

Value of Life and Burial businesses as of 12/31/2025

Mapfre Group

April 01, 2026

This document is purely informative. Its content does not constitute, nor can it be interpreted as, an offer or an invitation to sell, exchange or buy, and it is not binding on the issuer in any way. The information about the plans of the Company, its evolution, its results and its dividends represents a simple forecast whose formulation does not represent a guarantee with respect to the future performance of the Company or the achievement of its targets or estimated results. The recipients of this information must be aware that the preparation of these forecasts is based on assumptions and estimates, which are subject to a high degree of uncertainty, and that, due to multiple factors, future results may differ materially from expected results. Among such factors, the following are worth highlighting: the development of the insurance market and the general economic situation of those countries where the Group operates; circumstances which may affect the competitiveness of insurance products and services; changes in the basis of calculation of mortality and morbidity tables which may affect the insurance activities of the Life and Health segments; frequency and severity of claims covered; effectiveness of the Groups reinsurance policies and fluctuations in the cost and availability of covers offered by third party reinsurers; changes in the legal environment; adverse legal actions; changes in monetary policy; variations in interest rates and exchange rates; fluctuations in liquidity and the value and profitability of assets which make up the investment portfolio; restrictions in the access to third party financing. It is possible that for reasons of rounding there is some mismatch in the first decimal between different tables or graphs throughout the presentation.

MAPFRE S.A. does not undertake to update or revise periodically the content of this document.

01 VALUE ANALYSIS

02 EXTERNAL AUDITOR'S OPINION

03 METHODOLOGICAL APPENDIX

04 GLOSSARY

01 VALUE ANALYSIS

02 EXTERNAL AUDITOR'S OPINION

03 METHODOLOGICAL APPENDIX

04 GLOSSARY

Value Analysis

2025 performance

Embedded Value 12/31/2025⁽¹⁾	Value	Variation
Adjusted Net Asset Value (ANAV)	2,718.0	3.8%
Value of In-force Business (VIF)	4,311.8	-1.6%
- Value of multi-year products	1,889.0	5.5%
- Value of annual renewable term products	1,766.6	-8.8%
- Value of financial products and P.P. and I.F. business ⁽²⁾	656.2	0.1%
Embedded Value (EV)	7,029.8	0.4%
Attributable to the Parent Company	5,534.8	2.7%
Attributable to Non Controlling Interests	1,495.0	-7.3%

Key highlights

- Lower contribution from protection products driven by a 13.4% reduction in premiums in Brazil and higher lapse rates in Iberia, explaining - 3.4 p.p. of the change in the value of in-force business.
- Strong performance of multi-year businesses in Iberia (premiums +23.5%) and in LATAM and EMEA regions (premiums +17.9%), explaining 2.0 p.p. of the change in the value of in-force business.
- Value release of 11.3% of in-force business from results for the year before external partners amounted to 498.2 M€, explaining -0.3 p.p. of the change in the value of in-force business.

(1) No adjustments made for the share of Non-Controlling interests.

