

# Corporate Sponsorship Manual

External Relations and Communication Area

Brand and Reputation Division

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## SUMMARY

### 01 INTRODUCTION.

### 02 SPONSORSHIP AT MAPFRE.

### 03 SPONSORSHIP STRATEGY.

- 3.1 General guidelines
- 3.2 Areas related to our brand
- 3.3 Characteristics: Consistency and relevance

### 04 SPONSORSHIP ACTIVATION OR EXPLOITATION.

### 05 SPONSORSHIP APPROVAL PROCEDURE.

### 06 MONITORING AND ASSESSMENT.

### 07 DOS AND DON'TS.



# 01 INTRODUCTION

In recent years, sponsorship has been consolidated as a marketing technique in MAPFRE. It offers visibility, awareness, and a platform for public relations and communication content. Additionally, and most importantly, it can give the brand important values and attributes that are leveraged in advertising activity.

With the 2022 update of the “Corporate Sponsorship Guide,” we aim to simplify its content, reinforce our strategy, and update the rules to be followed for approving sponsorships.

## 02 DEFINITION OF SPONSORSHIP

**Sponsorship** is a commercial agreement whereby two parties (the sponsor and the sponsored party) generate content that adds value and meets each other's needs.

The objective of these agreements can be to generate brand awareness and image values, business activity (local investments of a commercial nature to generate policies), or institutional relations. Nonetheless, they must always respect the company's sustainability positioning in order to build trust and add to the corporate purpose: "We care about what matters to you."

# 03 SPONSORSHIP STRATEGY

## 3.1 GENERAL GUIDELINES

The sponsorship strategy seeks to provide guidelines that govern our activity. Sponsorships say a lot about our brand. Hence, they **must be carefully selected, intensely exploited, and tactfully discarded.**

The main characteristics that must be met are as follows:

1. Be consistent with our purpose and values.
2. Be relevant to our target audiences.
3. Have clear, measurable, and achievable objectives prior to implementation.
4. Respect the approval process set out in this manual.
5. At the end, the proposed objectives must be reviewed and the results achieved must be analyzed and evaluated.

In addition, as general rules we must demand that:

1. They do not generate conflicting positions in society, nor can they be relevant exclusively to small population groups.
2. They must have irreproachable conduct and an exemplary ethical record. For example, there can be no prior instances of doping. There should also be no record of negative news in the previous twelve months.

If any of these criteria are not met, the proposal is unlikely to be considered viable by the Corporate Area unless it is very relevant due to commercial interests.

In order to execute the activities linked to the scope of this manual, it has been established as a general principle that all collaborations of the MAPFRE Group, including contributions made for purposes of general interest, donations, and/or events of exceptional public interest, must be processed in accordance with the Group's regulatory framework, paying particular attention to the following standards:

- The Institutional, Business and Organizational Principles
- Code of Ethics and Conduct
- The Anticorruption Policy

These regulations, which are applicable to all employees and activities of the Group, define and establish the mechanisms that facilitate identifying, controlling and minimizing the risks related to possible criminal or fraudulent activities (including corruption and bribery) linked to the approval of all kinds of sponsorship and/or contributions executed.

## 3.2 AREAS RELATED TO OUR BRAND

One of the most complicated issues in sponsorship is finding the right fit for the brand in the right areas to ensure that it develops to its full potential. MAPFRE must appear in settings that are aligned with the brand image it wants to project. Therefore, sponsorship modalities that are consistent with our strategic positioning as a company must be developed.

These three areas are **trust**, **innovation** and **sustainability**, highlighting aspects related to our **social footprint**.

**Trust:** all actions aimed at highlighting solvency, business soundness, proximity to customers, transparency, or the professionalism and commitment of employees.

**Innovation:** this points directly to technological and procedural innovations, as well as their adaptation to be more agile, competitive, efficient, and effective.

**Sustainability:** any activity that identifies the company as being concerned about its social footprint, respect for the environment, and the fight against climate change. Highlighting actions committed to energy efficiency, the use of renewable energy, and sustainable mobility.

### Other recommended areas:

- Competitions of the most relevant sports for our target audience in each market. They will have to be sports that do not contradict our values and areas.
- **We can also consider tactical events related to our positioning or events derived from our insurance activity with other institutions that seek to generate influence capacity.**
- All other proposals will be subject to their capacity to generate business or influence in the country/region/territory that proposes them.

- Activities with political significance and violent sports or events (boxing, kickboxing, etc., which, by their very nature, generate physical harm to participants, whether human or animal) that generate opposing positions (pro or con), involve extreme risk, or have a history of inappropriate conduct are excluded.

Due to their special characteristics, **individual agreements with any athlete or celebrity** are considered of joint competence with the Corporate Sponsorship department.

## 3.3 VALUES

### Consistency.

The values we must guarantee as a brand are the same values that we assume as a company:

Solvency	Integrity	Vocation for Service
Innovation for Leadership		Committed Team

The adaptation of these values is materialized in the purpose “We care about what matters to you,” with the aim of giving ourselves a clear and differentiated position on the market.

As a general rule (except for Fernando Alonso), MAPFRE prioritizes the sponsorship of a sport over an athlete. At this point, we must remember that sponsorships with a main purpose related to a social or charitable function must be dealt with from the perspective of the foundation’s activity.

### Relevance

Relevance is the quality of being prominent (important, outstanding, or distinguished). It is the ability to generate interest among our target audiences through the media and/or digital media.

When we enter into a sponsorship, our brand is associated with a sponsored party that has certain values, and, depending on its affinity and relevance, we will disseminate that image associated with our brand through advertising.

