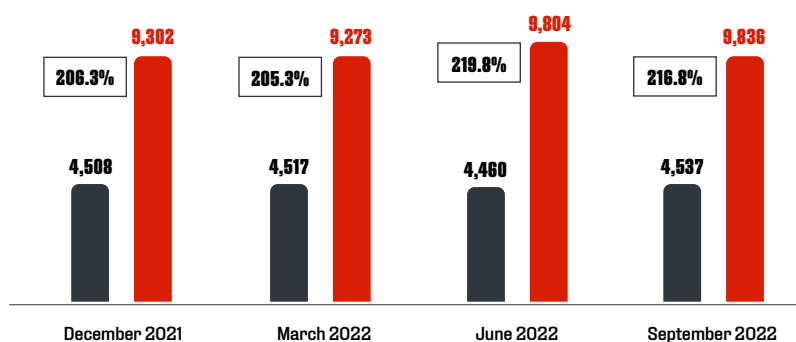
Figures in million euros

SOLVENCY II

The Solvency II ratio for MAPFRE Group stands at 216.8 percent at September 2022, compared to 206.3 percent at the close of December 2021, including transitional measures. This ratio would be 206.9 percent, excluding the effects of these measures. Eligible own funds reached over 9.8 billion euros in the same period, of which 84.0 percent are high quality funds (Tier 1).

The ratio shows a high level of solidity and stability, backed by high diversification and strict investment and asset and liability management (ALM) policies, as can be seen in the accompanying charts.

SOLVENCY MARGIN BREAKDOWN (SOLVENCY II)



● Solvency Capital Requirement ● Eligible Own Funds

Million euros

The Group recalculates the SCR quarterly, applying estimates in the underwriting and counterparty risk.

Impact of transitional measures and matching and volatility adjustments

Ratio at 09/30/2022	216.8%
Impact of transition for technical provisions	-9.9%
Impact of equity transitional	-%
Total ratio without transitional measures	206.9%
Ratio at 09/30/2022	216.8%
Impact of matching adjustment	0.2%
Impact of volatility adjustment	-0.8%
Total ratio without matching and volatility adjustments	216.2%

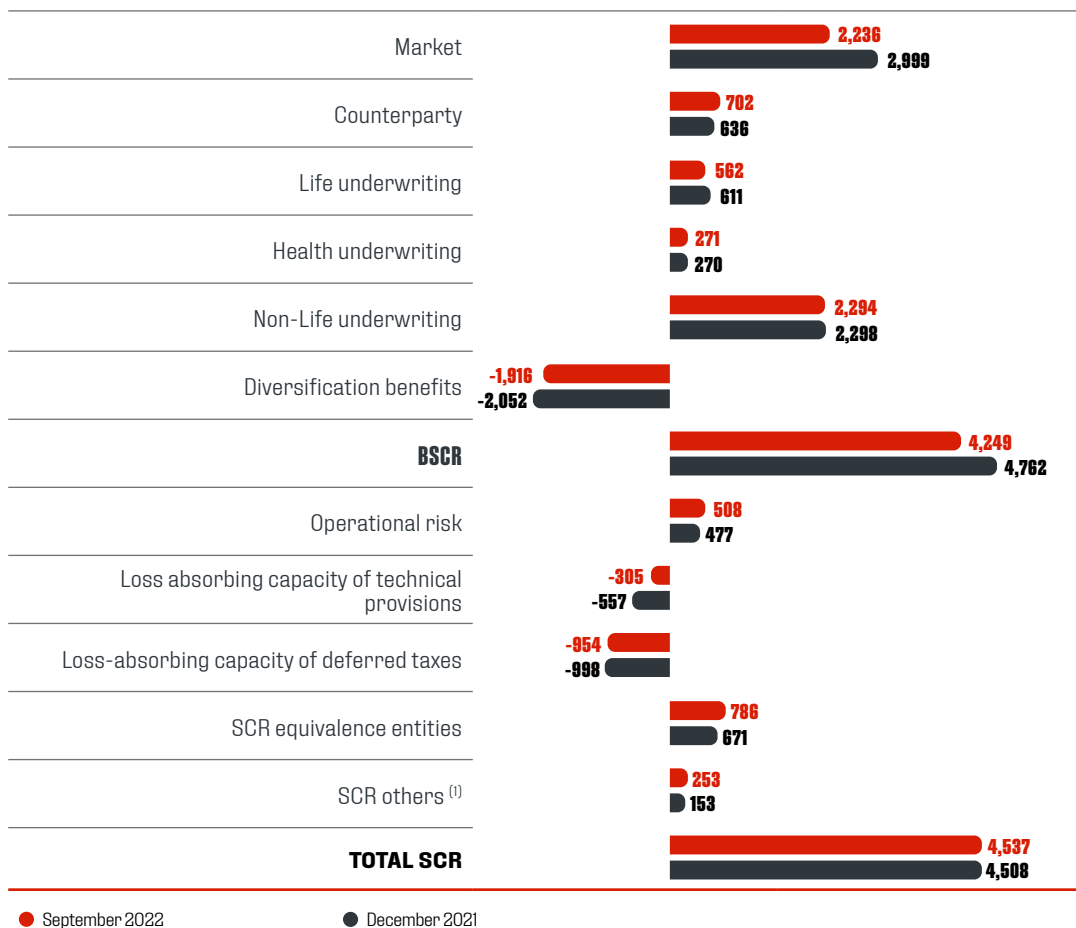
**IFRS and Solvency II Capital Reconciliation
Breakdown of Solvency**

IFRS equity	09/30/2022	8,713
Participations not included under SII	-499	
Adjustment to participations (mainly from entities under equivalence)	-771	
Intangible assets	-2,707	
Real estate capital gains	627	
Adjustment in the rest of investments and assets	-68	
Adjustment in technical provisions	3,702	
Foreseeable dividends	-264	
Subordinated debt	1,479	
Change in deferred taxes	-292	
Adjustment in minorities for excess in Own Funds over SCR	-312	
Other	228	
Solvency II Eligible own funds	09/30/2022	9,836

Figures in million euros

Capital Requirement (SCR)

The breakdown of the SCR calculated to September 2022 and December 2021, is as follows:



● September 2022 ● December 2021

Figures in million euros.

⁽¹⁾ Includes other financial sectors, non-controlling interests and other companies.

Regulatory aspects in progress

The European Commission's proposed modifications to the Solvency II Directive adopted September 22, 2021 are in line with EIOPA's position of allowing diversification in the rest of the business for portfolios using the matching adjustment. Although it is necessary to wait for the result of the negotiations between the European Parliament and the Council, this diversification is expected to be allowed in the final modification. There is no effective date yet for these modifications, and it would be difficult for them to enter into force before 2024.

The following chart shows the impact approval of this measure would have on the Solvency II ratio, based on September 30, 2022 figures:

	09/30/2022
Solvency II ratio	216.8%
Matching adjustment - diversification	3.2%
Solvency II ratio (pro-forma, combined impact)	220.0%

End of the alliance with CAJA CASTILLA LA MANCHA

After the exit of CCM Vida y Pensiones from MAPFRE Group in October 2022, there was a cash inflow of 131.4 million euros, which is expected to improve the Group Solvency position by approximately 1.7 percentage points.

ANALYSIS OF CONTRACTUAL OPERATIONS AND OFF-BALANCE SHEET OPERATIONS

At the fiscal year-end, MAPFRE had the following formal agreements in place related to the development and distribution of insurance products in Spain with different companies, some of which have undergone, or are currently immersed in, processes related to the restructuring of the banking system:

- Agreement with Bankinter S.A. for the exclusive distribution of Life and Accident insurance and pension schemes of the jointly owned company BANKINTER SEGUROS DE VIDA (of which MAPFRE owns 50%), through the bank's sales network.

The acquisition price for the shares was 197.2 million euros in cash, plus two payments of 20 million euros each plus interest to be paid, in light of the degree of compliance with the Business Plan, in the fifth and tenth year of said plan. In 2012, the degree of compliance with the Business Plan led to payment of the first additional amount, namely 24.2 million euros. As the long-term objectives were not achieved, the provision set up for an amount of 29 million euros was canceled during the first quarter of 2017.

On April 1, 2016, BANKINTER SEGUROS DE VIDA, owned 50-50 by Bankinter and MAPFRE, purchased the insurance business of Barclays Vida y Pensiones in Portugal for the sum of 75 million euros.

- Agreement with Bankinter, S.A. for the exclusive distribution of general and business insurance (excluding Automobile, Travel assistance and Homeowners insurance) of the jointly owned company BANKINTER SEGUROS GENERALES (of which MAPFRE owns 50.1%), through the bank's sales network.

The acquisition price of the shares was 12 million euros in cash (in addition to the payment of 3 million euros for the purchase of shares on December 27, 2011), plus an additional 3 million euros to be paid in the event of full compliance with the "December 2012 Business Plan" by the end of 2015. This additional price has not accrued due to non-compliance with this Business Plan.

- Agreement with Banco Santander S.A. for the exclusive distribution of certain Non-Life products. In January 2019, an agreement was reached whereby MAPFRE ESPAÑA would acquire from Banco Santander 50.01% of a newly established company to sell automobile insurance, multirisk commercial, multirisk SME and third-party liability insurance exclusively via its Banco Santander network in Spain, for a term until December 31, 2037. The remaining 49.99% of said company's capital still belongs to Banco Santander, through its subsidiary Santander Seguros.

The transaction, which amounted to 82.2 million euros, was formalized in June 2019 upon receiving the approval of the corresponding authorities. The company is now operational.

In April 2021, Banco Santander and MAPFRE ESPAÑA signed a commercial promotion contract whereby MAPFRE promotes sales of Banco Santander's banking products and services through its network.

In February 2022, Banco Santander S.A. and MAPFRE S.A. signed an agreement for the marketing of reverse mortgages.

The deal was formalized through the acquisition of 50% of the shares representing the share capital of the company Platinum Care S.A., which was executed on May 12, 2022, after obtaining the authorization of the European Commission's free competition defense authority. The remaining 50% of the shares are owned by Banco Santander S.A. Currently, Platinum Care S.A. is in the process of obtaining administrative authorization to operate as a credit institution.