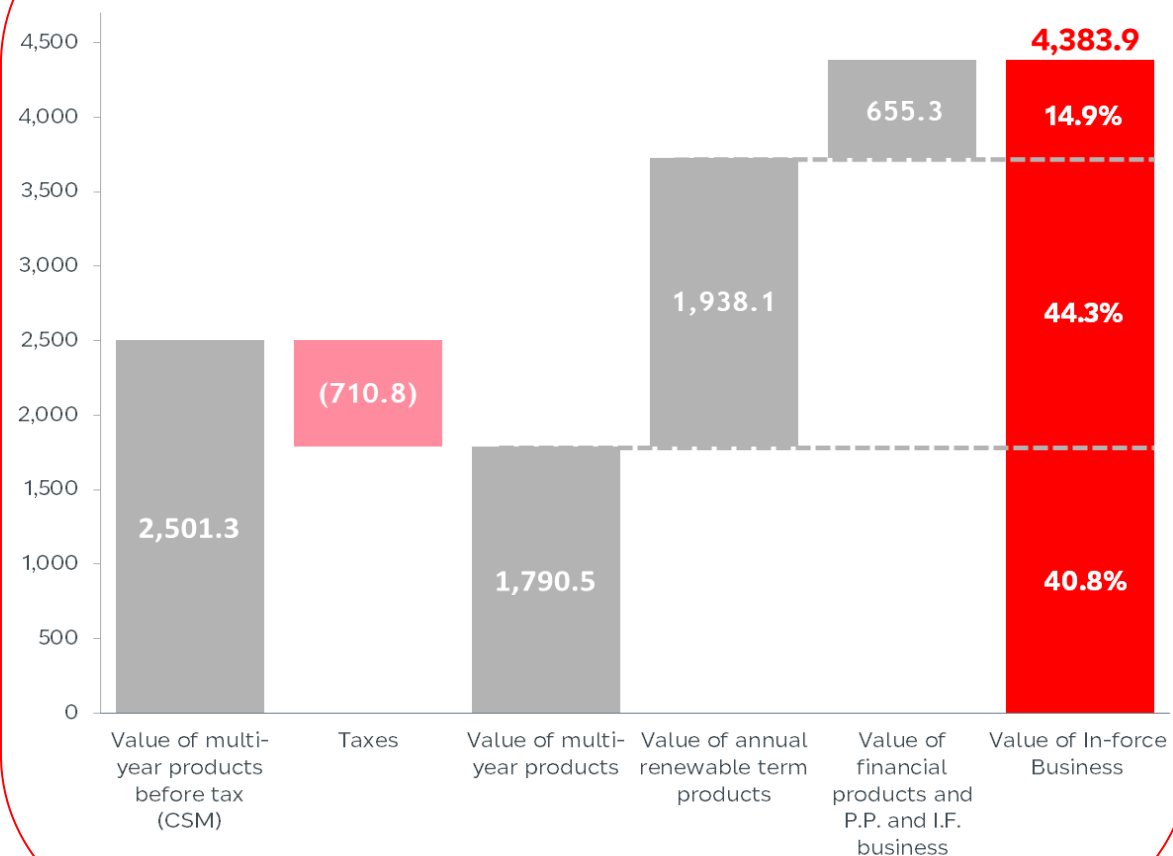
(2) Pension plans and investment funds

Value Analysis

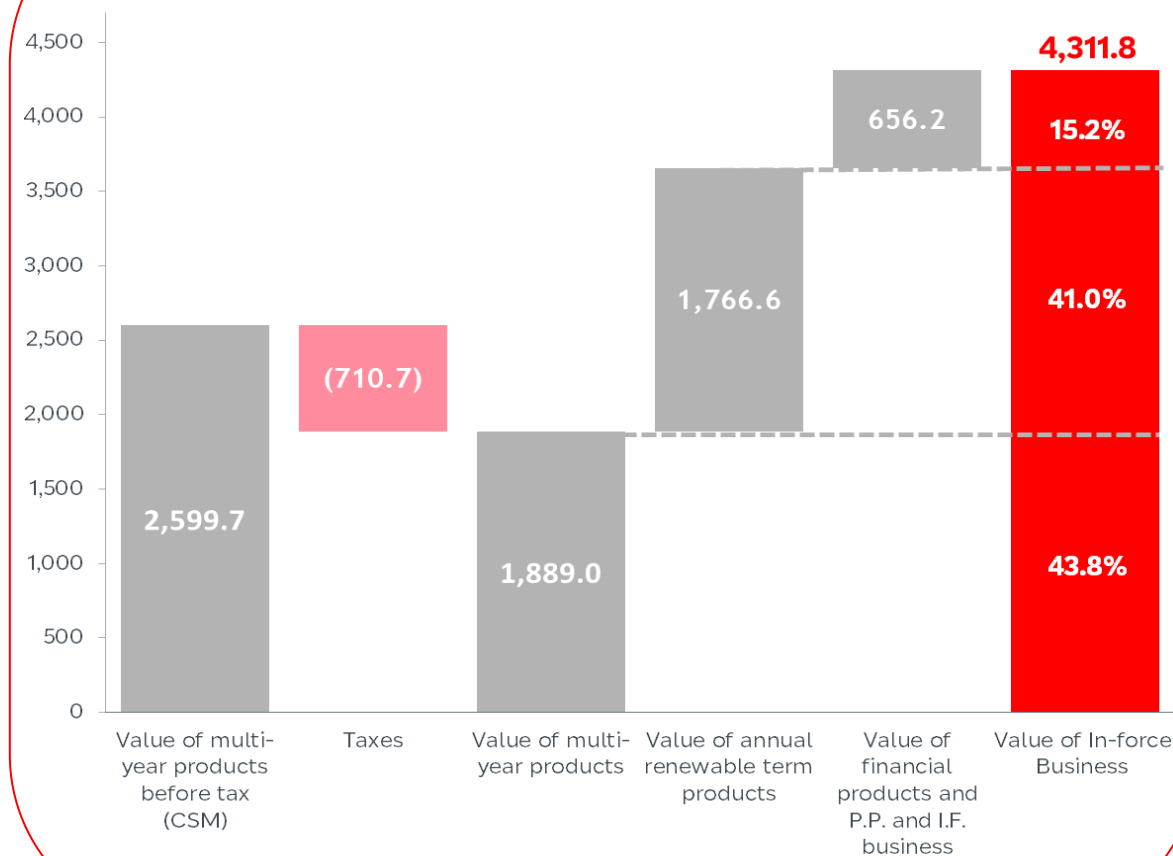
Value in Force (VIF)⁽¹⁾ components

Millions of euros and %

2024



2025

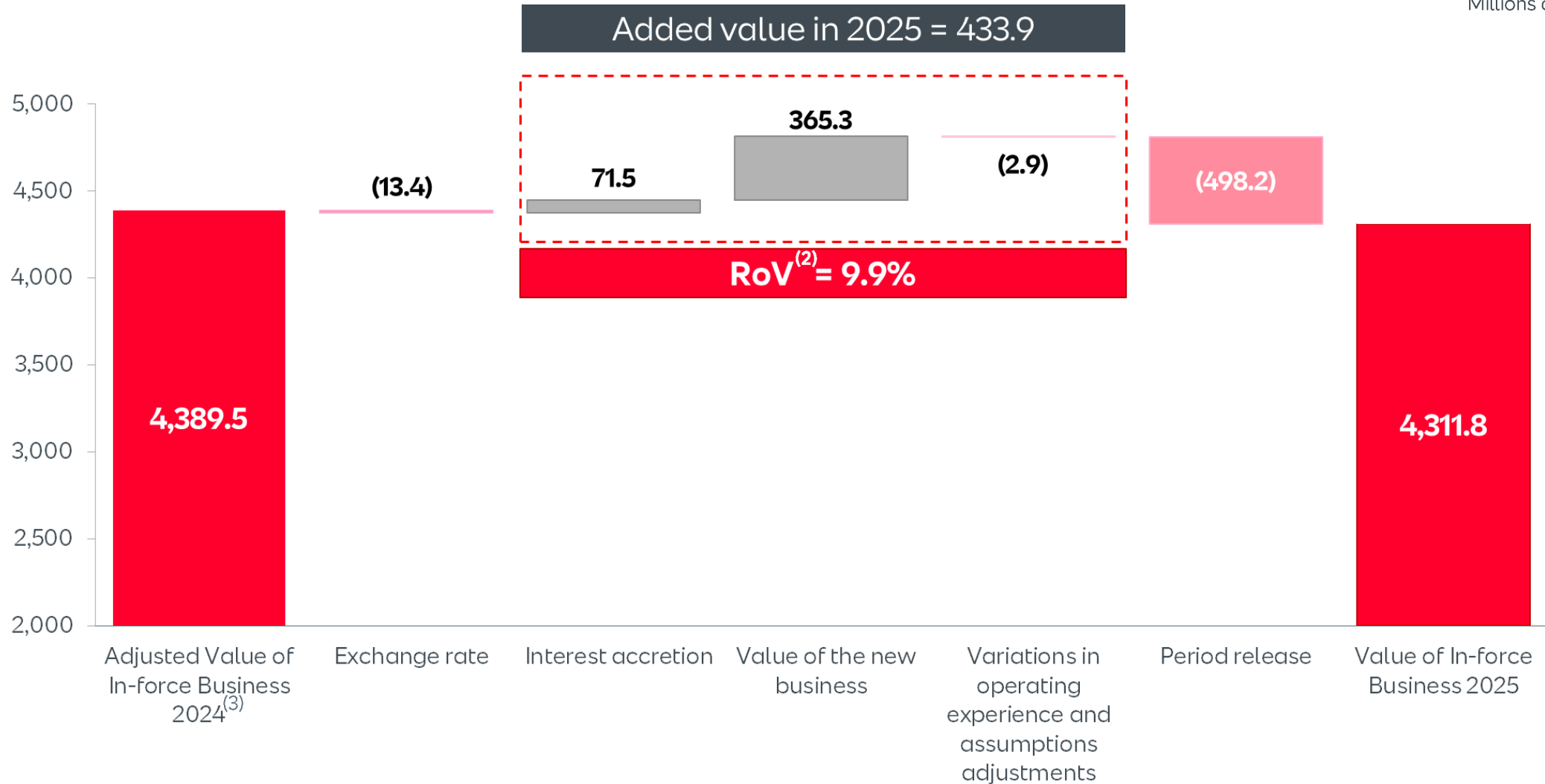


(1) No adjustments made for the share of Non-Controlling interests.

