



**POLICY FOR DEFINING THE ORGANIZATIONAL
FOUNDATIONS AND PRINCIPLES OF THE MAPFRE GROUP**

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1 Introduction: The identity of the MAPFRE Group

MAPFRE S.A. (the "**Company**") is a publicly traded Spanish corporation whose shares are listed on the Madrid and Barcelona Stock Exchanges and traded through the Spanish Stock Exchange Interconnection System (Continuous Market).

The Company is also the controlling company of a corporate group (the "**Group**" or the "**MAPFRE Group**") primarily engaged in insurance, reinsurance, and assistance activities, as well as investment and service operations, across various countries around the world.

The MAPFRE Group is an independent, international business organization with origins dating back to 1933, when the Association of Owners of Rural Properties in Spain (*Agrupación de Propietarios de Fincas Rústicas de España*) established MAPFRE MUTUALIDAD to provide mutual coverage for risks associated with agricultural operations. In the 1960s, the company embarked on a period of business expansion, followed by its internationalization in the 1980s—first in Latin America and later, over the following decades, in the United States, Europe, and Asia. In 2006, MAPFRE underwent a demutualization process, leading to the creation of the current MAPFRE S.A. as the Group's global holding company. As part of this transformation, all shares were listed on the stock market, and FUNDACIÓN MAPFRE became the Group's majority shareholder. This structure has preserved MAPFRE's independence, long-term vision, corporate culture, and institutional and business principles.

2 Approval

The Company's Board of Directors is responsible for defining the Group's overall strategy and establishing the foundations for effective and efficient coordination between the Company and the other companies within the Group.

In exercise of those authorities, the Board of Directors approves and updates the corporate policies that govern the Company's activities; that establish the guidelines and fundamental principles that inspire and orient the mandatory rules that the Group's other companies approve within the scope of their own decision-making capacity and responsibility; and that form the basis for mandatory compliance with those rules.

Accordingly, the Company's Board of Directors has approved this *Policy for Defining the Foundations and Organizational Principles of the MAPFRE Group* (the "**Policy**"), taking into account the Company's shareholder structure, the Group's global scale, and its presence across multiple regions and countries.

3 Scope of application

The principles established in this *Policy* constitute the minimum mandatory framework for the Group companies, which must adapt their internal regulations and actions to the provisions herein.

This *Policy* is also applicable, as appropriate and in accordance with the relevant shareholder agreements, to the various partnerships and joint ventures established by the Group.

4 Purpose

The purpose of this *Policy* is to define the corporate, governance, and business structure of the MAPFRE Group to ensure the optimal development of its companies' corporate purpose, the pursuit of corporate interest, and the fulfillment of the Purpose, Vision, and Values outlined in the *MAPFRE Group Institutional and Business Principles*.

5 Group corporate, governance, and business structure

5.1 General principles

MAPFRE is an international, independent business group with a strong leadership presence in the various countries and industries in which it operates. While maintaining its global ambitions, the Group retains a strong Ibero-American focus as part of its identity.

The Group has a corporate structure that must be decentralized, ensuring that it is characterized by simplicity and efficiency, in order to adequately fulfill its business objectives. This principle makes it possible to effectively manage businesses in each of the countries while efficiently managing the required resources and capital, which in turn allows for appropriate compensation to its shareholders. All this is governed by a legal framework and genuinely ethical and socially committed conduct in the countries in which the company operates.

MAPFRE also operates with a highly structured and rigorous business model, ensuring comprehensive oversight and control across local, regional, and global levels. At the same time, this structure enables broad delegation in the execution and development of assigned responsibilities, empowering teams and their leaders. This approach effectively upholds the principle of decentralization in both strategic direction and business management.

