

**Summary
of Integrated
Report 2019
and Proposed
Resolutions**



MAPFRE



Antonio Huertas |
MAPFRE CHAIRMAN AND CEO

Diversity makes us unique, and having the vision of people of more than 80 nationalities heading in the same direction greatly strengthens the capacity and talent of our company.

Letter from the chairman and CEO

We are working to build the future, firstly, that of our clients, who we protect and help to grow what is important to them, now and into the future, when it will be most necessary. We help companies and institutions, who thanks to MAPFRE, can cover their risks and concentrate their efforts on business development and the creation of wealth and employment. We also build the future of society: we are stable and reliable funders of the sovereign debt of many countries. We invest approximately 40 billion euros in these securities, which allows nation states to finance economic and social policy. And we also build a future for our shareholders, because the sum total of our commitment to sustainability is applied at MAPFRE in all its decisions: we grow, we boost profitability, we approach operations and projects, we execute the day-to-day thinking not just about the present, but also about the future, striving to leave a better company to the generations that come after us.

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

direction greatly strengthens the capacity and talent of our company.

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

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

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

Key figures

MORE THAN
26
MILLION CLIENTS

34,000
EMPLOYEES
97%
OF WHOM ARE
ON PERMANENT
EMPLOYMENT
CONTRACTS

5,100
OFFICES

2019 NET EARNINGS
609
MILLION EUROS
(+15.2 PERCENT)

DOING BUSINESS
WORLDWIDE

79,000
INTERMEDIARIES

3rd
LARGEST
INSURANCE
GROUP
IN LATAM

16th
LARGEST GLOBAL
REINSURANCE
COMPANY
SOURCE: S&P GLOBAL RATINGS

No.1
in
LATAM
FOR NON-LIFE
INSURANCE

2019 REVENUES
28.47
BILLION
EUROS

11th
LARGEST
INSURANCE
COMPANY IN
EUROPE

A BENCHMARK INSURANCE
COMPANY IN SPAIN

16.1
BILLION EUROS
PAID OUT
IN CLIENT
BENEFITS