Value Analysis

Change in Value in Force (VIF)⁽¹⁾

Millions of euros and %



(1) No adjustments made for the share of Non-Controlling interests.

(2) "Return on Value" = Return on the value of the business in force = Value added in the year / Value in 2024 adjusted by the exchange rate.

(3) Includes changes in scope.

Analysis of the main variations in Value in Force

Exchange rate differences

Closing exchange rates in LATAM countries with life insurance business remained stable, resulting in an impact of 13.4 M€, driven by the aggregate effect of currency appreciations and depreciations at the country level.

Interest accretion

Interest accrued during the year associated with the value of multi-year contracts, calculated at an average annual rate of 4%, amounted to 71.5 M€ after tax.

Value of the new business

Value of the new business (VNB) for the year (365.3 M€) increased by 12.0% (+39.2 M€) compared with 2024 (326.1 M€), of which 35.1 M€ relates to savings business in Spain, driven by higher premium volumes (24.6% increase) and an improved margin.

Analysis of the main variations in Value in Force

Variations in operating experience and assumptions adjustments

Minor experience variance of -2.9 M€ (0.07% of total business value), driven by unfavorable experience, with no material impact from non-economic assumption updates.

Period release

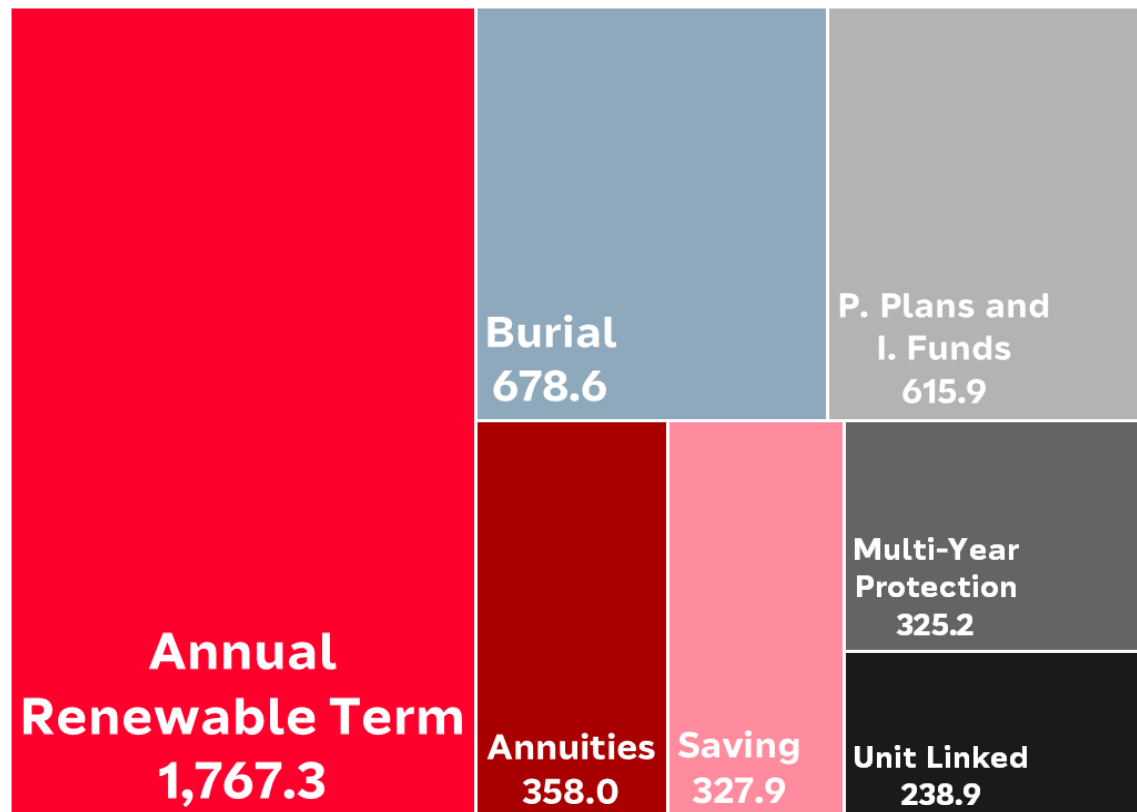
Value release from in-force business arising from results during the year, before minority interests, amounted to 498.2 M€, of which 245.8 M€ (49%) correspond to the release from multi-year business, and 252.4 M€ (51%) correspond to annual business, financial products, pension plans and investment funds.

Value Analysis

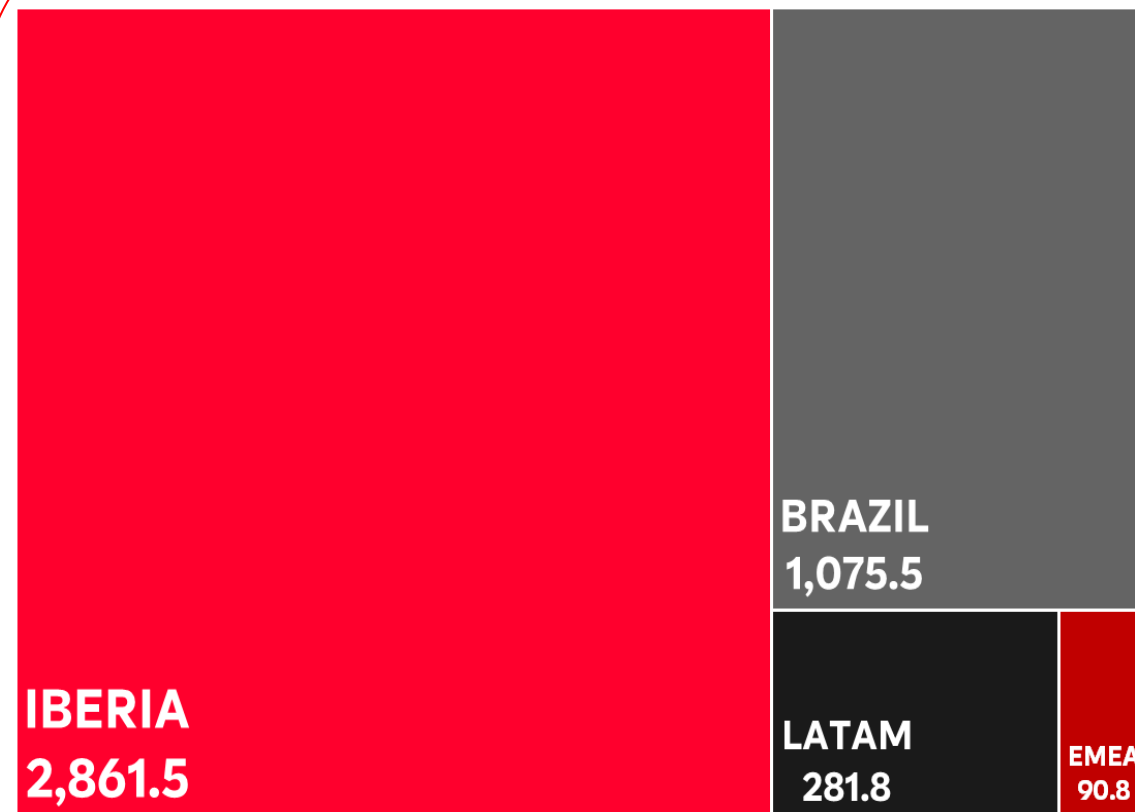
Breakdown of Value in Force (VIF)⁽¹⁾ in 2025

