

ENVIRONMENTAL COMMITMENTS IN INVESTMENT AND UNDERWRITING



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SUSTAINABILITY PLAN 22-24

Environmental commitments relating to investment

In order to make further progress in MAPFRE's contribution to the decarbonization of the

economy and reach the objectives set down, in 2022 the Group reviewed the environmental commitments undertaken in terms of investment, which will be applicable from 2023¹:



MAPFRE will not invest in coal, gas and oil companies that are not committed to an energy transition plan² that allows global warming to be kept at approximately 1.5°C



COAL

- MAPFRE will not invest in companies where 20 percent or more of their revenues and/or generation comes from coal-fired power³.
- MAPFRE will not invest in companies with coal-based energy expansion plans of more than 300 MW in place⁴.
- MAPFRE will not invest in companies that generate 20 percent or more of their revenues from the extraction and/or annual production of thermal coal in excess of 20 million tons.
- By 2040, MAPFRE will no longer hold investments in coal-fired power plants or thermal coal mining.



OIL & GAS

- MAPFRE will not invest in companies where more than 15 percent of their revenues are directly or indirectly linked to oil sands activity.

1. SCOPE: These commitments apply to all active investments, passive investments and investments managed by third parties.

2. Definition in line with the National Integrated Energy and Climate Plan (PNIEC) 2021-2030. Ministry for Ecological Transition and Demographic Challenge (Spain).

3, 4. Referring to thermal coal.

Environmental commitments relating to underwriting

In 2022, the company reinforced and modified its environmental commitments, making progress in its action in favor of the transition toward a low-carbon economy, accompanying customers in their

decarbonization and energy transition processes. These commitments will be applicable to all Group entities from 2023, and the Underwriting Policy Committee will monitor compliance⁵ with same.



MAPFRE will not insure coal, gas and oil companies that do not commit to an energy transition plan⁶ that allows global warming to be maintained at approximately 1.5°C.



COAL

Insurance for projects:

- MAPFRE will not insure the construction of new coal-fired electric plants or the operation of new coal mines.
- MAPFRE will not insure the construction of new infrastructure that exclusively service the construction and/or operation of thermal coal mines or thermal coal power plants.

Exceptions: Case-by-case exceptions can be made, which must be assessed by taking into account the company's internal ESG analysis systems. In addition, criteria such as the country's state of development in terms of the United Nations classification, the country's dependence on coal, and consideration of renewable or low-coal alternatives will be included in the assessment.

Insurance for companies:

- MAPFRE will not insure companies that derive 20 percent or more of their revenues and/or power generation from thermal coal-produced energy⁷.

- MAPFRE will not insure companies with thermal coal-based energy⁸ expansion plans of more than 300 MW.
- MAPFRE will not insure new mining companies that obtain 20 percent or more of their revenues from annual thermal coal extraction and/or production of more than 20 million tons.
- MAPFRE will not insure companies that derive 30 percent of their revenues from transporting thermal coal.

In the case of reinsurance, these commitments will apply to the facultative business and to all reinsurance contracts with entities controlled by the MAPFRE Group.

From 2024, MAPFRE RE will establish specific coal exposure thresholds for non-group contracts in the Property & Casualty, Engineering, Accident, Credit and Surety and Marine cargo lines of business.

Decarbonization of the insurance company portfolio:

- By 2030, MAPFRE's portfolio will no longer include insurance programs related to coal-fired power plants or the operation of thermal coal mines in OECD countries, or companies that have not implemented commitments pertaining to energy transition and decarbonization. Beginning in 2040, this commitment will also apply to the rest of the world, in all countries where MAPFRE operates.

5. SCOPE: The MAPFRE Group has established that these environmental commitments apply to all Industrial Risks insurance operations (Property & Casualty, Liability, Transport and Construction). The environmental commitments adopted by the MAPFRE Group are applicable to both the renewal of contracts and new contracts.

6. Definition in accordance with the National Integrated Energy and Climate Plan (PNIEC) 2021-2030. Ministry for Ecological Transition and Demographic Challenge (Spain).

7, 8. Referring to thermal coal.



OIL & GAS

- MAPFRE will not insure new individual projects⁹, or their associated infrastructure, for oil and gas extraction and production of any nature, including Shale Oil & Gas and Ultra Deep Water (UDW).