NON-LIFE
COMBINED RATIO:
97.6%

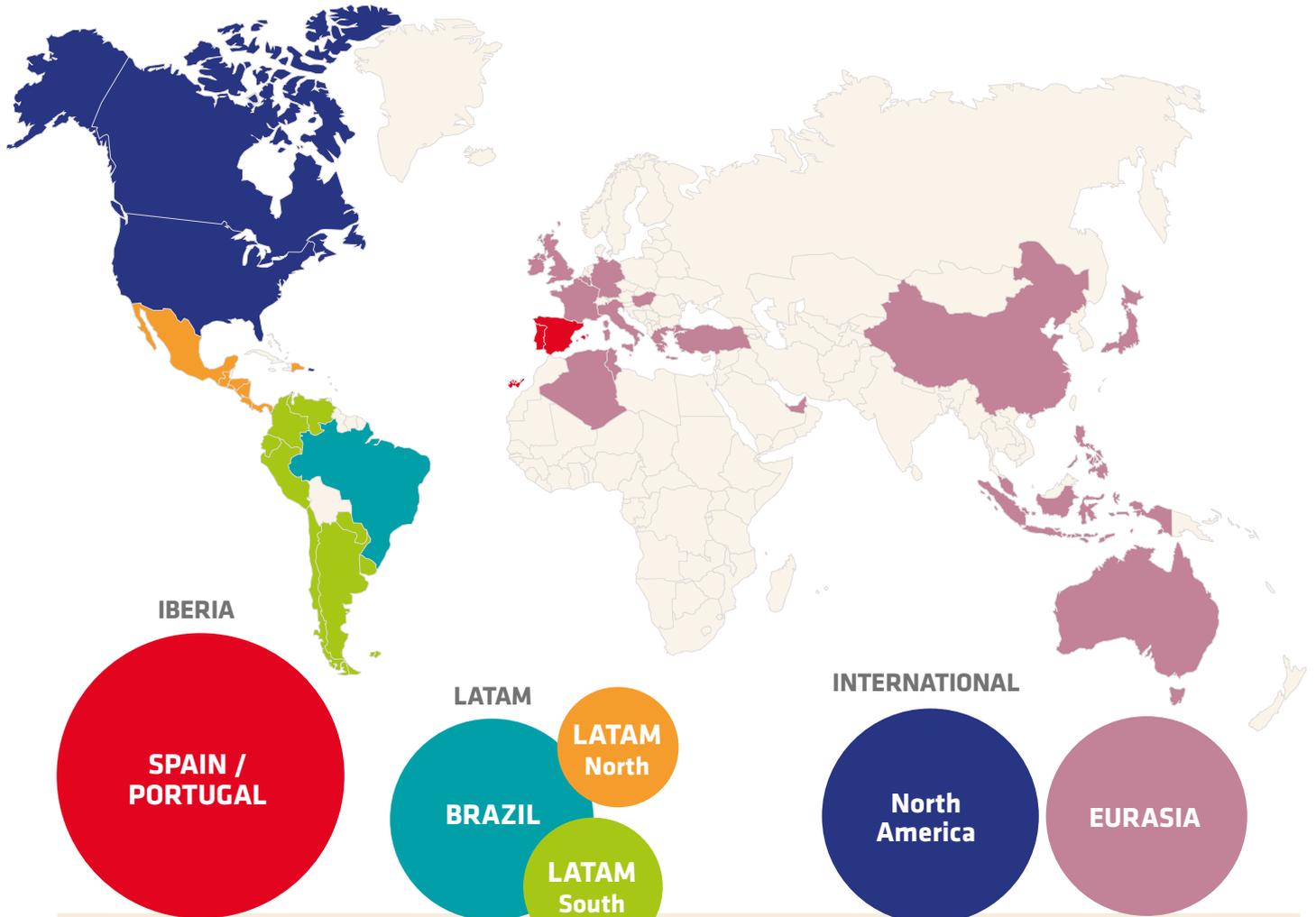
SOLVENCY RATIO
SEPTEMBER 2019
194.6%

177,000
PROVIDERS

2019 DIVIDEND
447
MILLION EUROS

A global footprint

MAPFRE operates worldwide, with a network of 5,100 offices and more than 79,000 agents and intermediaries.



IBERIA:	LATAM:	INTERNATIONAL:
<ul style="list-style-type: none"> SPAIN PORTUGAL 	<ul style="list-style-type: none"> BRAZIL LATAM South ARGENTINA CHILE COLOMBIA ECUADOR PARAGUAY PERU URUGUAY VENEZUELA 	<ul style="list-style-type: none"> North America EUROASIA CANADA PUERTO RICO UNITED STATES ALGERIA AUSTRALIA BAHRAIN BELGIUM CHINA FRANCE GERMANY GREECE HUNGARY INDONESIA IRELAND ITALY JAPAN JORDAN MALAYSIA MALTA PHILIPPINES SINGAPORE TUNISIA TURKE UNITED ARAB EMIRATES UNITED KINGDOM

Sustainability by conviction

- ➔ A strong commitment to people and the planet: MAPFRE cares for and protects people, and assists business development in the countries in which it operates.
- ➔ MAPFRE is committed to promoting diversity, equal opportunities and the talent of its professionals.
- ➔ MAPFRE expresses its social commitment through corporate volunteering.
- ➔ We work for sustainable development, with a view to the future.

» 5 MAPFRE commitments for sustainability to 2021

45% OF **MANAGERIAL POSITION VACANCIES**
TO BE FILLED BY **WOMEN**

WORKFORCE COMPRISING **PEOPLE WITH A DISABILITY: 3%**

MAPFRE'S FACILITIES IN SPAIN AND PORTUGAL TO BE
CARBON-NEUTRAL BY 2021
AND FOR THE REST OF THE GROUP BY 2030

NO INVESTMENT IN UTILITY COMPANIES THAT GENERATE **30%**
OR MORE OF THEIR REVENUE FROM COAL-PRODUCED ENERGY

NO INSURANCE
FOR THE CONSTRUCTION OF NEW COAL-FIRED
ELECTRICITY PLANTS
OR THE OPERATION
OF NEW **COAL** MINES

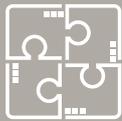
How we create shared value

Value creation for an organization is achievable when the company responsibly defines its resources, and clearly identifies those areas it is working on and the stakeholders that will be impacted or potentially impacted.

Value creation is not static, and projects are therefore undertaken over a much longer time frame, in line with the Strategic Plan.