The organizational framework of the MAPFRE Group is based on the following core principles:

- a) The differentiation between the functions of strategic definition, oversight, organization, and coordination, which are the responsibility of the Company, as the Group's parent company, either directly or through *holding companies at different levels*, and day-to-day management, effective business operations, and control, which are entrusted to local subsidiaries in accordance with the strategic guidelines set at the Group level.
- b) Maximizing operational efficiency across all Group companies to generate synergies and leverage economies of scale, while always respecting the interests of each company, particularly its shareholders, as well as the various stakeholders involved in its activities.
- c) Strict compliance with the regulations of the different countries in which Group companies operate.
- d) Protection of asset integrity through the separation of the areas of responsibility of each of the Group's companies, preventing risk contamination between companies, and enabling proper allocation and containment of liabilities.
- e) Optimization of the Group's organizational structure that ensures effective supervision, organization, and coordination, while maintaining proper control of the Company in its role as the parent company.
- f) Ensuring that all companies within the Group align with the *MAPFRE Group Institutional and Business Principles*, which are defined through a Purpose, Vision, and Values, approved by the Company's Board of Directors, and embodied in the principles outlined in the *Code of Ethics and Conduct*.
- g) A robust corporate governance framework, aligned with the best international and local practices, and, except for duly explained exceptions, with the widely recognized corporate governance recommendations in the countries where the Group operates, adapted to their needs and specificities, ensuring efficiency, transparency, and accountability in the structure and functioning of the governing bodies and management of the Group's companies.
- h) The establishment of the competencies and responsibilities within the Group's companies, with a dual focus: supervision, entrusted to the respective governing bodies of each of them, and executive or operational, delegated to the management teams of these companies.
- i) Organization of management teams that guarantees high and rigorous control and supervision at all levels, within the framework of the corporate structure and operational organization defined at any given time, and allows for

delegation in the execution and development of all activities of the Group's companies, along with supervision, monitoring, and analysis of the most relevant actions related to these activities.

- j) The performance of the activities of the Group companies, driven by a strong social commitment and adherence to the highest ethical and compliance standards across the countries, regions, and territories where they operate, as well as in relation to the specific businesses conducted by each Group company.

5.2 Governance structure

The governance structure, which is based on the corporate organization, is guided by the following principles that clearly distinguish between, on the one hand, the functions of strategic definition, supervision, organization, and coordination assigned to the Company in its role as a *top-level holding company* of Spanish nationality and that, in the case of the last three functions, are reinforced in certain countries, regions, territories, and businesses, through *holding companies at different levels* and, on the other hand, those of ordinary management, effective operation, and business control that correspond to local business companies.

a) Strategic definition, supervision, organization, and coordination (first layer)

The Board of Directors of the Company, as a publicly traded, *top-level holding company*, is responsible, as provided for in the *Corporate Bylaws*, for defining the structure of the MAPFRE Group, its strategic objectives, and general guidelines to be followed, as well as overseeing their compliance. This is done while always considering the full decision-making authority and responsibility of each of the companies that make up the Group in their respective actions.

In order to facilitate the orderly exercise of the functions inherent to its role as a holding company, the Company's Board of Directors establishes a series of mechanisms that allow for the exchange of necessary information to strategically coordinate activities.

The majority of the members of the Company's Board of Directors will be external, independent, and nominee directors, and their appointment must meet broad criteria of diversity, such as professional experience and knowledge, as well as geographical origin and gender. Regarding their positions, the Board will appoint from among its members a Chairman, if applicable, one or more Vice Chairmen, one or more Managing Directors, a Coordinating Director, and a Secretary. It may also appoint a Vice-Secretary.

The position of Chairman, which entails the presidency of the Company, will be held by an executive board director, who will be the most senior

management representative at the Group level and hold the powers delegated by the Board of Directors. The first Vice Chairman will also be an executive director, while the second Vice Chairman will be an independent external director, who will also serve as Coordinating Director.

The conduct, organization, and functioning of the Board of Directors are governed by a specific internal regulation, which establishes, among other aspects, its quantitative and qualitative composition, the procedure for the appointment and removal of directors, the requirements for their designation, the duties, obligations, responsibilities, training, and remuneration of its members, the positions and committees, and the evaluation of its performance.

To exercise its powers, the Board of Directors may create commissions and committees, whether delegate or advisory. In particular, it has a permanent Steering Committee made up exclusively of directors and of which the Chairman and First and Second Vice Chairmen will be ex officio members, which shall have the powers conferred by the Board of Directors, except for those powers that cannot be delegated in accordance with applicable regulations. It also has the following non-executive committees with powers of information, advice, and proposal: an Audit Committee, an Appointments and Remuneration Committee, and a Risks, Sustainability, and Compliance Committee.