MAPFRE terminated its agreements with Unicaja Banco, S.A. (as the successor to the Liberbank business, the successor, in turn, to the former Caja Castilla-La Mancha business) for the exclusive distribution of personal insurance and pension plans through the joint venture CCM VIDA Y PENSIONES (of which MAPFRE owned 50%) using said company's Caja Castilla la Mancha network, following the process initiated by Unicaja Banco to restructure its bancassurance alliances after its merger with Liberbank.

On October 10, 2022, the partnership with Unicaja Banco was formally terminated in accordance with the agreed terms. The operation amounted to 131.4 million euros (corresponding to 110% of the market value of 50% of the CCM VIDA Y PENSIONES shares, determined by an independent expert, capitalized from June 30, 2021, to October 10, 2022).

The restructuring of the strategic partnership with Banco Do Brasil began in 2018. As a result of this process, since November 30, 2018, MAPFRE has held 100% (previously 50%) of all of the business (Life and Non-Life) generated by the agency channel, and the automobile and large-risk businesses that are distributed through the bank channel. It also maintains a 25% share in BB MAPFRE, which incorporates home insurance from the bank channel into its business.

In addition, MAPFRE and Euler Hermes have a strategic partnership in place to jointly develop the surety and credit insurance business in Spain, Portugal, and Latin America. Under this agreement, both companies hold a 50% stake in a joint venture called Solunion, integrating the businesses of both groups in the aforementioned markets. Solunion covers risks in countries all around the world and has an international network of risk analysts located in more than

50 countries, who continuously monitor the situation regarding the risks of their insured, in addition to an extensive distribution network in countries where it is present.

Lastly, the non-controlling shareholders of MAPFRE RE have a put option on the shares of this company. If exercised, MAPFRE or a MAPFRE Group company would have to acquire the shares from the selling non-controlling shareholder. The purchase price for the MAPFRE RE shares will be calculated using the previously agreed formula. As of December 31, 2022, based on the variables included in the aforementioned formula, the commitment assumed by MAPFRE if this option were exercised would amount to a total of approximately 109.6 million euros.

MAIN RISKS AND UNCERTAINTIES

MAPFRE's risk management system (RMS) is based on the integrated management of each and every business process and the alignment of risk levels to the defined strategic objectives.

Financial and credit risk

Market and interest rate risks

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

The main measures to mitigate the potential adverse effects of variations in market prices include a prudent investment policy (characterized by a high proportion of investment-grade fixed income securities) and the prudent selection, following sustainability criteria, of financial assets with the right characteristics to cover the obligations undertaken.

Investments in fixed-income securities represent 86.9 percent of the entire financial investment portfolio in 2022 (84.1% in 2021). Investments in equity instruments and mutual funds have a limited weight in the portfolio, accounting for approximately 13.3 percent of total financial investments in 2022 (13.6% in 2021).

During fiscal year 2022, in several of the markets in which the Group operates (Eurozone countries and USA), interest rates were raised to curb the strong inflationary upturn, which is increasing pressures on company costs. The above aspects can influence consumer behavior, causing a decrease in the demand and contracting of insurance products and services.

Revenues from MAPFRE's Life insurance and asset management operations are directly related to the value of the assets managed (whether fixed income or equities), which means that a fall in markets could have a negative impact on these revenues.

Exchange rate risk

Changes in the value of the euro against other currencies affect the value of the Group's assets and liabilities, and, therefore, its equity, operating results and cash flows. The currency conversion differences recorded in own funds attributable to the controlling company resulted in the positive acknowledgment of 343 million euros in 2022 (a positive result of 139.4 million euros in 2021).

Turning to technical provisions for operations abroad, the Group generally applies a policy of investing in assets denominated in the same currency as the commitments acquired by the insurer, thereby mitigating the exposure to exchange rate risk.

Credit risk

Returns on investments, among others, are sensitive to changes in the general economic conditions, including variations in the general credit rating of debt security issuers. Accordingly, the value of a fixed income instrument may be reduced by changes to the credit rating or insolvency of the issuer. There are similar risks in exposures to insurance, reinsurance and banking counterparties.

Exposure to credit risk is mitigated through a policy based on the prudent selection of security issuers and counterparties on the basis of their solvency, seeking i) an elevated degree of geographic correspondence between issuers of assets and the commitments assumed; ii) maintenance of an appropriate level of diversification; and iii) securing, if necessary, guarantees, collateral and other additional coverages.

The credit risk management policy establishes limits by issuer in line with the risk profile of the counterparty or of the investment instrument, as well as exposure limits related to the counterparty's rating.

Operational risks

Regulatory risk

The Group works in a complex environment under increasing regulatory pressure, not only in the insurance sector, but also in matters of technology, corporate governance, corporate criminal responsibility and sustainability, with special attention to the fight against climate change.

Insurance companies are subject to special laws and regulations in the countries where they operate, and various local authorities are responsible for ensuring compliance therewith.

Legislative changes can (i) involve a risk if the Group is unable to adapt to them or (ii) affect the operations of the Group to the extent that the supervisory authorities have broad administrative control over various aspects of the insurance business. This control may affect premium amounts, risk selection and underwriting rules, marketing and sales practices, the distribution of profits among policyholders and shareholders, advertising, license agreements, policy models and contracts, solvency, capital requirements, investment portfolio management, and the requirements for publishing the financial and non-financial information of insurance companies. Furthermore, changes in taxation may affect the benefits of certain products marketed by the company or its subsidiaries that currently enjoy favorable tax treatment.

Legislative changes underway include the entry into force, in 2023, of the new criteria set out in the International Financial Reporting Standards adopted by the EU, namely IFRS 17 "Insurance Contracts" and 9 "Financial Instruments." These standards require insurance companies to apply changes in the recognition of insurance and reinsurance operations (affecting the valuation and presentation of revenue, expenses, assets and liabilities derived from the insurance business) and the classification and valuation of financial assets, respectively. The preparation of financial information under the new criteria involves a new way of presenting information that introduces new accounting items to the income statement that stakeholders are not yet familiar with. This will require an additional effort in terms of market disclosure to make clients, shareholders, analysts and investors aware of the new items introduced and the new approach to financial statements.

Other significant risks

Material risks

DI In the analysis of the main risks faced by the Group during the period covered by the business plan, Cyber Risk and ICT system failures stand out. The continuous increase in the volume and sophistication of malicious cybernetic activity to which MAPFRE is exposed when conducting business in a digital or "cyber" environment poses a high operational risk, requiring the company to constantly update and reinforce its cybersecurity measures.

Secondly, persistent inflation has a direct impact on the energy component, affecting the price of all supplies and products and impacting all companies and clients across the board. In the insurance industry, this materializes in an increase in claims expenses and a decrease in demand for new insurance policies.

Emerging risks

The Group also analyzes risks with a significant potential impact that could affect the longer-term (5-10 years).

The risk derived from climate change stands out as a material and emerging risk. Its impact is analyzed from the following perspectives:

- **Physical risks:** The severity and frequency of extreme weather phenomena are increasing in the countries in which MAPFRE operates, with events such as flooding, fires, hurricanes, cut-off lows, heat waves, extreme droughts, etc. These events are increasing the loss ratios of insurance companies, which must revise their risk models in this context and adapt them to cope with the effects of these phenomena.

- **Transition risks:** There is great uncertainty about the potential impact of government measures and regulations geared towards decarbonizing the economy. These measures promote changes in consumer habits; for example, encouraging modified forms of mobility (e.g. in Spain, the Climate Change and Energy Transition Act should alter the use of private vehicles to boost green mobility) and discouraging the purchase of goods, services and assets considered unsustainable (e.g., in Europe, the EU Taxonomy Regulation includes a classification of economic activities considered to be environmentally sustainable). These measures aim to reduce demand for a large number of existing products and services, which will cause the impairment of assets that are not considered sustainable.

Climate change risk management essentially focuses on increasing our understanding of the greater catastrophic hazards derived from climate change and improving our management of exposures through:

- The integration of climate change into decision-making for our sales strategy.
- Detailed knowledge of the insured risks (such as their geolocation and the characteristics of their assets), in order to provide appropriate coverage and catastrophic protection.

- Suitable accumulation control and management to optimize the use of capital.

- Maximum collaboration and transparency between the insured party and the insurer to guarantee the best assessment and pricing.

- The provision of reinsurance coverage.

The avalanche of sustainability regulations, marked by great fragmentation, extensive ambiguity and disparate criteria in the different regulatory provisions, generates uncertainty in insurance companies as to the continuity and management of their existing product and service portfolios, as well as the assets that will be considered unsustainable and the impact that such treatment may have on their valuation.

The second emerging risk with a potentially significant impact on the Group concerns the challenge of adapting products and services to changes in the environment, society and the markets in which it operates. The speed of changes and the solutions demanded by customers, who are increasingly aware of sustainable products and new ways of operating with companies, require products and services to be constantly adapted; unless this is done properly, it could lead to a loss of competitiveness. To manage this risk in the Group, a broad set of initiatives have been established with the main objective of orienting processes toward the customer, with the ongoing adaptation of technical and operational management centered on the customer.

Another emerging risk identified is that of financial instability and crises due to conflicts and scarcity of resources.

The Group has long-term exposure to the triggering effects of sociopolitical risk, where drastic and very rapid changes are taking place, with a trend toward increased protectionism. Russia's invasion of Ukraine, the sanctions adopted by the European Union and the United States and China's economic and political influence are examples of this.

The COVID-19 pandemic, the Russia-Ukraine conflict and the sanctions and economic impacts, together with resource scarcity caused by climate change, could have geopolitical implications, encouraging states to adopt more nationalistic policies, initiate new conflicts or aggravate existing ones. This could increase political instability and social unrest, with the potential to spread rapidly if it coincides with structural causes in the economy and society (high food and energy prices, water scarcity, high unemployment, income inequality and poor public services, etc.). Along with the above factors, the rising and persistently high inflation rates, with countries increasing their debt to handle the various crises, could reduce purchasing power with the consequent contraction in the demand for insurance products.

The Group's long-term results may be altered by fluctuations in the financial markets in which it operates, by changes in interest rate exposure that may undermine the contracting of products (life, savings), investment returns, as well as the sufficiency of technical provisions and the increase in costs and loss ratio. Furthermore, regulatory changes resulting from conflicts may cause direct losses due to restrictions on operations.