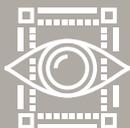
» What makes MAPFRE different

MANAGEMENT



- RIGOROUS TECHNICAL CONTROL OF THE BUSINESS
- STRICT MANAGEMENT OF CAPITAL AND RISKS
- MULTILINE AND MULTICHANNEL
- GEOGRAPHICAL DIVERSIFICATION

CULTURE



- INDEPENDENT COMPANY
- HUMAN CAPITAL TEAM AS A KEY ORGANIZATIONAL ELEMENT
- A SENSE OF RESPONSIBILITY AND COMMITMENT TO ESG ASPECTS

VALUE



- SHAREHOLDER STABILITY
- A PREDICTABLE COMPANY
- COMPETITIVE DIVIDEND POLICY

STRATEGY



- MULTICHANNEL FOCUS
- FOCUS ON THE CLIENT
- INFORMATION SYSTEMS AND PROFESSIONAL TEAMS IN PLACE TO ACHIEVE EXCELLENCE
- TECHNOLOGY AND DIGITAL SERVICES AS ALLIES

Financial dimension: We are solvency



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

- Investment policy aimed at meeting client commitments and maintaining the value of assets.
- The world's first insurance company to transform a syndicated credit facility into a sustainable loan, underpinning its commitment to corporate social responsibility.

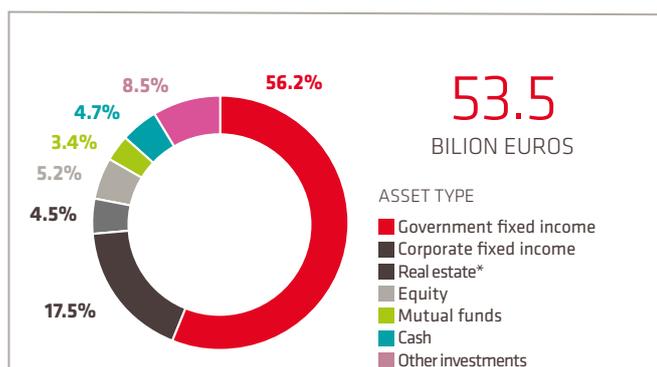
SHAREHOLDERS' EQUITY

€10.1BN

€8.85BN

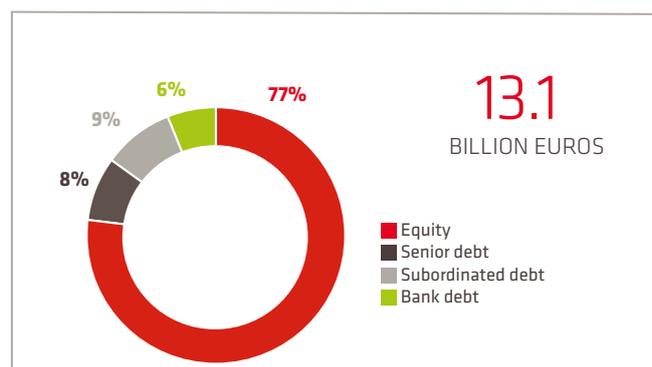
EQUITY ATTRIBUTABLE TO THE CONTROLLING COMPANY

