



Auditor's Report on MAPFRE, S.A.

(Together with the annual accounts and
Management Report of MAPFRE, S.A. for the
year ended 31 December 2024)

(Translation from the original in Spanish. In the event
of discrepancy, the Spanish-language version prevails.)



KPMG Auditores, S.L.
Paseo de la Castellana, 259 C
28046 Madrid

Independent Auditor's Report on the Annual Accounts

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of MAPFRE, S.A.

REPORT ON THE ANNUAL ACCOUNTS

Opinion

We have audited the annual accounts of MAPFRE, S.A. (the "Company"), which comprise the balance sheet at 31 December 2024, and the income statement, statement of total changes in equity, cash flow statement and notes for the year then ended.

In our opinion, the accompanying annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Company at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework, (specified in note 2 to the accompanying annual accounts) and, in particular, with the accounting principles and criteria set forth therein.

Basis for Opinion

We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Accounts section of our report.

We are independent of the Company in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the annual accounts in Spain pursuant to the legislation regulating the audit of accounts. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of non-current investments in group companies and associates (Euros 10,170,668 thousand)

See notes 4.c) and 8 of the notes to the annual accounts

Key audit matter	How the issue was addressed in our audit
<p>The Entity, holding company of MAPFRE Group, has recognised non-current investments in group companies and associates.</p> <p>Recoverable value of these non-current investments in group companies and associates is determined by the use of valuation technics that require of management judgement and estimations and assumptions that consider macroeconomics factors, internal circumstances of the Group companies and their competitors, discount rates, growth rates or estimations of the future evolution of their businesses.</p> <p>Due to the level of uncertainty and judgement associated to the mentioned estimations, as well as the significance of the carried amount of the investments, we consider this to be a key audit matter.</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none">– Evaluation of the criteria used by the Company in the identification of impairment indicators of the investments in group companies and associates.– Understanding the process of estimation of the recoverable value of the group investments and associates, and evaluation of design and implementation of the relevant controls related to the process that the Company has in place.– Evaluation of the reasonability of the methodology and assumptions used in the estimation of the recoverable value of the investments in group companies and associates when impairment indicators exist, with the collaboration of our corporate finance specialists. <p>For those investments where impairment indicators exist, we have checked the consistency between the expected cash flow used in the calculation of the recoverable value with the business plans approved by the Directors of the Group's companies, and their reasonability based in historical experience and market expectations in the markets in which they operate.</p> <p>Besides, we have evaluated the discount and growth rates used in the calculation of the recoverable values, as well as performed sensitivity analysis over the key inputs used in the model, with the goal of assessing their impact in the valuation.</p> <p>Additionally, we have evaluated that the information within the annual accounts is in compliance with the accounting financial reporting requirements applicable to the Company.</p>



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Other Information: Management Report

Other information solely comprises the 2024 Management Report, the preparation of which is the responsibility of the parent's directors and which does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not encompass the Management Report. Our responsibility regarding the information contained in the Management Report, in conformity with prevailing audit regulations in Spain, entails:

- a) Checking only that the non-financial information statement and certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, to which the Audit Law refers, was provided as stipulated by prevailing regulations and, if not, disclose this fact.
- b) Assessing and reporting on the consistency of the remaining information included in the Management Report with the financial statements, based on the knowledge of the entity obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the directors' report are in accordance with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described in the preceding paragraphs, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the directors' report is consistent with that disclosed in the annual accounts for 2024 and its content and presentation are in accordance with applicable regulations.

Directors' and Audit and Compliance Committee's responsibility for the Annual Accounts

The directors are responsible for the preparation of the accompanying annual accounts in such a way that they give a true and fair view of the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The audit and compliance committee is responsible for overseeing the preparation and presentation of the annual accounts.



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Auditor's Responsibilities for the Audit of the Annual Accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.



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We communicate with the audit and compliance committee of MAPFRE, S.A. regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Company's audit and compliance committee of the Entity with a statement that we have complied with the applicable ethical requirements, including those regarding independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the Company's audit and compliance committee, we determine those that were of most significance in the audit of the annual accounts of the current period and which are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

European single electronic format

We have examined the digital file of the European single electronic format (ESEF) of MAPFRE, S.A. for the 2024 financial year, which includes an XHTML file containing the financial statements for the year, which will form part of the annual financial report.