Oil and Tar Sands:

- MAPFRE will not insure any new projects related to extracting or transporting tar sands. MAPFRE pledges that by 2030 its portfolio will not include any insurance projects related to the extraction or transport of tar sands.

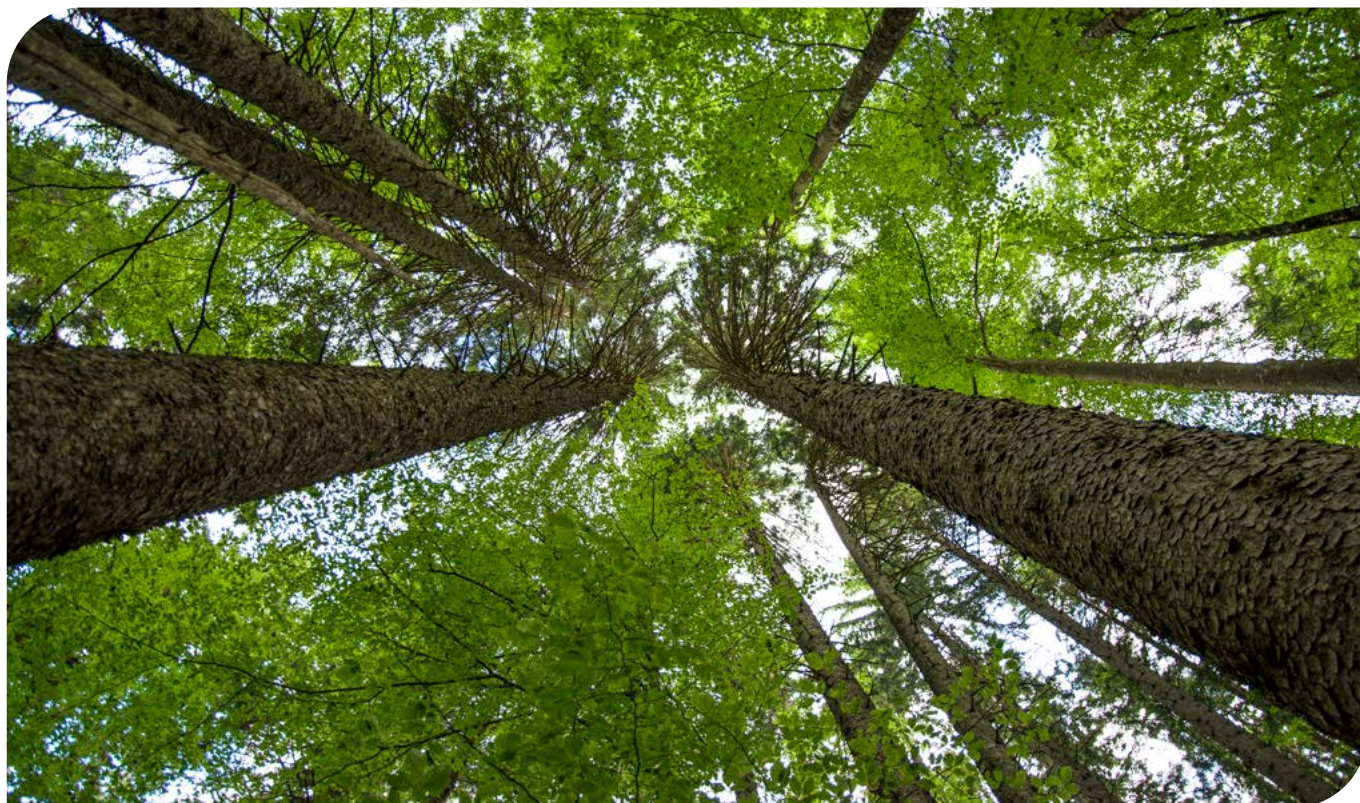
Projects in the Arctic (offshore/onshore):

- MAPFRE will not insure any single new offshore/onshore natural gas or petroleum extraction or transport projects taking place in the Arctic¹⁰.



PROTECTION EMERGING ECONOMIES

- We can contribute to narrowing the insurance protection gap by providing reinsurance for natural catastrophes to the insurance sector in developing countries, as well as by seeking out collaboration opportunities in public-private initiatives.



9. An individual project is considered one that is not part of a client's insurance program, which must be committed to an energy transition plan that allows global warming to be maintained at approximately 1.5°C.

10. In the definition of the Arctic, all areas north of the Arctic circle are considered, including the Arctic refuge.