INVESTMENT PORTFOLIO BY ASSET TYPE

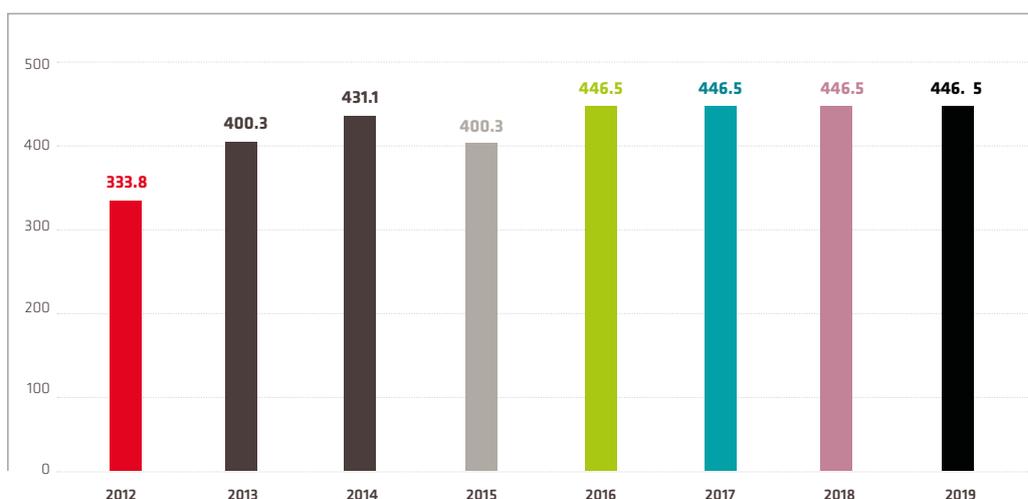


*"Real Estate" includes both real estate investments and real estate for own use

CAPITAL STRUCTURE



DIVIDENDS PAID AGAINST EARNINGS (IN MILLIONS OF EUROS)



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

Productive dimension: We are service

We organize our activity thinking about the client, adapting our commercial offering and value proposition, our operations, structure and technology in order to provide them with better quality and an enhanced experience.



»» Focus on the client

- ➔ We work to improve the client experience and to offer them distinctive propositions tailored to their profile and needs.
- ➔ We are committed to multichannel distribution, making all channels available to the client so that they can choose how they wish to interact with the company.
- ➔ We have our own service centers and agreements with workshops and clinics in order to offer the best service to our clients around the world.
- ➔ 11,000 workshops to serve our clients.
- ➔ Agreements with 16,000 clinics and hospitals worldwide.

»» Digital business

- ➔ We have improved pricing and digital policy purchasing processes.
- ➔ Our presence on comparison engines has been enhanced.
- ➔ Artificial Intelligence models have been applied to optimize and automate processes, and to provide clients with the most appropriate solutions for their profile, based on data analysis and integration models.
- ➔ 5.5 million online prices.
- ➔ 700,000 policies sold entirely online.
- ➔ Online business premiums: 1.33 billion euros in 2019.

»» Providers

- ➔ The providers who work with MAPFRE share the same principles as the company and convey its image to clients.
- ➔ We have a provider approval process which analyzes, monitors and controls many factors including:
 - Occupational safety and employee health.
 - Respect for Human Rights.
 - Environmental practices.
 - Policies of inclusion, diversity and non-discrimination.
- ➔ More than 177,000 providers work with MAPFRE.
- ➔ 7.76 billion euros in provider payments.

»» Quality

- ➔ We carry out continuous assessments of the quality of services and care provided to clients.
- ➔ We work to act as a benchmark for client experience in every country and business line in which we operate.
- ➔ Above average client evaluation in 71 percent of cases.
- ➔ More than 200 people monitoring the quality of our services.

Human dimension: We are talent



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



»» Diversity makes us unique

- **GENDER DIVERSITY:** 40 percent of managerial positions are held by women.
- **CULTURAL DIVERSITY:** 84 nationalities.
- **FUNCTIONAL DIVERSITY:** A global program to enhance inclusion; 2.9 percent of people with disabilities in the workforce.
- **GENERATIONAL DIVERSITY:** 5 generations.
 - Average age: 41.5 years for men.
 - Average age: 39.5 years for women.
 - Average length of service: 11.6 years for men/10.3 years for women.

»» Talent management

- 14.9 percent of employees changed roles in 2019.
- More than 3,800 employees with development plans, and nearly 5,000 with career plans.
- Approximately 1,200 students have carried out internships at MAPFRE
- Own Corporate University.
- Over 1.5 million training hours.
- Investment in training: 18.4 million euros.

»» Employee experience

- Over 178 million euros in social benefits.
- Job stability: 97 percent of people on fixed contracts.
- Work-life balance measures implemented.
- Healthy company model.
- More than 125,000 people benefited from the activities carried out by over 10,000 volunteers.

»» Remuneration

- Remuneration policy that **GUARANTEES INTERNAL AND EXTERNAL COMPETITIVENESS** in all markets.
- More than **1.5 billion** euros in employee remuneration.