The directors of MAPFRE, S.A. are responsible for submitting the annual financial report for the 2024 financial year, in accordance with the formatting requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this regard, they have incorporated the Corporate Governance Report and the Annual Report on Directors' Remuneration by reference in the Management Report.

Our responsibility consists of examining the digital file prepared by the directors of the Company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the financial statements included in the aforementioned digital file correspond in their entirety to those of the financial statements that we have audited, and whether the financial statements have been formatted, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital file examined corresponds in its entirety to the audited financial statements, which are presented, in all material respects, in accordance with the ESEF Regulation.



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Additional Report to the Audit and Compliance Committee

The opinion expressed in this report is consistent with our additional report to the Company's Audit and Compliance Committee dated 11 February 2025.

Contract Period

We were appointed as auditors by the shareholders of MAPFRE, S.A. at the ordinary general meeting on 15 March 2024 for a period of 4 years, from the year ended 31 December of 2024, inclusive.

Previously, we had been appointed as auditors by the shareholders for a period of 3 years and have been auditing uninterrupted the Company's Annual Accounts since the year ended 31 December 2015.

KPMG Auditores, S.L.
On the Spanish Official
Register of Auditors ("ROAC") with No. S0702

(Signed on original in Spanish)

Álvaro Vivanco Rueda
On the Spanish Official Register of Auditors ("ROAC") with No. 24,151
11 February 2025

**INDIVIDUAL ANNUAL ACCOUNTS
AND
INDIVIDUAL MANAGEMENT REPORT
2024**

MAPFRE S.A.

INDIVIDUAL ANNUAL ACCOUNTS 2024

MAPFRE S.A.

INDIVIDUAL ANNUAL ACCOUNTS 2024

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BALANCE SHEET AS ON DECEMBER 31, 2024 AND 2023

ASSETS		Notes from the annual report	2024	2023
A)	NON-CURRENT ASSETS		10,315,483	10,270,754
I.	Intangible fixed assets	6	18	290
5	Computer applications		18	290
II.	Property, plant and equipment	5	12,634	12,968
1	Land and buildings		11,005	11,194
2	Technical facilities and other property, plant and equipment		1,626	1,774
3	Fixed assets in progress and advance payments		3	—
IV.	Long-term investments in Group and associated companies	8	10,170,668	10,152,721
1	Equity instruments		10,170,668	10,152,721
2	Loans to companies		—	—
V.	Long-term financial investments	8	73,507	67,373
1	Equity instruments		58,625	52,586
2	Loans to third parties		68	89
3	Debt securities		9,970	9,835
5	Other financial assets		4,844	4,863
VI.	Deferred tax assets	12	58,656	37,402
B)	CURRENT ASSETS		308,079	383,428
III.	Trade debtors and other accounts receivable		184,609	284,288
1	Trade receivables for sales and services rendered	8	3	—
3	Sundry receivables	8	510	301
4	Personnel	8	670	567
5	Current tax assets	12	10,976	282,149
6	Other receivables from government agencies	12	172,450	1,271
IV.	Short-term investments in group and associated companies	8, 18	103,108	86,094
5	Other financial assets	8	103,108	86,094
V.	Short-term financial investments	8, 18	120	1,684
2	Loans to third parties		56	1,620
3	Debt securities		64	64
VI.	Short-term accruals/deferrals		189	—
VII.	Cash and other equivalent liquid assets		20,053	11,362
1	Cash	8	20,053	11,362
TOTAL ASSETS (A+B)			10,623,562	10,654,182