- **Visibility and brand recall.**  
In a sponsorship or when activating a sponsorship through advertising, we must successfully generate recall among the audience for whom it is relevant. To be relevant, the highest, best, and most appropriate visibility must be achieved.
- **Affinity with our target audience.**  
When we look for a certain target audience, we must ascertain its affinity with the proposed sponsorship and how it is activated through advertising. Audiences can also provide us with a target audience profile that can be very useful for decision-making and determination of the relevance.

# 04 SPONSORSHIP ACTIVATION OR EXPLOITATION

Any sponsorship carried out in MAPFRE can be activated by any of the following springboards:

- **Brand awareness:** unpaid exposure in conventional or digital media.
- **Image:** values inherent to the sponsorship property that we want to be recognized at MAPFRE.
- **PR:** rights associated with the sponsorship property that are highlighted to reinforce or increase commercial or institutional activity.
- **Communication content:** all content that is generated and which, through sponsorship, allows us to position ourselves in a certain way in the eyes of different stakeholders.
- **Operations:** any business activity that allows us to generate policies,

Depending on the objectives selected, we will have to measure the results. This will be done by measuring the ROI (return on investment) in the case of brand awareness, and by calculating the ROO (return on objectives) in all other cases depending on the initial approach and the established objectives.

# 05 SPONSORSHIP APPROVAL PROCEDURE

## Procedure

The first step in approving a sponsorship will always be validation by the Brand and Corporate Reputation Division.

This will be done by sending the form distributed for this purpose (Appendix 1).

This requirement is mandatory for countries, regional areas, territorial areas, or units. Once the proposal has been validated, the following Approval Rules apply.

In the specific case of donations, since they are not sponsorships, it has been established that they must always be presented to the Executive Committee through the General Counsel for approval.

## Approval Rules

There are financial limits for sponsorship approval that cannot be exceeded. This applies to both countries and units:

Countries may approve sponsorships up to the following amounts:

- Spain: 100,000 euros
- Brazil: 300,000 reals
- USA: 85,000 dollars
- Strategic countries: 50,000 euros
- Challenger countries: 10,000 euros

As for Global Businesses (Assistance, Global Risks, and Reinsurance), the maximum cost of sponsorship that can be approved by the company itself is €75,000, and the aforementioned Corporate Division must be informed.

Starting from these figures and up to the reference value of 1,000,000 euros, the approval of any sponsorship will be the responsibility of the Executive Committee of MAPFRE S.A., and any proposal with a cost exceeding 1,000,000 euros must be authorized by the MAPFRE S.A. Steering Committee or Board of Directors.

All these amounts are understood to be committed amounts, and they therefore consider the total annual payments included in the sponsorship agreement. In other words, an activity of 15,000 euros per year committed for three years means a cost of 45,000 euros for the purpose of the authorized limit. According to the procedure, activities with a commitment that refers to renewable annual payments will have to be proposed and approved each year.

# 06 MONITORING AND ASSESSMENT

In addition to the monitoring that must be carried out for all sponsorships, the results must be assessed at the end of the sponsorship. Furthermore, for multi-year sponsorships, annual appraisals should be carried out jointly with the sponsored property in order to get the most out of each annual payment.

Whenever possible and if the property has a structure designed for this purpose, we will carry out a sponsorship evaluation to appraise how the provision of contract assets and rights has developed.

Following the conclusions of the analysis, a program of improvement actions and a proposal (if applicable) for contract renewal with the property will be designed.

## **Quantitative measurement**

The investment must be rigorously controlled and the return must be measured in terms of exposure, brand visibility, or commercial results of the campaigns

carried out. To measure brand visibility, a third-party media presence measurement system should be used.

Although the methodologies are based on similar principles, the ROI figures offered by different providers may vary and undergo significant oscillations, and it may not be possible to compare sponsorship investment with advertising investment: weighting of media and valuation of brand presence at real market prices. Insofar as these premises are not observed, we will have different values for the same measurement.

Considering these factors, we must choose the measurement methodology offering the most realistic results that are geared toward market conditions. Sponsorship return measurements must be based on metrics/methodologies that, based on the complete collection of information and a verified and reliable audience measurement, allow us, as we said, to compare the ROI of sponsorship with the investment in conventional advertising.

# 07 DOS AND DON'TS

- 1.** Sponsorship is a commercial agreement whereby two parties, the sponsor and the sponsored party, generate content that contributes value and meets each other's needs.
- 2.** It is important to identify the objectives of each sponsorship so that it may be classified as Corporate, Institutional, or Business. This is not discussed in the manual.
- 3.** It must be coherent and relevant, meet our purpose (We care about what matters to you), and reach our target audience.
- 4.** The sponsorships to be developed are those resulting from the application of this guide, except business sponsorships that are made profitable through sales activity.
- 5.** The company's objectives and their alignment with the purpose communication plan must be a priority; if a sponsorship or its advertising activation does not help achieve them, we should not enter into it.
- 6.** The brand position will be solid from a communication point of view: differential, sustainable over time, and not able to be replicated by competitors.
- 7.** Awareness, image, PR, communication content and operations are the five pillars of sponsorship.
- 8.** These agreements must always be reported to the Corporate Advertising and Brand Division and authorized by the Executive Committee/Steering Committee when the amount involved requires.
- 9.** Periodically, the sponsorship will be evaluated to appraise its development and the provision of contract assets and rights, or the results of the advertising campaigns will be assessed.
- 10.** The return on investment of a sponsorship must be measured in terms of brand exposure, visibility or volume of business generated to assess whether it should continue.

This could replace point 2 Each entity, country, or business unit is responsible for ensuring that all of its sponsorships and their activation are carried out in line with this document. The Corporate Area is at your disposal to answer any questions or incorporate your suggestions into this Corporate Sponsorship Guide.

**Thank You**