Intellectual dimension: We are innovation



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

INNOVATION



- INNOVATION IS IN OUR DNA AND IS A LEVER TO DRIVE OUR GROWTH
- AN OPEN INNOVATION MODEL THAT CONNECTS INNOVATION AGENTS AND ECOSYSTEMS TO THE COMPANY
- INTENSE DEVELOPMENT OF STRATEGIC INNOVATION, WHICH CAN BE APPLIED IN THE BUSINESS
- DISRUPTIVE INNOVATION IN COLLABORATION WITH THE INSURTECH ECOSYSTEM

CYBERSECURITY



- MECHANISMS TO PROTECT
 - INFORMATION ABOUT CLIENTS, EMPLOYEES, PROVIDERS ETC.
 - PROPRIETARY INFORMATION THAT FORMS THE BASIS OF MAPFRE'S COMPETITIVE ADVANTAGE
 - TECHNOLOGY SYSTEMS THAT SUPPORT THE BUSINESS
- OVER 70 HIGHLY SPECIALIZED AND QUALIFIED EMPLOYEES WORKING IN THIS AREA
- CONTINUOUS UPDATING OF PLANS AND TRAINING IN ORDER TO BE ABLE TO RESPOND TO ANY SITUATION

BRAND AND REPUTATION

- TRUST IS THE BASIS OF THE MAPFRE BRAND
- NEW REPUTATION MEASUREMENT MODEL

Natural dimension: We are environment



We do business in a way that respects the environment.
 We take care of the environment and minimize our environmental footprint.
 We have an action strategy to fight climate change in place and we promote environmental culture.
 We combat climate change through the following levers:

- ➔ Reduction of the environmental footprint.
- ➔ Integration of climate change into the business and incorporation of environmental, social and governance (ESG) aspects into investment, products and services.
- ➔ Promotion of the circular economy.
- ➔ Biodiversity preservation.

» Carbon footprint and circular economy

- ➔ Support and membership of Earth Hour.
- ➔ The Annual General Meeting has been a carbon-neutral event since 2019.
- ➔ Carbon neutrality commitment in Spain and Portugal by 2021, and for the entire Group by 2030.
- ➔ The MAPFRE *Sin Plástico* pledge avoided the generation of 26 tons of plastic waste and the emission of 104 tons of CO₂ into the atmosphere.

» Products and services with environmental coverage

- ➔ More than 58,000 policies with coverage related to environmental aspects.
- ➔ 160,000 policies with free environmental liability coverage.
- ➔ More than 65,000 hectares of sustainable crops and forests insured.
- ➔ 34,000 MW insured from wind and solar renewable energies.
- ➔ 47,000 green policies for low-emission vehicles.

Training and environmental awareness



➔ ENVIRONMENTAL TRAINING PROVIDED TO APPROXIMATELY **2,500 EMPLOYEES.**

➔ THE MAPFRE "ALL TOGETHER FOR THE ENVIRONMENT" VOLUNTEERING DAY: **2,400 VOLUNTEERS**
1,700 TREES PLANTED
14.4 TONS OF TRASH COLLECTED.

➔ **12 INTERNATIONAL OFFICES** WITH SUSTAINABLE CONSTRUCTION CERTIFICATION.

Social and relational dimension: We are commitment

We are sustainable and we undertake the challenges presented by the United Nations 2030 Agenda with the involvement of our stakeholders.