Thousand euros

BALANCE SHEET AS ON DECEMBER 31, 2024 AND 2023

EQUITY AND LIABILITIES		Notes from the annual report	2024	2023
A)	EQUITY		7,742,130	7,701,417
A-1)	SHAREHOLDERS' EQUITY		7,736,647	7,697,893
I.	Capital		307,955	307,955
1	Authorized share capital	9	307,955	307,955
II.	Share premium	9	3,338,720	3,338,720
III.	Reserves		3,611,534	3,611,211
1	Legal and statutory	9	61,591	61,591
2	Other reserves		3,549,943	3,549,620
IV.	Treasury Stock	9	(25,543)	(31,675)
V.	Results for previous fiscal years		194,540	285,647
1	Surplus		194,540	285,647
VII.	Result for the period	3	509,612	370,807
VIII.	(Interim dividend)	3	(200,171)	(184,772)
IX.	Other equity instruments		—	—
A-2)	VALUATION CHANGE ADJUSTMENTS		5,483	3,524
I.	Financial assets at fair value with changes in equity		5,483	3,524
B)	NON-CURRENT LIABILITIES		2,566,586	2,542,389
I.	Long-term provisions		28,978	13,722
1	Long-term employee benefit obligations	14	28,978	13,722
II.	Long-term payables		2,534,543	2,527,385
1	Debentures and other negotiable securities	8, 10	2,449,543	2,447,385
2	Due to credit institutions	8	85,000	80,000
IV.	Deferred tax liabilities	12	3,065	1,282
C)	CURRENT LIABILITIES		314,846	410,376
III.	Current debt		45,296	45,303
1	Debentures and other negotiable securities	8 10	45,220	45,220
2	Due to credit institutions	8	30	37
5	Other financial liabilities	8	46	46
IV.	Current debt with Group companies and associates	8, 18	228,335	314,794
V.	Trade and other payables		39,393	48,504
3	Sundry creditors		4,680	6,758
4	Personnel (remuneration pending payment)		17,924	16,353
5	Current tax liabilities		—	9,525
6	Other debts with government agencies		16,789	15,868
VI.	Short-term accruals/deferrals	8	1,822	1,775
TOTAL EQUITY AND LIABILITIES (A+B+C)			10,623,562	10,654,182

Thousand euros

INCOME STATEMENT FOR YEARS ENDING DECEMBER 31, 2024 AND 2023

INCOME STATEMENT	Notes from the annual report	2024	2023
ONGOING OPERATIONS			
Revenue		721,260	587,104
Dividends and interest from Group companies and associates		647,245	523,091
Dividends	8.18	647,238	522,710
Interest	8.18	7	381
Other operating revenue		74,015	64,013
Non-core and other operating revenue	18	74,015	64,013
Personnel expenses		(102,108)	(80,396)
Wages, salaries and similar		(64,187)	(54,810)
Social security contributions	13	(22,779)	(22,447)
Provisions	14	(15,142)	(3,139)
Other operating expenses		(79,476)	(81,194)
External services		(79,441)	(81,053)
Taxes		(35)	(141)
Amortization and depreciation of fixed assets	5.6	(840)	(1,123)
Impairment of Group companies and associates	8	11,111	(12,743)
Other results		136	(3)
OPERATING REVENUE		550,083	411,645
Financial revenue	8	3,999	9,715
Acquisitions in equity instruments		798	755
From third parties		798	755
From negotiable securities and other financial instruments		3,201	8,960
From third parties		3,201	8,960
Financial expenses		(90,592)	(89,020)
For debt with Group companies and associates	8.18	(4,530)	(995)
For debt with third parties	8	(85,880)	(87,836)
For discounting of provisions	8	(182)	(189)
Fair value variation in financial instruments	8	—	565
Fair value with changes in gains or losses		—	70
Transfer of fair value adjustments with changes in equity		—	495
Foreign exchange differences	8	(2)	(7)
Impairment and gains/losses on financial instrument disposal	8	1,369	(8)
Impairment and loss	8	—	(143)
Earnings from disposal and other	8	1,369	135
FINANCIAL RESULT		(85,226)	(78,755)
RESULT BEFORE TAX	12	464,857	332,890
Tax on profits	12	44,755	37,917
RESULT FOR THE PERIOD FROM ONGOING OPERATIONS	12	509,612	370,807
RESULT FOR THE PERIOD	3	509,612	370,807