Millions of euros

By line of business



By undertaking⁽²⁾



(1) No adjustments made for the share of Non-Controlling interests.

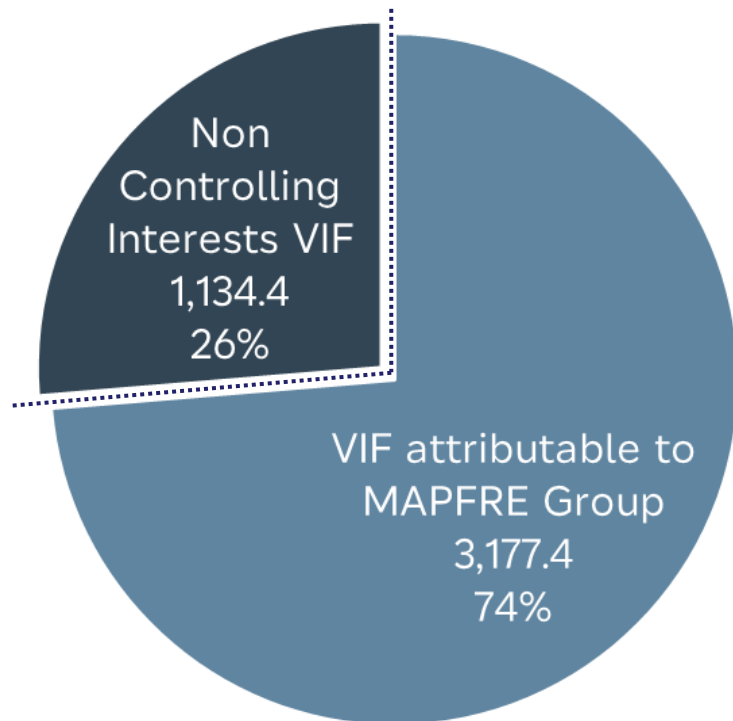
(2) By undertaking, 2.2 M€ correspond to NORAM not observable in the chart.

Value Analysis

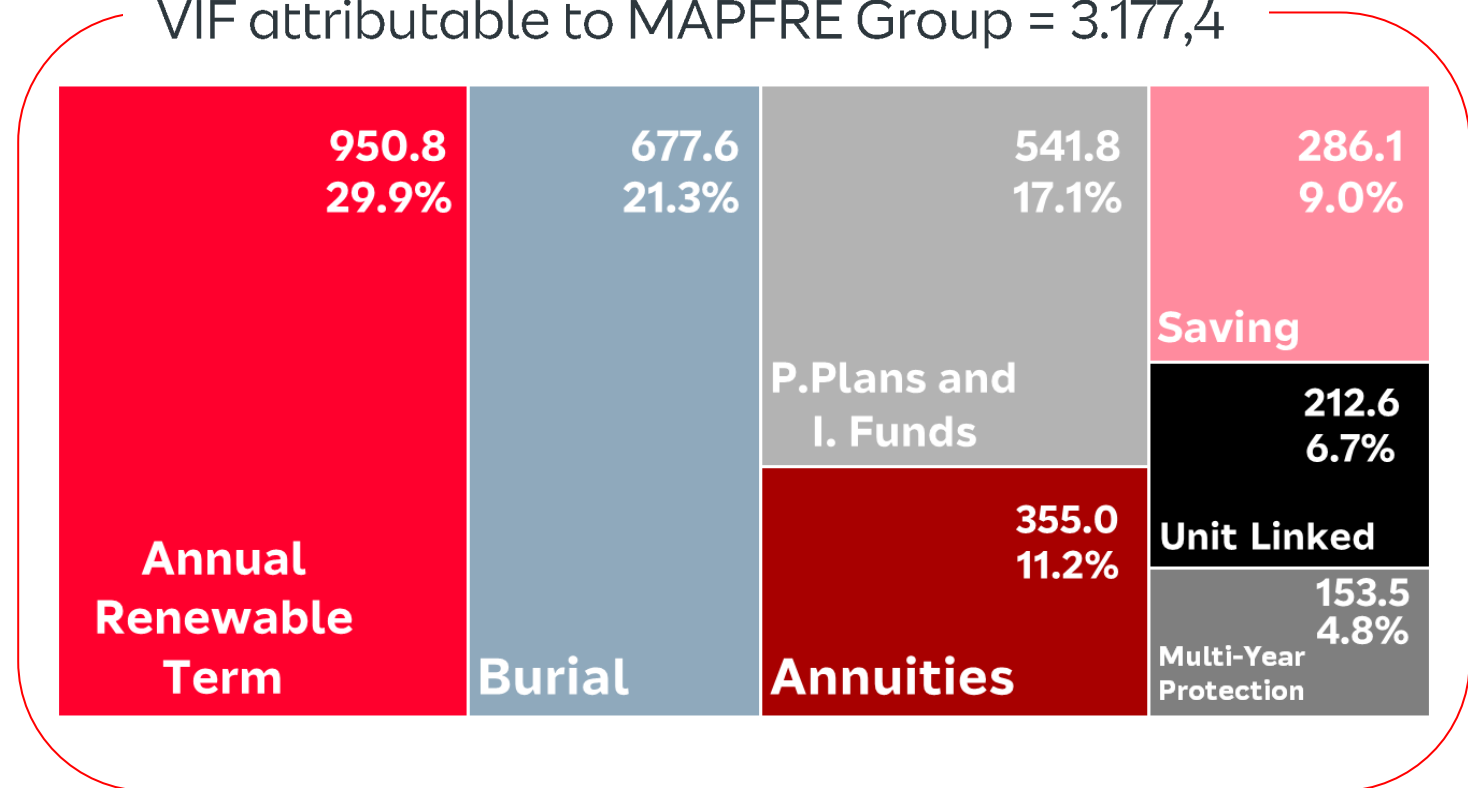
Breakdown of Value in Force (VIF) in 2025