MAPFRE attempts to identify aspects that could affect the Group socially and politically, as well as to monitor the main macroeconomic and financial variables, with special emphasis on their impact on the insurance industry and the Group's financial strength.

The Group is reasonably protected against the risks described above by maintaining a strategic approach based on:

- Technical rigor in risk underwriting and claims management, and a lower expense level than the market average;
- Conservative policy in the management of investments with the application of sustainability criteria to generate a positive impact on the environment and society.

- Maintaining a reasonable level of indebtedness and liquid assets, which mitigates potential liquidity and debt refinancing problems under adverse conditions.
- Continuous analysis of client needs and flexible processes to adapt the supply of products and services to demand.

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

Environmental, social and governance (ESG) risks

MAPFRE constantly analyzes factors that, should they arise, can or could impact business (referring to investment and underwriting). This analysis considers environmental, social and governance (ESG) factors, as these enable additional information to be gathered on social movements and transformations, and the expectations of stakeholders and the market that affect the organization.

A proper analysis of ESG factors, and how they might affect the business in the short, medium and long term, shows their relationship to the company and possible inclusion in the list of risks drawn up by the company and in the adoption of prevention and mitigation measures.

MAPFRE's business model and strategy are an example of how the company tackles global sustainability challenges, manages ESG risks and opportunities, and innovates in the development of insurance products and solutions that benefit customers and the society in which it operates.

ESG risks are naturally integrated into the business processes, providing long-term solutions. ESG risk and opportunity management helps in decision-making in areas such as underwriting, investment, innovation in products and services and service provision, which are key to building trust in stakeholders.

Integration of ESG aspects into investment processes

With regard to investment processes, since 2017 MAPFRE has adhered to the United Nations Principles for Responsible Investment (PRI) and has a framework for action in responsible investment.

MAPFRE has an Investment Policy in place, approved by the MAPFRE S.A. Board of Directors, applicable to all insurance and reinsurance companies in the Group.

The Corporate Investment Area is the guarantor of compliance with the established responsible investment principles at the organization and must report annually on their fulfillment to the Sustainability Committee. Furthermore, MAPFRE ASSET MANAGEMENT (hereinafter MAPFRE AM) has a Risk Committee that regularly analyzes portfolio composition, ESG evaluations and any disputes that may arise from the application of MAPFRE's approved causes of exclusion, as well as the carbon footprint of the investment portfolio.

To monitor and manage ESG risks in investments, MAPFRE has its own ESG analysis framework that is reviewed periodically to incorporate best practices in this area. The investment team is responsible for implementing the methodologies included in the above framework, looking for opportunities and minimizing risks.

Integration of ESG aspects into the underwriting processes

In 2012, MAPFRE officially adopted the Principles for Sustainable Insurance (PSI) promoted by the United Nations Environment Programme Finance Initiative (UNEPFI), committing to integrate environmental, social and governance (ESG) issues into its decision-making for the underwriting processes of the Group's insurance operations.

This commitment is defined in the Underwriting Policy, approved by the Board of Directors of MAPFRE S.A., applicable to all insurance and reinsurance entities and aligned with the corporate business strategy. In addition to a Global Business Committee that meets monthly, MAPFRE has an Underwriting Policy Committee that meets weekly and that, among other functions, is responsible for the correct application of this policy and analyzes and proposes operational exclusion rules on ESG matters.

MAPFRE constantly analyzes factors that, should they arise, can or could impact business. This analysis considers ESG factors, as these enable additional information to be gathered on social movements and transformations, and the expectations of stakeholders and the market that affect the organization.

A proper analysis of ESG factors, and how they might affect the business in the short, medium and long term, will show their relationship to the company and possible inclusion in the list of risks drawn up by the company and in the adoption of prevention and mitigation measures.

For underwriting global risks, MAPFRE has developed an internal ESG evaluation model that is based on specialized tools, evaluating and quantifying the environmental, social and governance impact of the activity carried out by a business group, considering the sector and the countries where it operates.

The model assigns a reputational risk level to the business group, which is linked to the level of authorization required to underwrite the operation. The approval of the Management Committee of the Major Risks Unit may be required and, where appropriate, the additional authorization of the CEO.

Taking action during natural disasters requires an appropriate forecast of these events and a correct assessment of the losses they can cause, both of which are essential to manage an insurance company. The economic impact that the company will have to absorb as well as the response that it will be able to give its clients depend on this, and management of this action is inherent in its operations.

The Reinsurance Unit is entrusted with various tasks related to exposure control and catastrophic risk management of the Group, as well as providing adequate reinsurance coverage to each of the companies individually and the Group as a whole.

Sustainable underwriting products and services

Sustainable innovation is an important business opportunity. For this reason, MAPFRE continues working to design sustainable solutions, analyzing market options and moving towards new business models and solutions that arise from digital and technological changes. It does so with the ultimate aim of offering the best solutions and services to current and future customers while contributing to a just transition to a low-carbon economy and a more inclusive and equal society.

MAPFRE's experience as an insurance company enables it to manage risks and develop solutions for a sustainable future, adding value through dialog with stakeholders and sharing its experience to improve general awareness of risk and mitigation in the sector, focusing on the following products:

- Environmental products and services: insurance products or services aimed at specifically adapting and/or mitigating an environmental risk or opportunity and/or related to climate change.

- Social products and services: insurance products or services aimed at specifically covering the basic needs of the population, products or services related to the protection of life, health and education in disadvantaged communities and/or low-income groups (minimum wages or less), as well as aspects related to the protection of human rights, non-discrimination, inclusion and diversity.

- Good governance products and services: products that aim to protect businesses from one of the biggest vulnerabilities of today: cyber attacks.

Additional information

Note 7, "Risk Management," of the Consolidated Annual Report includes detailed information about the different types of risk that affect the Group.

Section 3.3.2. Sustainability in the business, part of the Integrated Report, presents more details on how MAPFRE manages risks related to ESG issues.

SIGNIFICANT EVENTS AFTER THE FISCAL YEAR-END

There have been no relevant events subsequent to close.

INFORMATION ON EXPECTED PERFORMANCE

Outlook

The year 2022 will be marked as a turning point in recent economic history. Inflation has returned, causing many central banks to resume implementing a monetary policy not seen since the 1970s. These levels of inflation not seen in 50 years have been triggered, in the first instance, by the rise in gas, oil, problems in supply chains and the costs of maritime freight.

The hope that inflation would be transitory in nature did not materialize. On the contrary, energy prices, despite the recent easing in gas prices, are expected to remain high. The sabotage of the Nordstream pipelines has made a return to the previous energy status quo impossible, at least for a long time, even if relations with Russia were to normalize. As far as oil goes, OPEC+ has reiterated its desire to keep prices high, through cuts in the production target.

In Europe, the energy crisis has not yet had a full impact on consumption, due to the subsidies and tax reductions granted by governments, but this complicates the medium-term sustainability of public accounts. Additionally, the authorities in Brussels see an opportunity to speed up the transition to green energy, accepting that there is a cost to bear. Governments are accelerating investment in renewable energy, and now the debate is on whether nuclear and gas can be considered clean energy. Meanwhile, non-clean energies have the extra cost for CO2 emission rights.

The high cost of energy and its implications for inflation were the central theme of 2022. The increase in costs for producers and transportation have turned out to be more persistent than initially expected, leading to an impact on other products and services.

Likewise, higher producer costs (28 percent in Germany, 21 percent in Spain and 36 percent in Italy, according to November data) have continued to deteriorate business margins, while their transfer to consumers is beginning to become evident, mainly in those companies with greater pricing power.

The end of the era of cheap and abundant energy has implications for competitiveness and, therefore, for the continuity of much of the industry in Europe. Large companies, with a high volume of business around the world, are aware of how these geostrategic complexities affect them in the long term. Everything seems to indicate that Europe has already realized that the energy situation will continue to drag industry down, with Germany and Italy facing a recession, while Spain and France, among others, will continue to grow, although below their potential. Without peace with Russia, cheap energy is not likely to return, while social unrest looks set to rise.

In the United States, the Federal Reserve has sharply tightened financial conditions to try to alleviate demand pressure, following in the footsteps of Paul Volker in the 1970s. However, at that time, the level of indebtedness of the entire system was much lower than the current one. In the current context, doubling interest rates has a much bigger impact in terms of the cost of servicing debt.

The current rises in interest rates signal an entry into uncharted waters, which occurs with sovereign bond rates that have been falling for 40 years, official rates that have remained low for 15 years, and successive increases in indebtedness (due to the quantitative monetary expansions to save the crises of 2008, 2012, and 2020). Now energy costs and the cost of living in

general are slowing down consumption and the economy, and the action of central banks further deepens the slowdown due to the increase in financial costs.

In short, inflation will fall as long as central banks maintain their policy of keeping interest rates high for longer, even at the cost of the level of economic activity and increasing solvency risks. Europe, for its part, faces the additional obstacle of a weak euro, which is felt in imports, especially energy.

The strong dollar affects the entire market for bonds issued outside the United States, making it more expensive to repay principal and interest. The situation has been alerted by organizations such as the United Nations and the World Bank, which have petitioned central banks not to raise rates any further, due to the stifling effect it is having on emerging countries.

As for China, the probability of a recession is lower because it is coming off the back of many years of sustained high levels of growth. The risks in China are to be found in real estate and in systemic financial risks. China is now Saudi Arabia's largest oil importer, and has replaced Europe as the largest importer of Russian gas, so it is in a position to expand its manufacturing competitive advantage.

In this context, the estimate for global growth in 2022 would be 3.5 percent, and 2.0 percent for 2023, after an estimated 6.1 percent growth in 2021. The probability of a recession in 2023 now stands at 65 percent for the United States,

80 percent for the Eurozone, 90 percent for Germany, 58 percent for Spain and 87.5 percent for Italy.