Given the growing importance of digital transformation and innovation in the Group's strategy, it is also considered appropriate for the Board of Directors to have an advisory board on these matters. This body will be chaired by a director and should include professionals of recognized prestige in the fields of technology, digitalization, innovation, and business transformation. It will advise both the various operational areas of the Company with responsibilities in these areas and the Board of Directors itself.

In addition, the Company has an Executive Committee, which oversees the management of the different businesses and activities through global corporate areas, regional areas, and ensures the coordinated action of countries, regions, and business units.

This Executive Committee is chaired by the Executive Chairman of the Company, and its Vice Chairman shall be the First Vice Chairman of the Company's Board of Directors. It shall be made up of the executive directors and executives from the Group companies, who, at the proposal of its Chairman, are appointed by the Board of Directors. Its members must have appropriate management experience and maturity, and efforts will be made to ensure that all business units and geographical areas are represented in the committee.

The Executive Committee may have other delegate and support committees specialized in certain areas, such as acquisitions or technological transformation and innovation, for which it will approve its rules of composition and operation.

b) Development of the functions of supervision, organization, and strategic coordination in the Group's subsidiary companies (second layer)

The functions of supervision, organization, and strategic coordination in the Group's various subsidiary companies are carried out through *holding companies at different levels*, or, directly through other operating companies of the Group, as agreed in each case by the Company's Board of Directors.

c) Ordinary management, effective management, and business control (third layer)

The local business companies are responsible for the ordinary management and effective operation of the businesses entrusted to them, as well as for their regular oversight, in alignment with the general strategic guidelines set by the Company in its capacity as the Group's holding company.

These local business companies are organized through a dual pillar structure: supervision and operations. The first pillar, supervision, is the responsibility of their respective governing bodies, which, in cases where required by regulations or agreed upon by the Board of Directors of the Company, will consist of a board of directors along with the delegate bodies established by the applicable legal provisions. The second pillar, operations, will be structured and led by a CEO, who will have a management committee composed of the company's senior executives. The composition, functioning, and responsibilities of this committee will be as defined at the Group level, and it will oversee the development of the company's operations and activities.

The boards of directors of local business companies will have a majority of external directors, and efforts will be made to ensure that the Chairman is an external director and that the Vice Chairman is the chief executive. The criteria for selecting directors in these companies will be similar to those established in the Company, both in terms of experience and knowledge and in other diversity criteria.

The secretaries of the boards of directors of local business companies will also be the general counsels of these companies and will carry out the corresponding responsibilities in accordance with applicable regulations. In any case, they will advise the chairman and other board members on matters related to the functioning of the board itself and the corporate governance system of the company. In addition, they must maintain adequate coordination

with the Company's General Counsel to ensure compliance with its strategic supervision functions.

The members of the governing bodies of the local business companies must be suitable individuals with personal, professional, and commercial integrity, as well as the necessary solvency, competence, experience, qualifications, training, availability, and commitment to their function, in the terms required by law for financial, insurance, and reinsurance companies subject to supervision by Public Authorities. They must not be involved in situations of incompatibility, disqualification, or prohibition. All these conditions shall align with those set out for the Company's directors in its *Board of Directors' Regulations*. Furthermore, they must not be over seventy years of age.

In addition, external directors of local business companies will be subject to the same age requirements and limitations as set forth for company directors, as well as the limit of three consecutive terms or a maximum of twelve years in a row as a director. Notwithstanding the foregoing, in the case of local companies domiciled outside of Spain, the Board of Directors of the Company (following a report from the Appointments and Remuneration Committee), taking into account the circumstances of the case (such as the strategic timing of the company, the availability of suitable profiles, or other situations that it considers to be priorities) when it deems necessary and of an absolutely exceptional nature, may authorize the performance by an external director of a fourth term.