Millions of euros and %

VIF = 4.311,8



VIF attributable to MAPFRE Group = 3.177,4



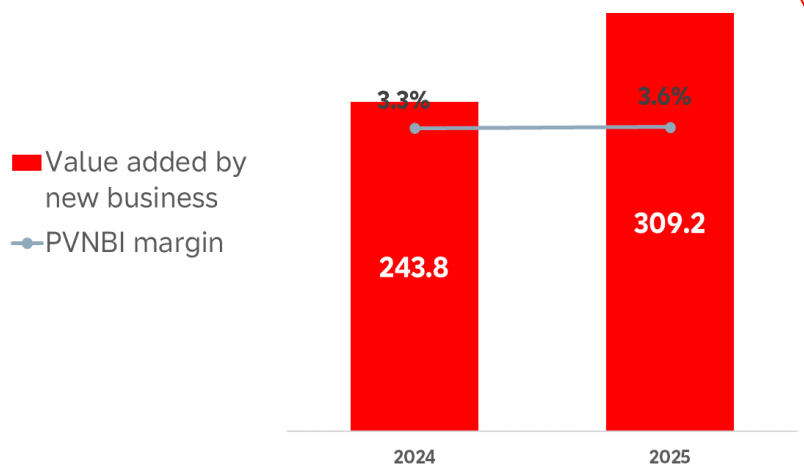
Value Analysis

Value of New Business (VNB) at point of sale

Millions of euros and %

New Business in 2025	Value	Variation
Value added by new business (VNB)⁽¹⁾	309.2	26.8%
- Value of multi-year products	177.1	49.1%
- Value of annual renewable term products	108.1	-6.6%
- Value of financial products and P.P. and I.F. business	24.0	157.1%
Present Value of New Business Income (PVNBI)⁽¹⁾	8,603.7	15.6%
New business margin	3.6%	0.3 p.p.

Change in value added



Key highlights

- Improvement in margins and volume in Annuity and Unit-Linked products in Iberia, with 44 M€ of VNB (+35 M€ vs. prior year), explaining 14.4 p.p. of the change. Premiums reached 1,851 M€ (+751 M€), explaining 8.7 p.p. of the change in PVNBI.
- Positive contribution from multi-year businesses in LATAM (+20 M€ of VNB vs. prior year), explaining 8.2 p.p. of the change.
- Decline in premiums and margins in annual protection products in Brazil (-16 M€ of VNB vs. prior year), explaining -6.6 p.p. of the change.
- Strong growth in premium volumes (+220 M€) in financial products distributed through the bancassurance channel in Iberia (+3.4 M€ of VNB vs. prior year), explaining 1.4 p.p. of the change, together with margin improvement in pension plans (+11 M€ of VNB vs. prior year), representing 4.5 p.p. of the change.

(1) No adjustments made for the share of Non-Controlling interests.

Value Analysis

Breakdown of value added by New Business in 2025

Millions of euros and %

By line of business

Product	PVNBI		VNB		VNB/PVNBI	
	2024	2025	2024	2025	2024	2025
Protection	1,366.0	1,661.3	167.1	161.0	12.2%	9.7%
Saving and annuities	2,205.0	2,813.4	33.6	61.8	1.5%	2.2%
Burial	112.2	105.7	22.3	18.9	19.9%	17.8%
Unit Linked	834.0	1,635.7	16.7	51.8	2.0%	3.2%
TOTAL INSURANCE BUSINESS	4,517.2	6,216.1	239.7	293.5	5.3%	4.7%
P.P. and I.F.	2,924.6	2,387.6	4.1	15.7	0.1%	0.7%
TOTAL	7,441.8	8,603.7	243.8	309.2	3.3%	3.6%