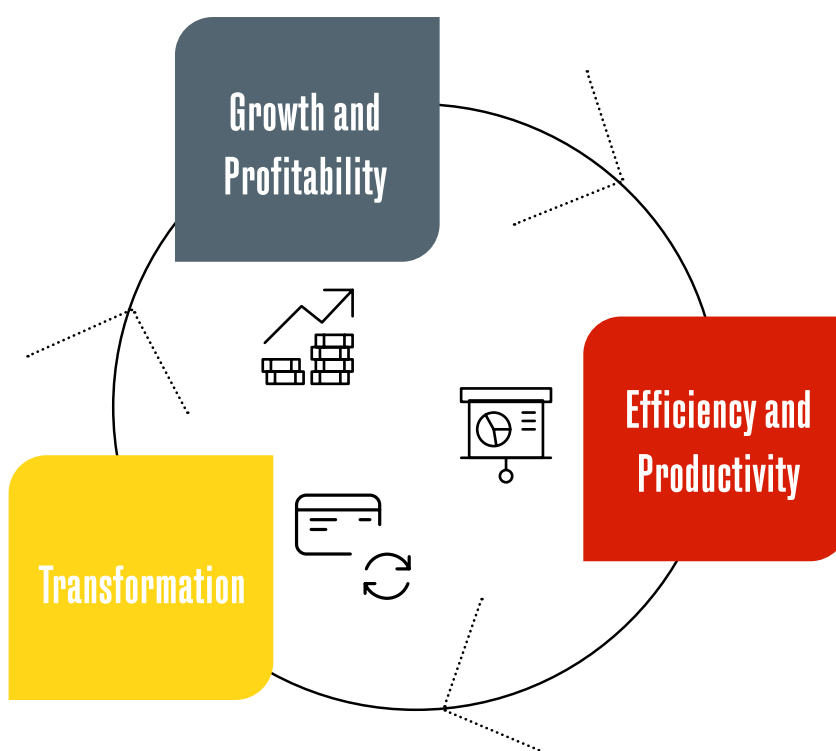
In terms of risks, inflation in 2023 will benefit from the base effect in the comparison. Gas prices have eased, although this may be temporary, partly because storage capacity in Europe is full at the start of the winter season. However, the forecast is that energy costs will remain high, not only because there is no visibility on the normalization of relations with Russia, but also because the fossil fuel industry is not investing in new exploration, extraction and refining projects.

Attention must be paid to the dynamics of credit contraction, through which the central banks expect their monetary policy to control inflation. Commercial banks will cut back on granting credit, both because economic activity is slowing down and because the repayment capacity of some borrowers is reduced.

In this context, the Federal Reserve could, at a given moment, conclude the series of rate hikes, although the current probability of that happening is low, and would depend on how the inflation scenario evolves. The Fed could prioritize growth and employment objectives, in response to a labor market that is expected to begin to weaken in the coming quarters, as already indicated by the first layoffs in the technology sector.

Strategic planning

Our current strategic cycle, approved by the Executive Committee and the Board of Directors of MAPFRE S.A., covers the period 2022-2024, and contemplates a horizon of three additional years to manage and anticipate future uncertainty, through an iterative work model. The Group's strategy is based on three pillars:



The **Growth and Profitability** pillar relates to the framework established for disciplined growth, in terms of both retaining and attracting customers, and how to do so delivering adequate profitability. We will be focused on knowing the needs of customers, creating and developing products and channels that satisfy them. We will maintain a business portfolio with sufficient scale, which allows for competitive expense ratios, with an adequate technical level.

The **Efficiency and Productivity** pillar will mark our roadmap in everything we do, reflecting in our processes specific objectives to satisfy customers in terms of quality and speed and at the same time, doing so consuming the fewest possible resources, thereby improving expense

ratios and being more competitive. Improving efficiency and productivity allows us to grow with greater agility and execute a more dynamic deployment of capabilities with greater impact.

The **Transformation** pillar is part of the process of continuous change in which we find ourselves immersed, and it will allow us to be an increasingly modern company, properly prepared for the future, ensuring the sustainability of our results. This transformation will allow us to continue progressing in our aspirations, as they pertain to knowledge of each market, the ability to adapt, speed of development, and geographic and product expansion.

Progress with the plan in 2022 and future outlook

Progress with the plan in 2022

We have some **aspirational objectives** in place that serve as a reference to guide our ambitions, which, at the end of 2022, were as follows:

- ROE: 8.4 percent (excluding operational extraordinary items) versus a 2024 aspiration of 9-10 percent (average)
- Premium growth: 10.8 percent versus a 2024 aspiration of 5-6 percent (average growth).
- Combined Non-Life ratio: 98.02 percent versus a 2024 aspiration of 96 percent (on a composite basis).
- Gender pay gap: 1.86 percent versus a 2024 aspiration of +/-1.0 percent.
- ESG investments: 97.72 percent of the investment portfolio (managed by MAPFRE AM) qualified in line with ESG criteria, versus a 2024 aspiration of 90 percent (of the global portfolio).

We work continuously on adequately **diversifying** our portfolio, which allows for the prioritization of the business models that help us achieve our aspirational objectives and focus the activity of each company. Additionally, we are focusing our efforts on the continuous discovery of opportunities in the medium and long term, contemplating entry into new markets and preventing negative impacts, as well as achieving positive impacts on the economy, the environment and people.

Our roadmap for the coming years is marked by:

- Being a more **accessible** company:
 - With products that the customer needs (caring about what matters to them).
 - With channels based on ease of use, boosting agility and improving costs in order to offer better products at more competitive prices.
- Continuing to **differentiate ourselves** through a value proposition that reflects what the customer demands at all times, leveraging the capacities generated in the current technological revolution, all the while remaining committed to contributing to a sustainable future.
- Working on a sufficient **scale** that facilitates continuous improvements in efficiency and productivity.



Digitalization will go hand in hand in everything we do, imbuing our day-to-day activity and affecting all the levers we activate.

Our **talent**, the capabilities that we have and will develop, the resources, the new operating models and the structures in place will all enable us to achieve the objectives that we have set for ourselves.

R&D+I ACTIVITIES

Innovation

MAPFRE OPEN INNOVATION (MOi) is MAPFRE's strategic commitment to boost client-centered transformation. With it, the company aims to foster innovation carried out by and for people.

Created as an open innovation platform, MOi uses partnerships with other stakeholders and emerging technologies to make a positive impact on our business and on society. In other words, for MOi, accelerating value creation for MAPFRE is as important as contributing to the progress toward a more prosperous, just and equal society. Since 2019, more than two million clients have benefited from solutions originating from this model, in terms of both insurance operations (contracting or benefits) and relational and aspirational aspects. These solutions address major social issues, such as the democratization of medical care, support for the independence of the elderly or services designed with a gender perspective.

In addition, proposals have been analyzed from more than 2,500 startups, of which more than 40 have gone through *insur_space*, MAPFRE's fast-track-to-market program for startups, which has consolidated our relationship with entrepreneurs in the insurance industry and our role as a benchmark for the insurtech environment. MAPFRE has managed to attract the best projects in their class, signing agreements with some of the most valued startups and the top insurtech solutions in the market. As part of our commitment to venture capital investment associated with the insurance industry, MAPFRE participates as the main investor in the venture capital fund *Alma Mundi Insurtech*, managed by *Mundi Ventures*. Fund I, with 100 million euros, has already entered the divestment phase. Fund II, which initially closed at 120 million euros with a projected size of 250 million euros, was launched in early 2022 and has already made six investments.

In 2022, initiatives were launched in the areas identified as priorities at the beginning of the year: cyber protection, climate risk, emerging risks, new mobility, health and well-being. In addition, progress was made in the deployment, scaling and export of critical solutions to transform operations: image-based assessment, claims automation and voice automation.

With regard to cyber protection, MAPFRE has been working to develop new products and solutions for companies, especially SMEs (small and medium enterprises). The situation faced by these companies, which are key to the economic and social fabric of their countries, is critical: 60 percent of companies of this size that suffer a severe cyberattack do not recover and cease their activity in the six months following the cyber-incident; 70 percent of cyberattacks in Spain target SMEs, and the average cost of the economic impact exceeds 35,000 euros.

Thanks to the concept tests and pilots developed with innovative startups, MAPFRE already has an insurance solution that provides coverage to 14,000 companies in Spain. However, our approach goes beyond economic and compensation coverage and consists of offering proactive (pre-incident) prevention services, giving SMEs an active defense system to detect and neutralize attacks before they cause any damage. The work underway aims to identify the vulnerable areas of these companies in terms of cybersecurity. Our objective is to offer an advising service for insured companies to assist them with aspects of improvement, mitigation actions, and priority protection needs, helping to boost their technological security levels.

MAPFRE OPEN INNOVATION's activity is perfectly aligned with the group's purpose and the United Nations Sustainable Development Goals.

Ultimately, with the consolidation of MOi, MAPFRE aims to accelerate transformation from within and reinforce our leadership position. By adapting faster to the changing circumstances and moving toward the new business models and innovative solutions that arise from digital and technological changes, the ultimate goal is to offer the best solutions and services to clients.

Accumulated data for fiscal years 2022, 2021 and 2020 are:

- Clients who have benefited from MOi products and services: 2,340,508.
- Initiatives developed in 15 countries.

Digital business

MAPFRE continues to grow its digital business, operating through three brands: MAPFRE, VERTI and SAVIA. At year end, digital business growth stood at 8.2 percent. During this period, progress was made in extracting more value from existing digital capabilities, gaining maturity in digital attraction processes and operations, online pricing, digital client management and advanced fraud detection, among other areas. New scalable digital capabilities were also provided for the Group, mainly focused on improving digital acquisition and sales, developing new digital distribution channels with a focus on digital partners, and improving profitability. Much emphasis has been placed on the use and activation of digital data and client knowledge as transversal themes.

Quality

In order to assess the quality perceived by customers, the MAPFRE Quality Observatory applies a global model for measuring customer experience that facilitates:

- To establish a homogeneous framework in all countries and businesses to determine the customer experience level at MAPFRE and its competitors in a consistent and comparable way.
- To identify pain points that negatively impact MAPFRE customers and the probability that they will recommend MAPFRE. This allows actions to be taken to improve perceived quality, based on active listening to the customer.
- To understand the promotion and recommendation levers that customers consider to be the company's strengths. Promoting these strengths helps to improve customers' financial performance and to attract a new portfolio, thanks to the power of being recommended by MAPFRE promoters.
- To provide the countries with a decision-making tool based on first-hand knowledge of customers' priorities.