The boards of directors of the local business companies will periodically monitor compliance with the strategic plan by their respective company, as well as the various corporate activities, in accordance with the provisions of the applicable regulations. Additionally, on an annual basis, they must evaluate their own operation, the quality of their work, and the functioning of their committees, including delegate or advisory committees. The results of this evaluation, along with any feedback from board members, will be reviewed in a dedicated board meeting.

Training programs will be implemented both for onboarding new directors and for updating the technical and general competencies of board members.

5.3 Group business structure

The Group's business structure allows for appropriate coordination and combination of the supervision of business management and global corporate areas, in a comprehensive manner, to achieve the objectives of Group companies.

It is designed to maximize operational efficiency across corporate functions and business units, foster synergies, and leverage economies of scale. Additionally, it ensures the dissemination, implementation, and monitoring of the general

strategy and key management guidelines. These objectives are pursued without undermining the decision-making capacity and responsibility of the Group's companies or the legal and internal regulatory requirements imposed on their administrators. When services are provided between Group companies, they will always be governed by the appropriate contractual framework.

The business units for the main activities carried out by Group companies are as follows:

- a) Insurance Unit: Managed by local business companies that operate as insurance entities in their respective countries.
- b) Reinsurance Unit: Managed by MAPFRE RE,¹ a specialized global unit with centralized management, comprising two distinct areas—one focused on reinsurance services for insurance companies and the other dedicated to managing the reinsurance needs of MAPFRE Group companies.
- c) Global Risks Unit: Managed by MAPFRE GLOBAL RISKS² and which acts with a focus on large enterprise clients, fully coordinated and integrated into the regional and local structure of the MAPFRE Group, under its centralized technical and strategic management.
- d) Assistance and Services Unit: Managed by MAWDY – MAPFRE ASISTENCIA,³ under its own management and integrated within the MAPFRE Group regional areas.

Building on these foundations, the Group establishes a comprehensive supervision framework at the global, regional, and local levels through its corporate areas. These areas provide services to the business units by coordinating activities within their scope, defining, developing, implementing, and monitoring global corporate policies, and supporting regional or local policies. These corporate areas also ensure the correct consolidation at Group level of all financial and non-financial information and compliance with the strategic guidelines established at Group level.

The development and execution of business activities and various initiatives are driven by management committees, as outlined below. Their composition and operational rules will be established in accordance with the criteria set by the Company's Executive Committee at the Group level, under whose direct or indirect supervision they will operate:

¹ MAPFRE RE, COMPAÑÍA DE REASEGUROS, S.A.

² MAPFRE GLOBAL RISKS, AGENCIA DE SUSCRIPCIÓN, S.A.U.

³ MAPFRE ASISTENCIA COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A.

- i) **Business Unit Management Committees:** These committees are established for each business unit. In the case of the Insurance Unit, they are set up in each country, alongside those for the Global Risks Unit, the Assistance and Services Unit, and the Reinsurance Unit.
- ii) **Regional Management Committees:** These committees oversee the coordination and direct supervision of business unit management within their respective regions, except for the Reinsurance Business Unit. They also drive global or regional corporate projects.

These committees may approve guidelines and recommendations, propose improvement initiatives, and facilitate the exchange of best practices. In doing so, they enhance the Company's ability to fulfill its strategic definition, supervision, coordination, and organizational functions effectively.

This organizational structure is further complemented by the Global Business Committee, an advisory body that makes recommendations to the Company's Executive Committee regarding the development of insurance and service activities, key strategies, and new projects. This committee also strengthens cohesion and ensures the harmonized development of the MAPFRE Group's operations.

6 Oversight, dissemination, and monitoring

The administrative and management bodies of the Group's companies—at the corporate, regional, and local levels—are responsible for disseminating and ensuring compliance with this *Policy*, with the support of the management teams. To this end, they must take the necessary measures to do so, and, where applicable, report any areas of non-compliance or partial compliance through the established channels.

The Company's General Counsel shall implement appropriate procedures to ensure compliance with *Policy* through the various general counsels of the other Group companies.

As part of the Company's commitment to its stakeholders, this *Policy* will be published on its corporate website.

7 Approval and entry into force

This *Policy* was approved by the Company's Board of Directors on February 11, 2025, and entered into force on March 14, 2025.