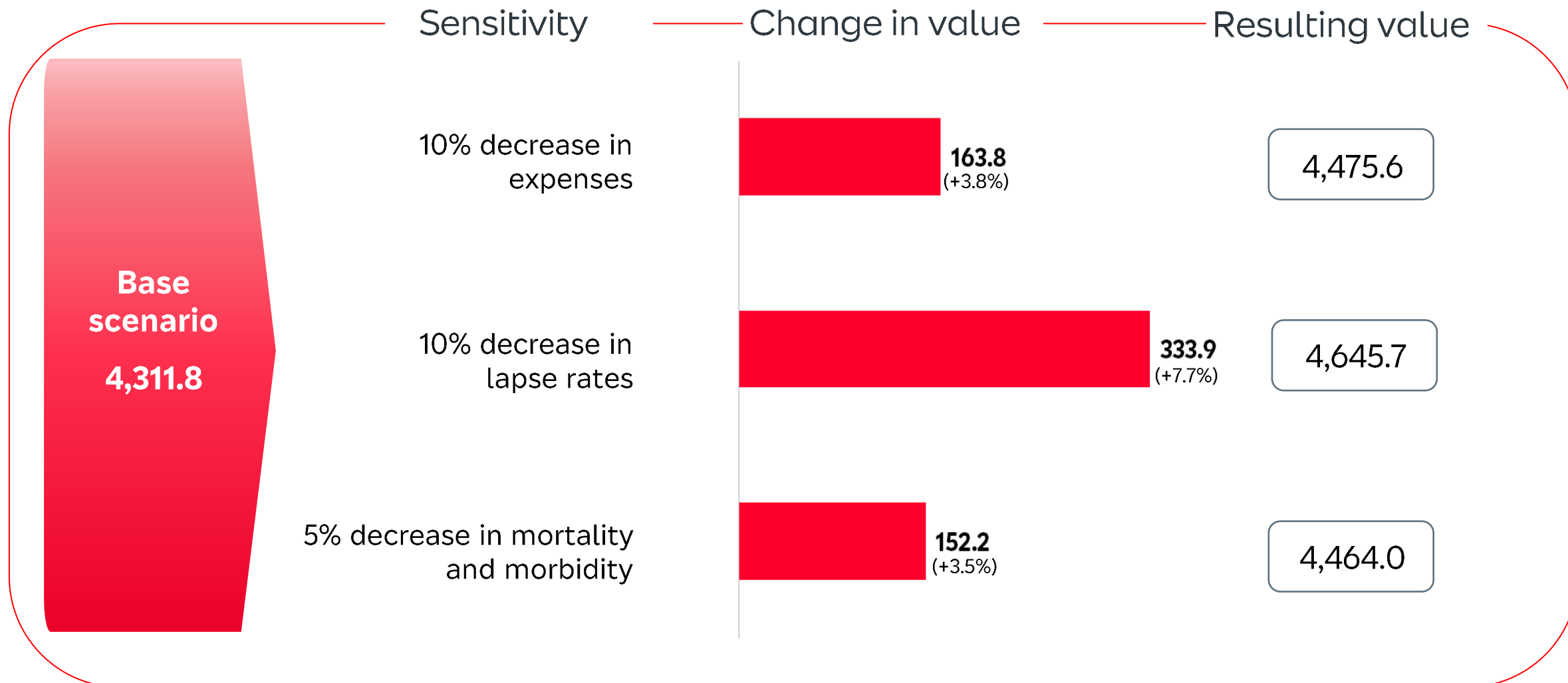
By distribution channel

Distribution channel	PVNBI		VNB		VNB/PVNBI	
	2024	2025	2024	2025	2024	2025
Non bank channels	6,022.7	6,497.4	87.7	147.7	1.5%	2.3%
Bank channels	1,419.1	2,106.3	156.1	161.5	11.0%	7.7%
TOTAL	7,441.8	8,603.7	243.8	309.2	3.3%	3.6%

Value Analysis

Sensitivity analysis of the Value in Force (VIF)⁽¹⁾

Millions of euros and %



(1) No adjustments made for the share of Non-Controlling interests.

01 VALUE ANALYSIS

02 EXTERNAL AUDITOR'S OPINION

03 METHODOLOGICAL APPENDIX

04 GLOSSARY

Deloitte.

Deloitte Technology & Transformation, S.L.U.
Plaza Pablo Ruiz Picasso, 1
Torre Picasso
28020 Madrid
España

Tel: +34 915 14 50 00
www.deloitte.es

25 March 2026

Mapfre S.A.

Carretera de Pozuelo 52
Edificio 1
28222 Majadahonda (Madrid)

Dear Sir/Madam,

Opinion Letter – Embedded Value ("EV") and value of the new business as at 31 December 2025 of the Mapfre Group

Scope

1. Mapfre, S.A. has engaged Deloitte Technology & Transformation, S.L.U. ("Deloitte") to provide an independent actuarial opinion on the results of the calculation of the Embedded Value ("EV") and of the value of the new business generated in 2025 as at 31 December 2025, prepared by Mapfre S.A. and its subsidiaries.
2. To provide this opinion, Deloitte has assessed the compliance of such calculations with the Market Consistent Embedded Value Principles and Guidance issued by the CFO Forum in April 2016 (the "MCEV Principles"), without considering other accounting or valuation principles such as IFRSs.
3. Adopting the same approach as that applied in the previous year, MAPFRE S.A. presents its consolidated financial statements in accordance with IFRS 17. This means that, to calculate the business value included in the report, in the case of products valued using the Building Block Approach ("BBA") or Variable Fee Approach ("VFA") measurement models ("*multi-year products*"), MAPFRE S.A. uses the Contractual Service Margin ("CSM") values net of taxes calculated in accordance with IFRS 17, without performing specific Embedded Value calculations.
4. It is important to note that the *multi-year products* indicated in the preceding paragraph, whose Value of In-Force Business ("VIF") and Value of New Business ("VNB") represent approximately 44% and 57% of the total, respectively, have not been reviewed by Deloitte, as they are included in its audited financial statements. However, Deloitte has reviewed those products that are not valued in accordance with IFRS 17, such as pension plans and investment funds ("*financial products*") and those valued using the IFRS 17 Premium Allocation Approach ("PAA") measurement model ("*single-year products*").
5. Consequently, this opinion letter is limited to the *financial products* and *single-year products* indicated in the preceding paragraph, as well as the Adjusted Net Asset Value ("ANAV") for the companies subject to review, as listed below.

6. The scope of the review of the Embedded Value and the value of new business generated in 2025 as at 31 December 2025 includes the following entities:
 - Mapfre Vida, S.A. de Seguros y Reaseguros sobre la Vida Humana ("Mapfre Vida") and its subsidiaries:
 - a) Mapfre Inversión S.V., S.A., consisting of Mapfre Inversión Dos, S.G.I.I.C., S.A. and Mapfre Vida Pensiones, E.G.F.P., S.A. and
 - b) Bankinter Seguros de Vida, S.A. de Seguros y Reaseguros;
 - Mapfre Seguros de Vida, S.A. in Portugal;
 - Middlesea Valletta Life Assurance Co Ltd., the life business of Mapfre in Malta;
 - Funeral business of the general insurance company of Mapfre in Spain, Mapfre España, S.A.;
 - Life and funeral business of Mapfre Perú Vida Compañía de Seguros y Reaseguros, S.A.;
 - Life business of Mapfre in Brazil (Brasilseg Companhia de Seguros, Mapfre Previdencia S.A., Mapfre Vida S.A. and Mapfre Seguros Gerais S.A.);
 - Life business of Mapfre Tepeyac in Mexico.

The general insurance business and a portion of the life business representing approximately 0.7% of the total technical provisions of life insurance of the Mapfre Group as at 31 December 2025 have not been included in the scope of the Embedded Value and value of the new business generated in 2025 as at 31 December 2025.

7. The results have been prepared by Mapfre, S.A. and its subsidiaries. Deloitte has carried out a review of the methodology and assumptions used in accordance with the requirements of the MCEV Principles, as well as the results of the EV, the value of the new business generated in 2025 and the associated sensitivities.
8. The presentation of Mapfre S.A.'s Market Consistent Embedded Value at 31/12/2025 contains a summary of the key aspects of the methodology and assumptions used by Mapfre, S.A. as well as the results obtained.
9. The work performed by Deloitte and this letter are subject to the conditions and limitations contained in paragraphs 10 to 16 of this letter. The work is based on information received up to 13 March 2026, inclusive.

Findings

10. Deloitte has assessed that the methodology and assumptions reviewed (expenses, volume of claims and lapses) comply with the Market Consistent Embedded Value Principles and Guidance issued by the CFO Forum in April 2016.
11. This compliance has been achieved by aligning the calculation of EV with the criteria used by Mapfre, S.A. for Solvency II, except for:
 - a) Contract limits in annual renewable term products, where the Solvency II criterion establishes that the contract limit for valuation purposes is at the end of the current annuity, the criterion applied in the MCEV has been to project the successive renewals, taking into account the probability of cancellation, until the expiration of the contracts.

- b) The cost of capital which, consistently with the preceding point, has been calculated using theoretical required capital, which corresponded to applying the same contract limits to the calculation of the risks.
12. Likewise, based on a high-level review of the results performed using aggregated information, without carrying out detailed checks on the models and processes involved, Deloitte has not found material findings that significantly impact the EV.