The MAPFRE Quality Observatory is responsible for defining models and carrying out all comprehensive measurements of the customer experience. These measurements are carried out through surveys of internal and external clients in all the countries and businesses in which MAPFRE operates, covering the lines of insurance, reinsurance, global risks and assistance services. To do this, by analyzing the Net Promoter Score (NPS®) indicator, the level of customer perception of the company and its critical points of contact with the company are evaluated, which in turn produces recommendations on the main areas for improvement.

The Quality Observatory performs diagnoses on the level of customer experience through the preparation of reports on the results of the measurements, which help the different business areas make decisions.

In 2022, two relational NPS® measurement waves were carried out, involving a representative sample of MAPFRE's portfolio. These two waves, involving more than 100,000 respondents, covered more than 20 countries and lines of business. As part of this study, the observatory also measures the client experience level at MAPFRE's major competitors in each country and line of business. Specifically, 84 companies were analyzed around the world.

Comparing the results of MAPFRE companies in recent years shows that the percentage of businesses whose NPS® exceeds the market average is as follows:

2020	2021	2022	Obj. 2023
82.3%	88.7%	87.4%	>= 70%

To complement these measurements of relational NPS®, the Quality Observatory defined a Global Model for transactional NPS®, which allows MAPFRE to find out a client's perception in real time after interacting with us. This model has already been implemented in Brazil, Spain, the United States, Puerto Rico, Mexico, Peru, Chile, Panama, Costa Rica, Nicaragua, Honduras, El Salvador, Guatemala, Dominican Republic, Germany and at MAPFRE Asistencia in Italy. The homeowners business line in the United States has also adopted the model.

When analyzing the results of the measurements in the relational and transactional NPS® programs, the distributor client has been observed to play an important role in the end client's experience. Therefore, it is essential to determine this group's perception of MAPFRE. To meet this objective, in 2022 the Global Distributor Client Relational NPS® model was defined, and it has begun to measure the broker's experience with MAPFRE in Brazil. Specifically, it evaluates the perception of brokers who collaborate with MAPFRE in terms of their relationship with the company, levers of success, and the company's support and advice for policy sales and the management of policy use by the end client.

Additionally, in 2022 the Quality Observatory conducted the fifth measurement of internal client experience (iNPS®) and of the experience of cedants and brokers of the reinsurance services provided by MAPFRE RE. For the first time, it also carried out a survey on the perception of MAPFRE GLOBAL RISKS' service to the Group companies with which it interacts.

Based on the results obtained in the surveys, the Business and Clients area coordinates all transformation actions and plans whose main objective is to improve perceived quality (relational and/or transactional). Through these plans and the information collected in surveys, MAPFRE can better understand its clients and adapt processes to their needs, focusing on pain points. All this work will help to improve the NPS® while reducing social, economic and personal risks derived from a poor perception of MAPFRE's service. In addition, continual improvement will allow the company to offer products and services tailored to clients' needs.

MAPFRE has 262 people, a significant number of employees, assigned to quality control and monitoring throughout the world, and several companies are in possession of quality certifications. To renew these certifications, these companies must maintain high customer service standards.

MAPFRE holds ISO 9001 certification for Spain and Turkey. MAPFRE ASISTENCIA is certified in this quality standard in Algeria, Argentina, Brazil, Chile, Colombia, Ecuador, Italy, Mexico, the Dominican Republic and Tunisia.

ACQUISITION AND DISPOSAL OF TREASURY STOCK

Purchase and sale transactions involving MAPFRE S.A. shares, where appropriate, comply with the provisions of the Internal Code of Conduct regarding Listed Securities issued by MAPFRE, the Regulation on market abuse and Circular 1/2017 of the Spanish National Securities and Exchange Commission.

During fiscal years 2022 and 2021, no MAPFRE S.A. shares were purchased, and 203,765 and 221,914 shares, respectively, representing 0.0066 percent and 0.0072 percent of the capital, amounting to 368,203.36 and 380,346.98 euros, were issued to directors of subsidiaries as part of their variable remuneration.

In addition, in fiscal year 2022, under the Flexible Remuneration Share Plan approved in 2021, employees of MAPFRE subsidiaries in Spain were issued 10,070,672 shares representing 0.3270% of the capital, amounting to 17,407,950.02 euros.

As of December 31, 2022 and 2021, the total balance of treasury stock was 19,789,583 and 30,064,020, respectively, representing 0.6426 percent and 0.9762 percent of the capital, amounting to 41,432,726.03 and 62,944,009.97 euros.

OTHER RELEVANT INFORMATION

THE MAPFRE SHARE

The following table shows the key information relating to MAPFRE shares at the 2021 fiscal year-end:

Number of shares outstanding	3,079,553,273 fully underwritten and paid up
Face value of each share	0.1 euros
Share class	Common, represented by book entries. All outstanding shares carry identical voting and dividend rights
Stock exchange listings	Madrid and Barcelona Stock Exchanges (continuous market)
ISIN Code	ES0124244E34

According to data published by the Spanish stock market operator (BME Group), an average of 3,928,545 shares were traded daily in 2021, and the effective average daily transaction value was 6.9 million euros.

The Company estimates that at least a similar volume may be being traded through alternative markets.

VALUE AND RETURN

The share price performance is shown in the following table, compared to two key benchmark indices (the IBEX 35 and the sectorial STOXX Europe 600 Insurance and IBEX 35 Bancos indices):

	1 year	2 years
MAPFRE	0.2%	13.8%
STOXX Europe 600 Insurance	-1.0%	14.3%
IBEX 35	-5.6%	1.9%
IBEX 35 Bancos	13.1%	39.2%

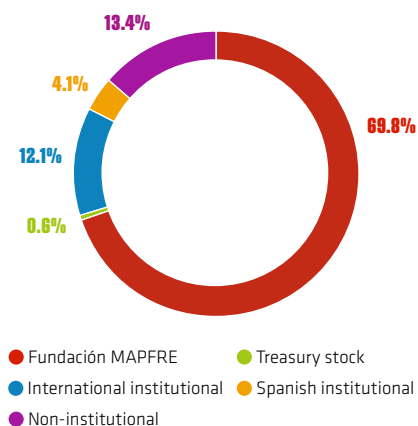
MAPFRE's earnings per share (EPS) during the same period are shown in the following table:

	2022	2021
EPS (euros)	0.21	0.25
Var.%	-16.1%	45.3%

SHAREHOLDER STRUCTURE

At the end of fiscal year 2021, MAPFRE had 219,031 shareholders.

The accompanying graph shows company's shareholder structure.



CREDIT RATING MANAGEMENT

Over the course of 2022, the main ratings agencies confirmed the credit ratings of MAPFRE S.A. and its main subsidiaries as follows:

- Fitch maintained MAPFRE S.A.'s credit rating as well as MAPFRE ASISTENCIA's financial strength rating and MAPFRE SIGORTA's rating.
- S&P also confirmed the credit rating of MAPFRE S.A. and the financial strength rating of MAPFRE RE.
- A.M. Best reaffirmed the financial strength rating of MAPFRE RE, MAPFRE ESPAÑA, MAPFRE U.S.A. Group, MAPFRE PRAICO, MAPFRE MÉXICO and MAPFRE PANAMÁ.

REMUNERATION

On November 30, 2022, the interim dividend charged to 2022 profits was paid at 0.0604 euros per share before tax, after the amount corresponding to treasury stock had been applied to the remaining shares on a proportional basis. The total dividend paid out in the year was 0.145 euros per share, giving a total remuneration of 446.5 million euros.

The final dividend for fiscal year 2022 to be proposed at the Annual General Meeting is 0.085 euros per share before tax. Consequently, the total dividend against fiscal year 2022 amounts to 0.145 euros per share before tax, representing a payout ratio of 69.5 percent

Dividend payments and the dividend yield, calculated on an average share price basis, are shown in the accompanying table.

	2022	2021
DIVIDEND PER SHARE (euros)	0.145	0.135
DIVIDEND YIELD	8.3%	7.6%

The current status of credit ratings of the companies headquartered in Spain and the main companies headquartered outside of Spain is provided in the accompanying table.

Companies resident in Spain	S&P	Fitch	A.M. Best
MAPFRE S.A. - Issuer	A- (Stable)	A- (Stable)	-
MAPFRE S.A. - Senior debt	A-	BBB+	-
MAPFRE S.A. - Subordinated debt	BBB	BBB-	-
<i>Financial Strength</i>			
MAPFRE RE	A+ (Stable)	-	A (Stable)
MAPFRE ESPAÑA	-	-	A (Stable)
MAPFRE ASISTENCIA	-	A+ (Stable)	-
Companies not resident in Spain	S&P	Fitch	A.M. Best
<i>Financial Strength</i>			
MAPFRE SIGORTA A.S. (Tutkey)	-	AA+ tur (Stable)	-
MAPFRE SEGUROS GENERALES DE COLOMBIA	-	AA col (Positive)	-
MAPFRE BHD COMPAÑÍA DE SEGUROS (Dominican Republic)	-	AAA dom (Stable)	-
MAPFRE U.S.A. Group	-	-	A (Stable)
MAPFRE PRAICO (Puerto Rico)	-	-	A (Stable)
MAPFRE MÉXICO	-	-	A (Stable)
MAPFRE PANAMÁ	-	-	A (Stable)

TRANSPARENCY PLAN

The corporate website, with more than two million page views in 2022, is one of the Group's corporate communication channels. It provides stakeholders with information on the company's main lines of action, as well as editorial content in an informative tone, highlighting the identity, strategy and main attributes for which MAPFRE wishes to be recognized by the general public.

Social networks have been consolidated as a channel for the company's digital communication, using a standardized strategy across the different platforms to boost its positioning while sharing content of interest with society in general.

The participation and interaction of Group employees and executives has been strengthened, along with the sharing of meetings and presentations on Twitter, Instagram, Facebook and YouTube, among others, live streaming company's daily operations.

In addition, the corporate Intranet is the internal communication channel for employees, where there are areas available for each of the Group's companies. There is an area called "Organization Chart and Appointments," where employees can view MAPFRE's organization chart and its most senior representatives and the governing bodies, and stay current on any appointments that take place in the companies and countries. Likewise, there is an area where the workforce can view all the internal policies and regulations that are applicable worldwide.