Thousand euros

STATEMENT OF CHANGES IN EQUITY AS ON DECEMBER 31, 2024 AND 2023

A) STATEMENTS OF RECOGNIZED REVENUE AND EXPENSES

INCOME STATEMENT	Notes from the annual report	2024	2023
A) Result of the income statement	3	509,612	370,807
Revenue and expenses posted directly to equity			
I. For valuation of financial instruments			
1. Financial assets at fair value with changes in equity		2,612	1,151
VII. Tax effect		(653)	(319)
B) Total revenue and expenses posted directly in equity (I+IV+VII)		1,959	832
Transfers to the income statement			
VIII. For valuation of financial instruments			
1. Financial assets at fair value with changes in equity		—	(371)
XIII. Tax effect		—	124
C) Total transfers to the income statement (VIII+XIII)		—	(247)
TOTAL RECOGNIZED REVENUE AND EXPENSES (A+B+C)		511,571	371,392

Thousand euros

B) STATEMENT OF TOTAL CHANGES IN EQUITY

ITEM	Capital		Share premium	Reserves	(Treasury stock)	Result from previous years	Other shareholder contributions	Result for the period	(Interim dividend)	Other equity instruments	Valuation change adjustments	Grants, donations and bequests received	TOTAL
	Authorized	Uncalled											
ADJUSTED BALANCE, BEGINNING OF 2023	307,955	—	3,338,720	3,612,231	(41,432)	38,405	—	693,881	(184,761)	292	2,939	—	7,768,230
I. Total recognized revenue and expenses													
1. Capital increases	—	—	—	—	—	—	—	370,807	—	—	585	—	371,392
4. (-) Distribution of dividends	—	—	—	—	—	(261,670)	—	—	(184,772)	—	—	—	—
4. bis. Distribution of result	—	—	—	—	—	509,120	—	(693,881)	184,761	—	—	—	(446,442)
5. Operations with treasury stock (Note 9)	—	—	—	(945)	—	—	—	—	—	(292)	—	—	—
6. Equity increase/reduction arising from a business combination	—	—	—	(88)	—	—	—	—	—	—	—	—	8,520
III. Other variations in equity													
	—	—	—	13	—	(208)	—	—	—	—	—	—	(195)
CLOSING BALANCE FOR YEAR 2023	307,955	—	3,338,720	3,611,211	(31,675)	285,647	—	370,807	(184,772)	—	3,524	—	7,701,417
II. Adjustments by errors 2023													
	—	—	—	—	—	—	—	—	—	—	—	—	—
ADJUSTED BALANCE, BEGINNING OF 2024	307,955	—	3,338,720	3,611,211	(31,675)	285,647	—	370,807	(184,772)	—	3,524	—	7,701,417
I. Total recognized revenue and expenses													
1. Capital increases	—	—	—	—	—	—	—	509,612	—	—	1,959	—	511,571
4. (-) Distribution of dividends	—	—	—	—	—	(277,160)	—	—	(200,171)	—	—	—	—
4. bis. Distribution of result	—	—	—	—	—	186,035	—	(370,807)	184,772	—	—	—	—
5. Operations with treasury stock (Note 9)	—	—	—	380	—	—	—	—	—	—	—	—	6,512
6. Equity increase/reduction arising from a business combination.	—	—	—	—	—	—	—	—	—	—	—	—	—
III. Other variations in equity													
	—	—	—	(57)	—	18	—	—	—	—	—	—	(39)
CLOSING BALANCE FOR YEAR 2024	307,955	—	3,338,720	3,611,534	(25,543)	194,540	—	509,612	(200,171)	—	5,483	—	7,742,130