Conditions and limitations

13. The review was concluded on behalf of Mapfre S.A. in accordance with the instructions of the Directors of Mapfre, S.A. Our opinion is made solely to Mapfre, S.A. in accordance with the terms of Deloitte's contract for the provision of services. To the fullest extent permitted by applicable law, Deloitte does not accept or assume any liability to third parties other than Mapfre, S.A. for any decisions they may take in connection with the review work, the opinion expressed, or the content of this letter.
14. Deloitte has prepared this opinion letter for use by persons technically competent in financial and insurance matters and solely for the use of Mapfre, S.A. It should not be relied upon by any third party in its decision-making. No reference to Deloitte in any reports, accounts or other published documents in general to which other third parties may have access is permitted without our prior written consent.
15. In carrying out our review we have relied, without any independent verification, upon the data and information provided to us in the course of our work, both in written and oral form, by Mapfre, S.A. and its subsidiaries and upon the Directors of Mapfre, S.A. knowing of no other information or data which ought to have been made available to Deloitte and that could materially affect the opinion set out in this letter.
16. We have not reviewed whether the methodology and assumptions used by Mapfre, S.A. for Solvency II comply with the regulations and requirements of Solvency II. Also, the Required Capital used in the calculation of the Embedded Value was considered as an input provided by the entity, and was not subject to an independent review by Deloitte.
17. We have relied upon the information furnished to us relating to, but not limited to, the following:
- a) Information published in previous years
 - b) Inventory of assumptions and results obtained
 - c) Components of the calculation of the Embedded Value as at 31 December 2025, including:
 - adjusted net asset value as at 31 December 2025
 - cost of FOGs or TVFOGs
 - cost of non-financial risks or CoC
 - present value of expected future accounting profits (or PVFP) of the portfolio in force as at 31 December 2025 after taxes
 - d) Central scenario of results and the most significant sensitivities for the Embedded Value and the value of the new business in 2025 for the life, funeral and pension businesses
 - e) Cash flow projections of the most significant products

- f) Information on the methodology used in the calculation

18. Deloitte has not performed an assessment of the suitability, quality or value of the assets of Mapfre, S.A. and its subsidiaries, including the fair value adjustments included in the ANAV, nor does it provide any guarantee as to the sufficiency of the technical reserves. We have neither investigated nor assessed any possible claims against Mapfre, S.A. or its subsidiaries, other than those made by insureds, policyholders or mutual or pension fund unitholders under the terms and conditions of their insurance policies, mutual fund or pension fund contracts considered standard. In particular, no account has been taken of claims in respect of pension obligations, contracts for the provision of services, or breaches of legislation.
19. It should be noted that in view of the uncertain nature of any information based on assumptions made on the basis of future performance, there may be differences between the projections and the actual results which might possibly be significant and affect the conclusions of this letter. Therefore, we will not accept any liability in relation to such differences or any responsibility for updating the projections as a result of events or circumstances arising after the date of this letter. Deloitte does not guarantee that the assumptions made in the projections will reflect the actual performance in the future.

Yours faithfully,



Alejandro Collado
Partner

01 VALUE ANALYSIS

02 EXTERNAL AUDITOR'S OPINION

03 METHODOLOGICAL APPENDIX

04 GLOSSARY

Covered business

- The 2025 value of the **Life and Burial businesses has been determined** , consisting of the following business blocks:
 - Life insurance (including complementary) and Accidental Death insurance businesses sold through the agent channel in the IBERIA region (MAPFRE VIDA in Spain and MAPFRE SEGUROS DE VIDA in Portugal).
 - Life insurance (including complementary), Accidental Death insurance businesses and Pension Funds businesses of BANKINTER SEGUROS DE VIDA (including business in Spain and Portugal).
 - Mutual fund and pension fund businesses of MAPFRE INVERSIÓN S.V., S.A., MAPFRE ASSET MANAGEMENT, S.G.I.I.C., S.A and MAPFRE VIDA PENSIONES, E.G.F.P., S.A. de Seguros, S.A. ("MAPFRE INVERSIÓN Y PENSIONES").
 - Burial business of MAPFRE ESPAÑA.
 - Life business of MAPFRE MSV in Malta.
 - Life and Burial insurance business of MAPFRE PERU Vida.
 - Life insurance business in Brazil of Brasilseg Companhia de Seguros, MAPFRE Previdencia S.A., MAPFRE Vida S.A., MAPFRE Seguros Gerais S.A. .
 - Life insurance business of MAPFRE MEXICO.
 - Life insurance business of Insignia Life.
 - MAPFRE Colombia's multi-year Life insurance business.
 - MAPFRE Panama's multi-year Life insurance business.
 - MAPFRE Puerto Rico's multi-year Life insurance business.

- The MAPFRE Group operates in the Life insurance business in other countries that have not been included in the scope of the 2025 EV calculation. These entities **outside the scope** of this information represent approximately 0.7% of the MAPFRE Group's total life insurance liabilities as of 12/31/2025.

Methodology

- The **Embedded Value** of the Life, Burial, and Investment Funds and Pension Plans business is comprised of adjusted net asset value plus the value of in-force business, defined as follows:
 - Embedded value = Adjusted Net Asset Value + Value of In-Force Business
 - Adjusted Net Asset Value (ANAV) = Adjusted Net Asset Value or “ANAV” equals net equity under IFRS, adjusted for intangible assets and any other items necessary to obtain the economic value of equity.
 - Value of the In-Force Business (Value in force , VIF):
 - For multi-year businesses valued using the BBA/VFA methodology in IFRS 17, the CSM net of tax as of 12/31/2024, will be used. The applicable criteria are those included in the Group's annual accounts.
 - $VIF = CSM - \text{taxes}$
 - For short-term businesses (valued under the PAA methodology in IFRS 17), financial liabilities, and and Investment Funds and Pension Plans, the value of the business in force will be calculated using traditional methodology.
 - $VIF = PVFP - CoC$

Methodology (cont.)

- **Value added by New Business (VNB):**

- In Life assurance and Burial insurance, new business is defined as single, extraordinary and regular premiums written in the year, as well as extraordinary contributions to existing policies not already considered in the valuation of the in-force business. In the Mutual Funds business, new business is defined as new contributions. In the Pension Funds business, new business is defined as single, extraordinary and regular contributions from new participants, as well as extraordinary contributions from existing participants.

- Value of New Business (VNB):

- For multi-year businesses valued using the BBA/VFA methodology in IFRS 17, the CSM net of taxes and the loss component as of 12/31/2025, will be used. The applicable criteria are those included in the Group's annual accounts.

- $VNB = \text{CSM of the new business} - \text{LC of the new business} - \text{taxes}$

- For short-term businesses (valued under the PAA methodology in IFRS 17), financial liabilities, and pension plans and investment funds, the value of the new business will be calculated using traditional methodology.