The People Space of the Intranet is constantly evolving and updated. This space covers global and local content and news on people management of interest to employees, presenting the content in a structured way to facilitate easy navigation that enhances the user experience. It also includes surveys aimed at finding out employee opinions on aspects of interest, and it also provides links to collaborative, learning and self-management apps for employees.

In addition to global content, the Intranet also has specific areas for each company and area of the Group, making it easy to communicate information of interest to employees in their immediate work area.

The Intranet also has a specific area related to the company's strategy, covering all the reference information on the Strategic Plan. In 2022, a new space was launched, detailing the key aspects of the Strategic Plan 2022-2024, which has a creative format with videos and infographics. MAPFRE's new corporate purpose was also shared with all employees worldwide in a live streaming event.

Furthermore, the Global Intranet Space was improved in 2022, with the addition of new features, formats and content to offer employees a more engaging experience. In addition, the company continued its internal cybersecurity awareness campaign, which was successfully implemented in Spain, Latin America, Brazil and Portugal.

Over the last year, the Global Intranet homepage has evolved to accommodate, in addition to global news from the Group, other contextualized content for the employee (content for their country, company and function) and access to their work applications, allowing for a better employee experience and efficiency in their job position.

Furthermore, MAPFRE maintains a continuous, open dialog with workers' legal representation through various means, in countries where such representation exists. During 2022 in Spain, the shared channels became the main mechanism for sharing documents and information, thanks to the technological tools implemented at MAPFRE. These channels are a mechanism for sharing information that can impact labor relations, and they are also used as work tools for both parties within the collective bargaining process.

In addition, the MAPFRE People app has been implemented in Peru, Puerto Rico, Germany, Spain, Brazil, Mexico and Turkey. This channel for communication, collaboration, management, and learning is used to make life easier for employees by optimizing and reducing the time spent on administrative tasks with the company. The app has a wide range of features and personalized

content, such as requesting vacations, leave or medical appointments, accessing vacancies, gaining immediate feedback, receiving alerts, accessing quick learning or the latest news. A total of 12,734 employees have downloaded the People app.

In 2022, work was done to implement the Global Hybrid Remote Working Model in the countries in which MAPFRE operates, which should promote respect for employees' right to digitally disconnect from work.

All employees worldwide have access to a knowledge platform on the Intranet called Eureka, which allows knowledge to be shared and localized in an agile, structured way. MAPFRE has more than 1,450 knowledge leaders around the globe, and employees have contributed more than 2,700 pieces of knowledge. Employees can find reports and studies, best practices, use cases and links of interest through a single search engine, and they can contribute anything they consider important to share, that may be of interest and value. They can also find contact references for each of the knowledge entries.

In terms of attracting and managing talent, 2022 saw the consolidation of the new global selection and mobility system. Employees have career plans based on job position and personal development plans, and they are involved in the process by being invited to make a proposal for their development plan, providing them with the necessary help to guide them throughout.

In order to share opportunities with employees, in 2022, 1,921 vacancies were published on the Corporate Intranet, which were viewed by 698,430 people.

An annual 360° feedback model is available worldwide for all employees, with the possibility of continuous feedback actions on objectives, activities, and conduct, not only between supervisors and collaborators, but also between internal peers and clients.

Plans have been developed for employee recognition in which they receive public thanks for their work and merits. These plans have been widely welcomed by employees, making a positive impact on their experience.

The Corporate University makes it possible for all employees worldwide to receive training in an agile, effective manner. As of December 31, 2022, 961,415.9 training hours were completed for 309,648 attendances. Among other features, the university promotes self-learning through a space where employees can access MAPFRE's training content catalog, enabling them to take charge of their own development.

Through profiles on social networks, Facebook, Instagram, Twitter, LinkedIn and YouTube, MAPFRE also communicates and interacts with its employees and candidates. LinkedIn is a global strategic provider for the MAPFRE Group's external recruitment, and as at year-end, it had 611,604 followers. In 2022, 3,052 vacancies were published, which received 698,420 visits, and 21,724 candidates responded to our job ads.

The Group also has a corporate magazine (The World of MAPFRE), whose digital dissemination on social networks was strengthened in 2022, encouraging interaction with both employees and the general public. This magazine is published quarterly and disseminated globally, reporting on current events at the company.

In order to maintain the comprehensive monitoring of processes that impact employees' commitment and development, the measurement model continued to be applied in 2022, allowing the ongoing analysis of the employee experience.

MAPFRE has an active listening and experience measurement model that promotes employee participation, enabling them to participate directly in decision-making on the issues that affect them. This model consists of:

1. The ongoing measurement of the employee journey, carried out through:

- Focus groups with the participation of a representative sample of the workforce and specific groups (young people, senior profiles, strategic profiles, expatriates, new hires, recently promoted workers, etc.)

- Transactional eNPS® questionnaires. This measurement is carried out through short questionnaires that complement the listening in focus groups.

2. The voice of employees is also heard through the recommendation, satisfaction and commitment survey, conducted twice a year, which measures:

- Recommendation of the Company: Relational eNPS®: How likely employees are to recommend MAPFRE as a company to work for. In 2022, 91 percent of employees worked in countries with a very high recommendation score, above 20 points, or an excellent recommendation score, above 40 points.

- Level 1 and level 2 root causes: the main reasons why an employee recommends MAPFRE as a company to work for to a lesser or greater extent.

The reasons for the recommendation are as follows:

- Commitment: The ESI (Employee Satisfaction Index) corresponds to the percentage of employees who gave an average score of between 8 and 10 in relation to their satisfaction with the following 10 variables: knowledge of objectives, pride in the work performed, recognition for the work performed, contribution to the company, receipt of quality feedback, development opportunities, collaboration, work tools, care for people, pride in the social footprint. In 2022, the commitment index was 70, meeting the objective of 70 established for 2022.

- **Management Recommendation Index: Leader Index** This measures the likelihood of employees recommending their supervisors. In 2022, on a recommendation scale from 0 to 10, 62 percent of employees gave a score of 9 or 10.
- **Satisfaction:** The satisfaction index, which stands at 67 percent, represents the number of employees who gave a score of between 8 and 10 in relation to their current level of satisfaction with the company.
- **Reputation:** Employees rated MAPFRE's reputation with a score of 8.3 out of 10.

The scope of these measurements covers 93.1 percent of employees.

Employee feedback is constantly received in the conversations between leaders and their teams, as well as through formal and informal meetings between management bodies and employees and other listening, participation, innovation and co-creation initiatives promoted by the company. The information collected on the employee experience through this constant listening is centralized and used anonymously through dashboards, allowing the employee's voice to be integrated into decision-making and the results of the listening process to be shared with the entire organization in an open manner.

MAPFRE also has an ethical whistleblower channel available to all stakeholders on its external website. This channel is available in Spanish, English, Portuguese and Turkish, and the complaints and queries are received directly by the Secretary of the Ethics Committee, guaranteeing their confidentiality.

The Ethics Committee is responsible for supervising and controlling compliance with MAPFRE's Code of Ethics and Conduct.

MAPFRE was rated as “transparent” in the latest edition of the 2021 Senior Career and Talent Report, promoted by Fundación Haz in collaboration with the NGO ITWILLBE and Fundación Knowdle, which analyzes the level of transparency and good governance at companies in Spain in terms of talent management for people over 50.

3. The employee life cycle, identifying the employee interaction touchpoints with the company, from before they join the company and up until the time they leave the company. This is combined with the continuous measurement of employee satisfaction and commitment.

ECONOMIC CONTRIBUTION TO SOCIETY

Insurance activity generates a direct economic value through the constant flow of transactions carried out (collection of premiums, payment of benefits, management of investments etc.), which affects different aspects related to the economic and social development of the environment in which the company operates.

Of the consolidated revenues for the year amounting to 29.51 billion euros (27.23 billion euros in 2020), MAPFRE has contributed financially to the company through payments made, as detailed in the accompanying table.

Item	2022	2021	%22/21
Benefits paid ⁽¹⁾	16,362.0	15,229.8	7.4%
Payments to providers ⁽²⁾	7,035.9	4,922.6	42.9%
Wages and salaries, and other ⁽³⁾	1,442.6	1,602.9	-10.0%
Activity subtotal	24,840.5	21,755.3	14.2%
Dividendos ⁽⁴⁾	876.4	614.3	42.7%
Shareholders subtotal	876.4	614.3	42.7%
Net income tax payment	376.2	349.2	7.7%
Social security	253.8	235.3	7.9%
Public administrations subtotal	630.0	584.5	7.8%
Interest paid	79.9	73.5	8.7%
Financing subtotal	79.9	73.5	8.7%
Total	26,426.8	23,027.6	14.8%

Figures in million euros

(1) Benefits paid and related expenses of direct insurance and accepted reinsurance.

(2) Includes payment of commissions and other activity services.

(3) Wages and salaries amounted to 1,229.4 million euros in 2022 (1,214.0 million euros in 2021).

(4) Dividend payments made during the fiscal year.

Furthermore, in its capacity as an insurer, the company makes commitments to its insureds in exchange for the management of resources that are invested in assets, particularly financial assets. The accompanying table gives information about the company in its role as an institutional investor at the close of the last two fiscal years.

Item	2022	2021	Δ%
THIRD-PARTY FUNDS UNDER MANAGEMENT ⁽⁵⁾	30,940.29	34,310.70	-9.8%
TOTAL INVESTMENTS	41,387.86	46,159.70	-10.3%
Financial investments	33,977.34	38,313.20	-11.3%
Fixed income	27,184.84	30,496.40	-10.9%
- Issued by governments	19,778.95	22,879.00	-13.5%
- Other fixed income securities	7,405.90	7,617.40	-2.8%
Other financial investments	6,792.50	7,816.80	-13.1%
Real estate investments ⁽⁶⁾	2,065.48	2,331.90	-11.4%
Other investments	5,345.04	5,514.70	-3.1%

Figures in million euros

(5) Technical provisions for Life, pension funds, mutual funds and managed portfolios, before shadow accounting adjustments.

(6) Including real estate for own use.