Thousand euros

CASH FLOW STATEMENT AS ON DECEMBER 31, 2024 AND 2023

A) CASH FLOWS FROM OPERATING ACTIVITIES	Notes from the annual report	2024	2023
1. Result for the period before tax		464,857	332,890
2. Adjustments of results		(530,280)	(390,572)
a) Amortization and depreciation of fixed assets	5.6	840	1,123
b) Corrections in value due to impairment (+/-)	8	(11,111)	12,743
f) Results of financial instruments cancellations and disposals (+/-)	8	(1,369)	8
g) Financial income (-)	8	(3,999)	(9,715)
h) Financial expenses (+)	8	90,592	89,020
i) Exchange rate differences (+/-)	8	2	7
j) Fair value variation in financial instruments (+/-)	8	—	(565)
k) Other revenues and expenses		(605,235)	(483,193)
3. Changes in working capital		(30,417)	(47,080)
b) Debtors and other receivables (+/-)		45,909	11,682
c) Other current assets (+/-)		(17,035)	(203,781)
d) Creditors and other payables (+/-)		(9,064)	1,934
e) Other current liabilities (+/-)		(46,966)	17,053
f) Other non-current assets and liabilities (+/-)		(3,261)	126,032
4. Other cash flows from operating activities		617,165	460,308
a) Interest paid (-)		(87,078)	(86,216)
b) Dividend receipts (+)		647,711	523,318
c) Interest collected (+)		2,762	4,696
d) Payment (receipt) of income tax (+/-)		53,770	18,510
5. Cash flows from operating activities (+/-1+/-2+/-3+/-4)		521,325	355,546
B) CASH FLOWS FROM INVESTMENT ACTIVITIES			
6. Payments for investments (-)		(22,267)	(44,349)
a) Group companies and associates	8	(19,876)	(35,193)
g) Other assets	8	(2,391)	(9,156)
7. Collections for divestments (+)		14,953	237,641
a) Group companies and associates	8	13,557	67,532
e) Other financial assets	8	1,396	170,109
8. Cash flows from investment activities (7+6)		(7,314)	193,292
C) CASH FLOWS FROM FINANCING ACTIVITIES			
9. Payments and collections for equity instruments		6,511	8,878
e) Disposal of treasury equity instruments (+)		6,511	8,878
10. Payments and collections for financial liability instruments		(34,500)	(117,500)
a) Issuing			
2. Debts owed to credit institutions (+)	8	619,000	361,000
3. Debts with Group companies and associates (+)		202,000	89,500
b) Return and redemption of			
2. Debts owed to credit institutions (-)	8	(614,000)	(518,000)
3. Debts with Group companies and associates. (-)		(241,500)	(50,000)
11. Payments for dividends and remuneration of other equity instruments		(477,331)	(446,442)
a) Dividends (-)		(477,331)	(446,442)
12. Cash flows from financing activities (+/-9/10-11)		(505,320)	(555,064)
E) NET INCREASE / DECREASE IN CASH FLOW OR EQUIVALENTS (+/-5+/-8+/-12+/-D)		8,691	(6,226)
Cash or cash equivalents at the beginning of the fiscal year		11,362	17,588
Cash or cash equivalents at the end of the fiscal year		20,053	11,362

Thousand euros

ANNUAL REPORT

FISCAL YEAR 2024

1. Company activity

MAPFRE S.A. (the "Company") is a corporation (Spanish "sociedad anónima") whose main activity is the investment of its funds in real-estate assets and tradeable financial securities.

The Company's scope of action is mainly related to the Spanish territory.

Its registered office is at Carretera de Pozuelo, 52, Majadahonda (Madrid, Spain). The Company is the controlling company of the MAPFRE Group, which comprises MAPFRE S.A. and several companies operating in the insurance, property, financial, and services sectors.

The Company is a subsidiary of CARTERA MAPFRE, S.L., a Single-Member Company, with its registered address at Carretera de Pozuelo, 52, Majadahonda (Madrid, Spain). The annual accounts of that company for the year ended December 31, 2024, will be prepared by its Board of Directors on March 25, 2025, and will be placed on file at the Madrid Companies' Registry.

The ultimate controlling company is Fundación MAPFRE, a non-profit company whose registered address is Paseo de Recoletos 23, Madrid and whose consolidated annual accounts will be filed with the Madrid Companies' Registry, with a copy also sent to the Foundations Registry.

2. Basis of presentation of the annual accounts

a) TRUE AND FAIR VIEW

The true and fair view of the net worth, financial position, and results, as well as the veracity of the cash flows included in the cash flow statement, result from the application of the statutory provisions on accounting practice, without it being necessary, in the opinion of the Directors, to include supplementary information.