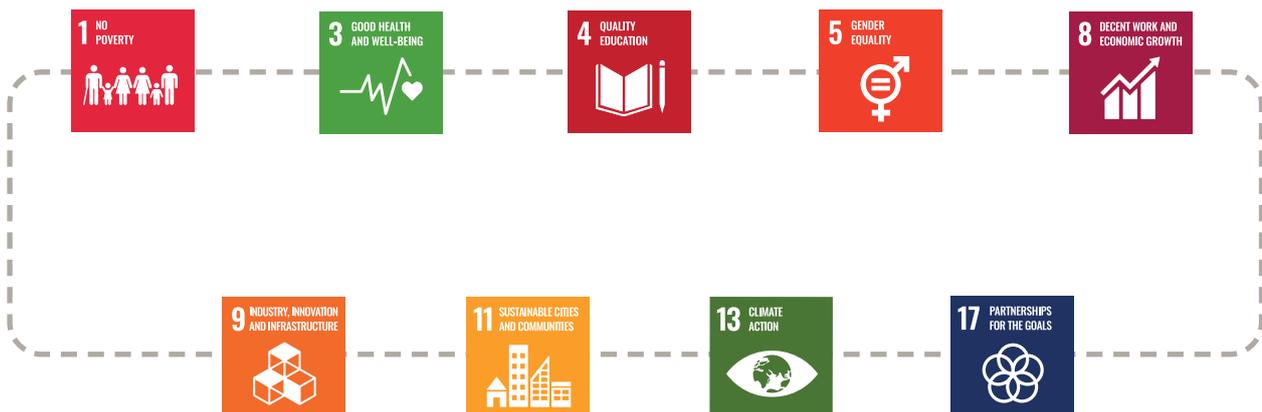
» Stakeholder relations

- We work to create long-term trust-based relationships founded on **commitment** and **dialog**, and underpinned by **integrity, responsibility** and **transparency**.
- **Stakeholders:** employees, clients, distributors, providers, shareholders and partners, regulatory bodies, the media and society in general.
- **Specific relationship channels** for each stakeholder.
- **56 call centers** around the world to serve clients.
- More than **2.5 million** social media followers.

Human Rights and United Nations 2030 Agenda

- MECHANISMS TO ENSURE RESPECT FOR HUMAN RIGHTS.
- MORE THAN 11,300 EMPLOYEES AND ALMOST 500 PROVIDERS TRAINED IN HUMAN RIGHTS.

» Priority Sustainable Development Goals (SDG) for MAPFRE



Proposed resolutions for the Annual General Meeting of MAPFRE S.A.

1. To approve the Annual Financial Statements and the individual and consolidated Management Reports for the 2019 fiscal year.

2. To approve the Integrated Report for the 2019 fiscal year, which includes the statement of non-financial information.

3. To approve the distribution of the result for the 2019 fiscal year proposed by the Board of Directors and to consequently distribute a total dividend of 0.145 euros gross per share. Part of this dividend, the sum of 0.06 euros gross per share, was paid out in advance following a resolution passed by the Board of Directors on September 26, 2019 and the remainder, up to the agreed total, amounting to 0.085 euros gross per share, will be paid on a date to be determined by the Board of Directors, during the period from May 1 to June 30, 2020. The amount corresponding to treasury stock will be applied on a proportional basis to the remaining shares.

4. To approve the management of the Board of Directors in the 2019 fiscal year.

5. To reelect board director Mr. Ignacio Baeza Gómez as executive board director for a further four years.

This proposal was approved in a report from the Appointments and Remuneration Committee and shall be deemed approved, if applicable, notwithstanding compliance with bylaws and standards of good governance.

6. To reelect board director Mr. José Antonio Colomer Guiu as an independent board director for a further four years.

7. To reelect board director Ms. María Leticia de Freitas Costa as an independent board director for a further four years.

8. To ratify the appointment of board director Ms. Rosa María García García, appointed by the Board of Directors on September 26, 2019, via the co-option procedure, and reelect her for a period of four years as an independent board director.

Said proposals have been brought before the Board of Directors through the Appointments and Remuneration Committee and shall be deemed approved, if applicable, notwithstanding compliance with bylaws and standards of good governance.

9. To approve, pursuant to Article 529(19) of the Recast Text of the Spanish Corporations Act, the Board Directors' Compensation Policy for the period 2020-2022, the text of which has been made available to shareholders for the purpose of the call to attend the Annual General Meeting, and includes the maximum amount of annual remuneration for Board Directors in their condition as such.

10. To countersign the 2019 Annual Report regarding Board Director Remuneration that is submitted, in an advisory capacity, to the Annual General Meeting, with the favorable report of the Appointments and Remuneration Committee.

11. To authorize the Board of Directors to delegate the vested powers conferred by the Annual General Meeting, as provided for under article 249 bis of the Recast Text of the Spanish Corporations Act, regarding the previous resolutions to the Steering Committee, with express powers of substitution for each and every member of the Board of Directors.

12. To delegate the broadest powers to the Chairman and to the Secretary of the Board of Directors so that either of them may appear before a Notary and proceed to execute and submit to the public the present resolutions by executing the necessary public and private documents required for their registration in the Company Registry; with the express authority to make as many amendments, clarifications, rectifications and corrections as are required or necessary in order to adapt the resolutions to the description of the Company Registrar and thereby obtain their full or partial registration as set out in section 63 of the Company Registry Regulations.

13. To authorize the Board of Directors to clarify and interpret the preceding resolutions.



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