PROVIDER PAYMENT TERMS

Details of the payments made by the Group's fully consolidated Spanish companies to providers in the fiscal years 2022 and 2021 are shown in the accompanying table.

Item	Days	
	2022	2021
Average provider payment period	6.1	7.9
Ratio of paid operations	5.7	7.8
Ratio of operations pending payment	22.0	18.2

Item	Figures in million euros	
	2022	2021
Total payments made	1,762.7	2,148.7
Total pending payments exceeding the maximum statutory term	375	29.5

The information on invoices paid in a period less than the maximum established in the delinquency regulations is shown in the accompanying table.

Item	2022	2021
Monetary amount paid (€ million)	1,762.7	2,148.7
Percentage of total monetary payments made to providers	97.9%	98.6%
Total number of invoices paid to providers	262.135	269.194
Percentage of the total number of invoices paid to providers	98.3%	98.6%

OTHER INFORMATION

The content corresponding to the Non-Financial Information Statement, which is reflected in the MAPFRE Integrated Report, is part of this Consolidated Management Report and meets the reporting requirements established by Law 11/2018 of December 28.

The table below provides an overview of the content in the Non-Financial Information Statement mentioned above.

CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

	Contents of Law 11/2018	GRI reporting criteria (see GRI content index Section 6 of the MAPFRE Integrated Report 2022)
General information		
General	A brief description of the business model that includes its business environment, organization and structure	GRI 2-6 Activities, value chain and other business relationships
	Markets in which it operates	GRI 2-1 Organizational details
		GRI 2-6 Activities, value chain and other business relationships
	Organization's objectives and strategies	GRI 2-22 Statement on sustainable development strategy
		GRI 3-3 Management of material topics
	Main factors and trends that may affect its future performance	GRI 2-22 Statement on sustainable development strategy
	Reporting framework used	GRI 1-3 Reporting in accordance with the GRI Standards
Materiality Principle	GRI 3-1 Process for determining material topics	
	GRI 3-2 List of material topics	

Environmental issues

	Management approach: description and results of the policies related to these issues and of the main risks connected with those issues linked to the group's activities	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics
	Detailed information on the current and foreseeable impacts of company activities on the environment and, where appropriate, health and security	GRI 3-3 Management of material topics
Detailed general information	Environmental evaluation or certification procedures	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 2-23 Policy commitments GRI 3-3 Management of material topics
	Resources assigned to environmental risk prevention	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics
	Application of the precautionary principle	GRI 2-23 Policy commitments GRI 3-3 Management of material topics
	Amount of provisions and guarantees for environmental risks	GRI 3-3 Management of material topics GRI 307-1
	Measures to prevent, reduce or repair emissions that seriously affect the environment, considering any specific air pollution from an activity, including noise and light pollution	GRI 3-3 Management of material topics GRI 302-4 GRI 305-1, 305-2, 305-3, 305-5
Circular economy and waste prevention and management	Prevention measures, recycling, reuse, other forms of waste recovery and disposal Actions to combat food waste	GRI 301-1 GRI 306-2 (2020), 306-3 (2020)
Sustainable use of resources	Water consumption and water supply in accordance with local limitations	GRI 303-3, 303-5
	Consumption of raw materials and measures adopted to improve usage efficiency	GRI 301-1, 301-2
	Energy: Direct and indirect energy consumption. Measures taken to improve energy efficiency. Use of renewable energies	GRI 3-3 Management of material topics GRI 302-1, 302-2, 302-3, 302-4, 302-5

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Environmental issues		
Climate change	Greenhouse gas emissions generated as a result of the company's activities, including the use of assets and services it produces	GRI 301-1 GRI 305-1 305-2 305-3 305-4
	Measures taken to adapt to the consequences of climate change	GRI 3-3 Management of material topics GRI 201-2 GRI 305-5
	Voluntary medium- and long-term reduction targets to reduce greenhouse gas emissions and means implemented for this purpose	GRI 3-3 Management of material topics GRI 302-4 GRI 305-5
Protection of biodiversity	Measures taken to preserve or restore biodiversity	GRI 3-3 Management of material topics
	Impacts caused by activities or operations in protected areas	GRI 304-1

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Social and personnel matters

	Management approach: description and results of the policies related to these issues and of the main risks connected with those issues linked to the group's activities	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 2-19 Remuneration policies GRI 3-3 Management of material topics
Employment	Total number and distribution of employees by country, gender, age and professional category	GRI 2-6 Activities, value chain and other business relationships GRI 2-7 Employees GRI 3-3 Management of material topics GRI 405-1
	Total number and distribution of work contract modalities and annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional category	GRI 2-7 Employees GRI 2-8 Workers who are not employees
	Number of dismissals by gender, age and professional category	GRI 401-1
	Average remuneration and its evolution broken down by gender, age and professional category or equal value	GRI 405-2
	Pay gap, the remuneration of equivalent job positions, or the average for the company	GRI 405-2
	Average remuneration of directors and managers, including variable remuneration, travel, subsistence and accommodation allowances, compensation, payments to long-term pension systems, and any other income broken down by gender	GRI 2-19 Remuneration policies GRI 2-20 Process to determine remuneration
	Implementation of policies for disconnection from work	GRI 3-3 Management of material topics
	Number of employees with disabilities	GRI 405-1
Organization of work	Organization of working time	2-7 Empleados GRI 3-3 Management of material topics
	Number of absenteeism hours	GRI 403-2, 403-9
	Measures aimed at facilitating a work-life balance and encouraging the corresponding exercise thereof by both parents	GRI 3-3 Management of material topics GRI 401-2, 401-3
Health and safety	Occupational health and safety conditions	GRI 3-3 Management of material topics GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8
	Workplace accidents, in particular their frequency and severity, as well as occupational illnesses; broken down by gender	GRI 403-2, 403-9, 403-10

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Social and personnel matters

Social relations	Organization of social dialog, including procedures to inform and consult personnel and negotiate with them	GRI 2-28 Membership associations
		GRI 2-29 Approach to stakeholder engagement
		GRI 402-1
		GRI 407-1
Training	Percentage of employees covered by collective agreements by country	GRI 2-30 Collective bargaining agreements
	Overview of collective agreements, particularly in the field of occupational health and safety	GRI 403-1, 403-4 GRI 407-1
	Policies implemented in the field of training	GRI 404-2, 404-3
Universal accessibility	Total number of training hours by professional category	GRI 404-1, 404-2, 404-4
	Universal accessibility of persons with disabilities	GRI 405-1
Equality	Measures taken to promote equal treatment and opportunities between women and men	GRI 401-3
		GRI 404-2
	Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment	GRI 405-1, 405-2 GRI 406-1
		Policy against all types of discrimination and, where appropriate, management of diversity

Respect for human rights

Human Rights	Management approach: description and results of the policies related to these issues and of the main risks connected with those issues linked to the group's activities	GRI 2-12 Role of the highest governance body in overseeing the management of impacts
		GRI 3-3 Management of material topics
	Application of due diligence procedures in matters of human rights, prevention of risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses committed	GRI 2-23 Policy commitments
		GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 407-1, 408-1, 409-1, 410-1, 411-1, 412-2, 412-3, 414-2
	Prevention of risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses committed	GRI 3-3 Management of material topics GRI 412-1
	Complaints of human rights violations	GRI 2-26 Mechanisms for seeking advice and raising concerns
		GRI 3-3 Management of material topics GRI 406-1 GRI 419-1
	Measures implemented to promote and comply with provisions of the key ILO conventions related to respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and occupation; the elimination of forced or mandatory work; effective abolition of child labor	GRI 3-3 Management of material topics

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Information on the fight against corruption and bribery

	Management approach: description and results of the policies related to these issues and of the main risks connected with those issues linked to the group's activities	GRI 2-12 Role of the highest governance body in overseeing the management of impacts GRI 3-3 Management of material topics
	Measures taken to prevent corruption and bribery	GRI 2-23 Policy commitments GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 205-1, 205-2, 205-3 GRI 415-1
Corruption and bribery	Measures to combat money laundering	GRI 2-23 Policy commitments GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 205-1, 205-2, 205-3
	Contributions to foundations and nonprofit organizations	GRI 2-28 Membership associations GRI 201

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Information about the company

The company's commitments to sustainable development	Management approach: description and results of the policies related to these issues and of the main risks connected with those issues linked to the group's activities	GRI 2-12 Role of the highest governance body in overseeing the management of impacts
		GRI 3-3 Management of material topics
	Impact of the company's activity on employment and local development	GRI 3-3 Management of material topics GRI 201-1 GRI 203-2 GRI 204-1 GRI 413-1, 413-2
	Impact of the company's activity on local populations and the territory	GRI 3-3 Management of material topics GRI 201-1 GRI 203-2 GRI 411-1 GRI 413-1, 413-2
	Relationships maintained with local community actors and modalities for dialog with them	GRI 2-29 Approach to stakeholder engagement GRI 204-1 GRI 413-1, 413-2
	Association or sponsorship actions	GRI 2-28 Membership associations GRI 3-3 Management of material topics GRI 201-1
	Inclusion of social, gender equality and environmental issues in the purchasing policy	GRI 3-3 Management of material topics GRI 204-1 GRI 414-1, 414-2

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Information about the company

Subcontracting and providers	Consideration in relations with providers and subcontractors of their social and environmental responsibility	GRI 2-6 Activities, value chain and other business relationships GRI 308-1 GRI 407-1 GRI 409-1 GRI 414-1, 414-2
	Supervision and audit systems and their results	GRI 2-6 Activities, value chain and other business relationships
Consumers	Measures for consumer health and safety	GRI 3-3 Management of material topics GRI 416 -1 GRI 417-1, 417-2
	Complaint systems, grievances received and resolution of the same	GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 3-3 Management of material topics GRI 417-3 GRI 418-1
Tax information	Profits obtained country by country	GRI 3-3 Management of material topics GRI 201-1 GRI 207-4
	Tax on profits paid	GRI 3-3 Management of material topics GRI 201-1 GRI 207-4
	Public subsidies received	GRI 201-4

Taxonomy Regulation Requirements

Taxonomy Regulation Requirements	MAPFRE's own methodology prepared according to Article 8 on European Taxonomy
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ANNUAL CORPORATE GOVERNANCE REPORT

The Annual Corporate Governance Report for the year 2022, as required by Article 538 of Royal Decree Law 1/2010, of July 2, approving the Consolidated Text of the Companies Act, forms an integral part of this Consolidated Management Report, and its content is available on the website of the Spanish National Securities Market Commission (CNMV) at the following address:
<https://www.cnmv.es/portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=1&nif=A08055741&lang=en>
 and on the corporate website at www.mapfre.com.