The Company's Board of Directors expects the individual and consolidated annual accounts for fiscal year 2024, prepared on February 11, 2025, to be approved by the Annual General Meeting with no changes.

b) ACCOUNTING STANDARDS

The annual accounts have been prepared in accordance with the Spanish General Chart of Accounts, approved under Royal Decree 1514/2007 of November 16 and subsequently amended through Royal Decree 1159/2010 of September 17, Royal Decree 602/2016 of December 2, and Royal Decree 1/2021 of January 12, as well as with all other applicable mercantile legislation and current regulations.

c) CRITICAL ASPECTS OF MEASURING AND ESTIMATING UNCERTAINTY

When preparing the annual accounts, judgments and estimates were used that are based on assumptions about the future and uncertainties. These primarily refer to asset impairment, deferred tax assets and provisions.

The estimates and assumptions used are regularly reviewed and are based on historical experience and other factors that may have been considered as more reasonable from time to time. If these reviews lead to changes in estimates in a given period, their effect would apply to that period and, as the case may be, to subsequent periods.

d) COMPARISON OF THE INFORMATION

There are no reasons why the accounts for the year should not be compared with those of the previous year.

CORRECTION OF ERRORS

No significant errors were found in the Company's annual accounts from previous fiscal years.

3. Application of results

The Company's Board of Directors has proposed the following distribution of profits for approval at the Annual General Meeting:

BASIS OF DISTRIBUTION	AMOUNT
Income Statement	509,611,529.27
Surplus	194,539,631.92
TOTAL	704,151,161.19
DISTRIBUTION	AMOUNT
To dividends	492,728,523.68
To retained earnings	211,422,637.51
TOTAL	704,151,161.19

Figures in euros

The planned distribution of dividends in the distribution of profits complies with the requirements and limitations established under legal regulations and the corporate bylaws. The requirements and limitations related to restricted reserves are set out in Note 9 "Shareholders' equity."

This dividend distribution is based on a thorough and reflective analysis of the MAPFRE Group's situation, does not compromise the future solvency or the protection of the interests of insurance policyholders and insured persons, and is made in the context of supervisors' recommendations on this matter.

During the fiscal year, the Company distributed an interim dividend for a total amount of 200,170,962.75 euros (184,772,259.89 euros in 2023), which is recorded in equity under the heading "Interim dividend."

The liquidity statement prepared by the Board of Directors for the distribution of the interim dividend is shown below.

ITEM	DATE OF AGREEMENT
	10/27/2024
Cash available on date of agreement	21,672
Increases in cash forecast within one year	1,000,840
(+) For expected current collection transactions	534,840
(+) For the planned financial transactions	466,000
Decreases in cash forecast within one year	(632,055)
(-) For expected current collection transactions	(108,622)
(-) For expected financial transactions	(523,433)
Cash available within one year	390,457

Thousand euros

The distribution of profits for fiscal year 2023, carried out during 2024, is presented in the Statement of Total Changes in Equity.

4. Recognition and measurement standards

The recognition and measurement standards applied are indicated below:

a) Fixed assets

Intangible

The assets recorded under intangible fixed assets meet the identifiability criterion and are presented less accumulated amortization and possible impairment losses.

Intangible assets are valued at the cost of acquisition or production and are typically systematically amortized according to their useful life.

Property, plant and equipment

The assets included under property, plant and equipment are measured at cost of acquisition or production, including indirect taxes that are not directly recoverable from the Spanish tax authorities, less cumulative amortization and impairment losses. Depreciation is calculated on a straight-line basis, on the cost of the asset less the residual value and less the value of land, in accordance with the estimated useful life of each asset.

The costs of renovating, expanding or improving property, plant and equipment are recognized as an increase in the value of the asset when they entail an increase in capacity, productivity or extension of the useful life of each asset.

Impairment of fixed assets

At least at the fiscal year-end, and wherever there are indications of impairment, the Company considers whether the fixed assets may have suffered a loss in value. If such indications exist, the recoverable amount of the asset is estimated.

Recoverable amount is the greater of an asset's fair value less costs to sell and its value in use.

If the book value exceeds the recoverable amount, the excess is recognized as a loss, reducing the book value of the asset to its recoverable amount.

Valuation adjustments to assets due to impairment and the reversal thereof are recognized as an expense or revenue, respectively, on the income statement under the item "Impairment and gains/(losses) from disposal of fixed assets."