- $VNB = \text{PVFP of the new business} - \text{CoC}$

Methodology (cont.)

- In the case of short-term businesses, a methodology aligned with that applied in Solvency II has been chosen, except for:
 - The limits of the contract, in which solvency II criterion establishes the limit at the end of the current year and the criterion applied in this calculation has been to project the successive renewals, considering the probability of cancellation, until the expiration of the contracts.
 - Consistent with the above, the cost of capital has been calculated on a theoretical required capital, which would correspond to applying that same contract limit to the calculation of risks .

- **Statement of Directors:**
 - The Board of Directors of MAPFRE SA confirms that the results shown in this document have been prepared in accordance with the Group's criteria.
 - This document presents the results, methodology, and assumptions used to calculate the embedded value in 2024 for the entire business described in “Covered Business”.
 - Deloitte has been commissioned to review the calculation of the Embedded Value . The scope and conclusions of this review are reflected in the consultant's opinion letter.

Assumptions

2024

2025

Discount rate

Risk free rates as 12/31/2024

	EUR	BRL	PEN	MXN	COP	USD
1 year	2.24%	15.02%	3.98%	9.72%	8.47%	4.18%
5 years	2.14%	15.24%	5.43%	9.49%	10.76%	4.02%
10 years	2.27%	14.43%	6.89%	9.75%	12.01%	4.07%
15 years	2.33%	13.44%	7.13%	9.39%	12.02%	4.13%
20 years	2.26%	12.31%	6.82%	8.77%	11.29%	4.10%

Risk free rates as 12/31/2025

	EUR	BRL	PEN	MXN	COP	USD
1 year	2.08%	13.82%	3.58%	7.11%	10.15%	3.43%
5 years	2.48%	13.34%	4.37%	7.95%	12.87%	3.47%
10 years	2.86%	13.74%	5.98%	8.57%	12.73%	3.84%
15 years	3.11%	13.91%	6.52%	8.43%	11.95%	4.14%
20 years	3.21%	13.91%	6.38%	7.98%	10.95%	4.28%

Spread

A spread is applied to long-term business as explained in section '5.14. INSURANCE TRANSACTIONS' subsection "D. Discount rate" of the Group's annual accounts.

A spread is applied to long-term business as explained in section '5.14. INSURANCE TRANSACTIONS' subsection "D. Discount rate" of the Group's annual accounts. Brasil applies a spread established by local regulation.

Maintenance expenses

- Based on internal studies
- Expressed in euros per policy
- Indexed to inflation
- There are no exceptional expenses to be excluded

- Based on internal studies
- Expressed in euros per policy
- Indexed to inflation
- There are no exceptional expenses to be excluded

Fees and commissions

In line with the existing fee structure

In line with the existing fee structure

Mortality, disability, surrenders

Tables based on the company's own experience

Tables based on the company's own experience

Cost of Capital

- Capital requirement
- Annual cost

100% SCR Solvency II (without limit of contract) ⁽¹⁾

100% SCR Solvency II (without limit of contract) ⁽¹⁾

On average, between 5% and 6% per annum before tax

On average, between 5% and 6% per annum before tax

Tax rate

The one corresponding to the country and year

The one corresponding to the country and year

Stochastic asset model (TVFOG)

Consistent with the market using implied volatilities in options on swaps as of 12/31/2024

Consistent with the market using implied volatilities in options on swaps as of 12/31/2025

Exchange rate

Brazilian real (0.1561), Peruvian sol (0.256), Mexican peso (0.0464), Colombian peso (0.0002) and US dollar (0.9657) as of 12/2024

Brazilian real (0.1546), Peruvian sol (0.2531), Mexican peso (0.0474), Colombian peso (0.0002) and US dollar (0.8515) as of 12/2025

(1) In the case of MAPFRE VIDA, the internal longevity model is used for these purposes.

01 VALUE ANALYSIS

02 EXTERNAL AUDITOR'S OPINION

03 METHODOLOGICAL APPENDIX

04 GLOSSARY

- **Embedded Value of the Business or “EV”** is the sum of adjusted net asset value and the present value of expected future benefits from contracts in force, calculated using realistic assumptions of mortality, morbidity, expenses, declines and investments, discounted at an appropriate risk rate.
- **Adjusted Net Asset Value, or "ANAV,"** is equal to shareholders' equity according to international financial reporting standards, adjusted for: unrealized capital gains or losses held by shareholders; committed donations and dividends; goodwill; deferred expenses; and any other elements necessary to obtain the economic value of the capital.
- The **Contractual Service Margin, or "CSM,"** is the asset or liability component of a group of insurance and reinsurance contracts that represents the unearned profit the entity will recognize as services are provided in the future. It allows the company's viability to be assessed in the short to medium term, as it can determine the volume of future profits generated by contracts already issued.
- The **Loss Component or “LC” of the New Business** determines the amounts presented in results as losses on groups of contracts at the point of sale.
- **Options and Guarantees or "FOG"** are those characteristics of the business being calculated that involve the existence of guarantees with potential value, based on the level or nature of the benefits of the policyholders, or options to change said benefits, exercisable at the discretion of the policyholders and whose potential value depends on the behavior of financial variables.
- The **Present Value of Future Profits or “PVFP”** is equal to the present value of the expected future accounting benefits of the portfolio in force at the valuation date, after taxes and discounted to its corresponding curve.
- The **Present Value of New Business Income or “PVNBI”** is equal to the present value of the expected future accounting premiums and contributions of the new business portfolio at the valuation date, discounted at its corresponding curve.

- **The Cost of Capital (“CoC”)** is an adjustment for non-immunisable risks not considered in the PVFP. To calculate the CoC, the required capital has been projected forward on the basis of the most appropriate drivers for each business line.
- **Variations in Operating Experience and Changes in Assumptions** include:
 - The variation in the actual value less the expected value, which arises primarily from the variation between the actual experience and the assumed experience used to calculate the embedded value at the beginning of the year.
 - Changes in future experience assumed in the calculation of the current value of the business in force, including assumptions about expenses, declines, accidents, etc.
- **Interest accretion** is the financial adjustment that reflects the effect of the value of money on the VIF of multi-year business, calculated at the discount rate established in the initial recognition of the group of insurance contracts (“locked-in” rate).
- The **Period Release** is the portion of the value recognized as revenue in the income statement in an accounting period, reflecting the provision of insurance services during that period.
- The **Return on the Value of the Business in Force or “RoV”** is obtained by dividing the value of the business added during the period by the value of the business in force at the end of the previous period, adjusted for exchange rates.
- The **Value of the Business Added in the Year** is composed of the interest accretion, the value of the new business, the adjustments of experience and others.



mapfre