ANNUAL REPORT ON DIRECTORS' REMUNERATION

The Annual Report on Directors' Remuneration for the year 2022, as required by Article 538 of Royal Decree Law 1/2010, of July 2, approving the Consolidated Text of the Companies Act, forms an integral part of this Consolidated Management Report, and its content is available on the website of the Spanish National Securities Market Commission (CNMV) at the following address:
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 and on the corporate website at www.mapfre.com.

The Consolidated Annual Accounts for MAPFRE S.A., on the preceding pages 1 to xxx herein, and the Consolidated Management Report on the preceding pages xxx to xxx herein, corresponding to the financial year 2022, endorsed in their entirety by the Secretary of the Board, were ratified by the Board of Directors at its meeting held on February 8, 2023. The Board Members declare that, as far as they are aware, the aforementioned accounts have been prepared in accordance with the applicable accounting principles and offer a true and fair view of the equity, financial situation, and results of the Company and the companies comprising the consolidation as a whole. Likewise, the Management Report includes a true and fair view of the development of the results and of the position of the Company and of the Group, and broadly informs, along with the Consolidated Annual Report, of the risks and uncertainties they face.

Mr. Antonio Huertas Mejías
Chairman

Ms. M.ª Amparo Jiménez Urgal
Member

Mr. Ignacio Baeza Gómez
1st Vice Chairman

Mr. Francisco J. Marco Orenes
Member

Ms. Catalina Miñarro Brugarolas
2nd Vice Chairman

Mr. Fernando Mata Verdejo
Member

Mr. José Manuel Inchausti Pérez
3rd Vice Chairman

Mr. Antonio Miguel-Romero de Olano
Member

Ms. Ana Isabel Fernández Álvarez
Member

Ms. M.ª del Pilar Perales Viscasillas
Member

Ms. M.ª Leticia de Freitas Costa
Member

Mr. Ángel Luis Dávila Bermejo
Secretary and Non-Member

Ms. Rosa M.ª García García
Member

Mr. Antonio Gómez Ciria
Member

The English version is a translation of the original in Spanish for information purposes only. In case of discrepancy, the Spanish version shall prevail.

ANNUAL CORPORATE GOVERNANCE REPORT

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and on the corporate website at www.mapfre.com

ANNUAL REPORT ON DIRECTORS' REMUNERATION

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and on the corporate website at www.mapfre.com

The Consolidated Annual Accounts for MAPFRE S.A., on the preceding pages 1 to xxx herein, and the Consolidated Management Report on the preceding pages xxx to xxx herein, corresponding to the financial year 2022, endorsed in their entirety by the Secretary of the Board, were ratified by the Board of Directors at its meeting held on February 8, 2023. The Board Members declare that, as far as they are aware, the aforementioned accounts have been prepared in accordance with the applicable accounting principles and offer a true and fair view of the equity, financial situation, and results of the Company and the companies comprising the consolidation as a whole. Likewise, the Management Report includes a true and fair view of the development of the results and of the position of the Company and of the Group, and broadly informs, along with the Consolidated Annual Report, of the risks and uncertainties they face.

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Secretary and Non-Member

Ms. Rosa M.ª García García
Member

Mr. Antonio Gómez Ciria
Member



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

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

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



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

Independent Auditor's Report on the Consolidated Annual Accounts

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

To the Shareholders of MAPFRE, S.A.

REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

Opinion

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

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

Basis for Opinion

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

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

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



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

Key Audit Matters

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

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

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

<i>Key audit matter</i>	<i>How the issue was addressed in our audit</i>
<p>The Group calculates mathematical provisions for commitments relating to life insurance with its policyholders, including some very long-term. Estimating mathematical provisions requires the use of actuarial calculations and methods that employ key assumptions involving a high degree of judgement and uncertainty, among which are the future evolution of mortality, morbidity, administration costs, interest rates, etc.</p> <p>In addition, the IFRS-EU require that the adequacy of insurance contract liabilities be tested, including life insurance liabilities, in order to determine whether sufficient provision has been made on the basis of projected future cash flows associated with contracts in force, taking into account the most up-to-date assumptions available. These tests also require the use of actuarial methods, where the assumptions used have a significant impact.</p> <p>The use of inadequate assumptions in actuarial methods can have a significant impact on the consolidated annual accounts, therefore it has been considered a key audit matter.</p>	<p>Our audit approach included testing the design and implementation of key controls established by the Group in the process of estimating mathematical provisions, including controls on the definition of key assumptions and on the completeness and accuracy of the data bases used when estimating these provisions.</p> <p>Our substantive procedures in relation to the mathematical provisions, which were carried out in collaboration with our actuarial specialists consisted primarily of the following:</p> <ul style="list-style-type: none"> • Based on our knowledge and experience of the sector, we assessed the reasonableness of the actuarial models and the key assumptions used in calculating the mathematical provisions, comparing them to best actuarial practices, regulatory requirements and market trends. • We have analyzed the reasonability over the amounts accounted for, considering the economic and technical conditions of the insurance contracts and those established in prevailing legislation. • We have recalculated the actuarial provision for a sample of policies selected on the basis of our risk assessment, having previously tested the databases used in these calculations for integrity and accuracy. <p>We also assessed the adequacy of the information disclosed in the consolidated annual accounts regarding the mathematical provisions, considering the requirements of IFRS-EU.</p>



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

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

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

<i>Key audit matter</i>	<i>How the issue was addressed in our audit</i>
<p>The Group recognises the provision for non-life insurance claims to cover the estimated cost of events occurring up to the closing date. Estimating this provision is complex and requires actuarial methods and calculations based on judgement and significant assumptions, particularly for those lines of business where the claim settlement period can be very long, such as in auto, civil liability, fire, aviation and transport.</p> <p>When valuing the claims provision, estimates are used on a case-by-case basis, as well as actuarial projection methods based on past information and assumptions on their future evolution. These estimates include assumptions related to the amount of the expected settlement and claim payment patterns, and due to their nature, there is a significant degree of uncertainty and a change in assumptions could significantly impact the consolidated annual accounts, therefore it has been considered a key audit matter.</p>	<p>Our audit procedures included testing the design and implementation of key controls established by the Group in the process of estimating the claims provision, including controls on the definition of key assumptions, as well as on the completeness and accuracy of the data bases used when estimating these provisions.</p> <p>Our substantive procedures in relation to the claims provision, which were carried out in collaboration with our actuarial specialists and for a representative sample of lines of business selected based on our risk assessment and their significance, consisted primarily of the following:</p> <ul style="list-style-type: none">• Testing the completeness and accuracy of the data bases used in the actuarial calculations.• Based on our knowledge and experience of the sector, we assessed the reasonableness of the actuarial models and the assumptions used in calculating the claims provision, comparing them to best actuarial practices, regulatory requirements, market assumptions and historical trends.• We estimated the claims provision and, based on our experience, determined a range for assessing its reasonableness. <p>We also assessed the adequacy of the information disclosed in the annual accounts on the provisions for non-life insurance claims, considering the requirements of IFRS-EU.</p>



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

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

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

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

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

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

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

<i>Key audit matter</i>	<i>How the issue was addressed in our audit</i>
<p>The Group has recognised significant goodwill and portfolio acquisition costs from the acquisition of entities or businesses.</p> <p>Valuing these assets requires determination of the cash-generating units (CGUs), the calculation of carrying amount of each CGU, the estimation of the recoverable amount and the identification of facts that may determine the existence of impairment indicators in subsequent closings. Determining the recoverable amount of each CGU includes among other issues, financial projections that consider assumptions about macroeconomic developments, internal circumstances of the entity and competitors, discount rates or future business performance.</p> <p>The Group performs at least on an annual basis for goodwill, or when indications of impairment are identified for both goodwill and registered portfolio acquisition costs, an evaluation to determine if there is impairment in these assets. In this sense, our assessment has focused mainly on goodwill and portfolio acquisition costs of the most significance and those whose estimated recoverable value is closer to the carrying amount of the net assets or may be affected by current macroeconomic conditions.</p> <p>Given the complexity of the estimates and the use of assumptions that, in general, include uncertainty and judgment, we consider that the valuation of goodwill and portfolio acquisition costs has a significant inherent risk associated and, therefore, has been considered as a key audit matter.</p>	<p>Our audit procedures included testing the design and implementation of key controls established by the Group in the process of identifying CGUs, evaluating impairment indicators, having financial projections approved by the Management and defining the assumptions and calculation methods used to estimate the recoverable amount of CGUs.</p> <p>Based on our knowledge and experience, we assessed the reasonableness of the methods used by the Group to estimate the recoverable amounts of CGUs, considering IFRS-EU and best market practices.</p> <p>Our substantive procedures, which were performed for a sample of CGUs, including the most relevant ones, have consisted, basically, in the following:</p> <ul style="list-style-type: none"> • Evaluating the existence of goodwill and portfolio acquisition cost impairment indicators considering external and internal factors such as macroeconomic indicators, sector expectations, the financial performance of CGUs and management's expectations. • In collaboration with our valuation specialists, analysing the discount and growth rates used by the Group to estimate the recoverable amount of CGUs. • Assessing the reasonableness of the financial projections prepared by management, comparing them to the historical financial information of the CGUs, to business plans approved by the Group and to market expectations in the sectors in which they operate. • Performing a sensitivity analysis of the key assumptions and financial projections used to estimate the recoverable amount of CGUs. <p>We also assessed the adequacy of the information disclosed in the annual accounts on goodwill and portfolio acquisition costs, considering the requirements of IFRS-EU.</p>



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

Other Information. Consolidated Management Report _____

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

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

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

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

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

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

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

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



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

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

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

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

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

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



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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

European single electronic format

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

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

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

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



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

Additional Report to the Audit and Compliance Committee of the Parent_____

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

Contract Period _____

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

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

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

(Signed on original in Spanish)

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