If there is an increase in the recoverable amount of an asset other than goodwill, the previously recognized impairment loss is reversed, increasing the carrying amount of the asset to its recoverable amount. This increase never exceeds the book value, net of amortization or depreciation, that would be recorded had an impairment loss not been recognized in previous years. The reversal is recognized on the income statement, unless the asset was previously revalued with a charge to "Valuation adjustments," in which case the reversal is treated as a revaluation increase. Amortization and depreciation expenses are adjusted in the following periods after the valuation adjustment or its reversal.

b) Operational Leasing

The Company classifies its leases as operating leases as the lessor has not transferred substantially all the risks and rewards of ownership to the lessee. The revenue and expenses arising from operating leasing are recorded on the income statement over the life of the contract on an accruals basis.

c) Financial instruments

FINANCIAL ASSETS

All assets comprising cash, equity instruments of other companies, or that entail a contractual right to receive cash or another financial asset (a debt instrument), or any exchange of financial instruments under favorable conditions, are classified as financial assets.

Transactions performed in the foreign currency market are recognized on the settlement date, whereas financial assets traded in secondary markets in the Spanish markets are recognized on the trade date in the case of equity instruments and on the settlement date in the case of debt instruments.

Financial assets are classified as:

Financial assets at fair value with changes in the income statement

This category includes financial assets held for trading and financial assets not classified in any of the other categories.

The concept of trading financial instruments reflects active and frequent purchases and sales with the aim of generating a profit from short-term fluctuations in the price or brokerage margin.

Financial assets in this category are initially valued at their fair value, which, unless there is evidence to the contrary, will be the transaction price, equivalent to the fair value of the consideration given. Transaction costs directly attributable to them are recognized on the income statement for the current fiscal year.

After initial recognition, they are measured at fair value with changes in the income statement.

For equity instruments that are neither held for trading nor valued at cost, an irrevocable choice has been made at the time of their initial recognition to present subsequent changes in the fair value directly in equity.

Financial assets at amortized cost

This category includes financial assets, even when admitted to trading on an organized market, in which the investment is held for the purpose of receiving cash flows consisting solely of principal and interest payments on the outstanding principal balance (even if the transaction is agreed at zero interest or below the market rate).

Assets are considered to meet this objective even if sales have taken place or are expected to take place in the future. For this purpose, the frequency, amount, calendar, and reasons for sales in previous years, as well as expectations of future sales are considered.

In general, this category includes trade and non-trade receivables.

They are initially valued at their fair value, which, unless there is evidence to the contrary, is the transaction price, equivalent to the fair value of the consideration given plus the transaction costs that are directly attributable to them.

In the event of receivables for sales operations and other items such as advances, receivables due to personnel or dividends to be collected with maturity no later than one year, with no type of contractual interest rate, are valued at face value when the effect of not discounting cash flows is not significant, both at initial recognition and in subsequent valuation, unless there is impairment.

These assets are subsequently valued at their amortized cost, accounting for accrued interest on the income statement, applying the effective interest rate method.

Impairment is deemed to exist when there is a reduction or delay in estimated future cash flows that may be caused by the debtor's insolvency.

Valuation adjustments due to impairment and their reversal, if applicable, are performed at the close of the fiscal year, recognizing an expense or revenue, respectively, on the income statement. However, the reversal of the loss is limited to the amortized cost that the assets would have had if the impairment loss had not been recognized.

Financial assets at cost

This category includes investments in the equity of group, multi-group, and associated companies. They are initially recognized and valued at cost, which is equivalent to the fair value of the compensation provided, plus any directly attributable transaction costs.

The subsequent valuation is carried out at cost less, where appropriate, the accumulated amount of the valuation adjustments for impairment.

In the case of non-monetary contributions to Group companies, the contributor values the investment at the book value of the assets and liabilities delivered in the Group's most recent consolidated closed annual accounts. Any difference between the book value of the investment contributed and the value assigned to the interest received is posted in a reserve account.

When a value is assigned due to a balance sheet cancellation or for another reason, the weighted average cost method is applied for homogeneous groups.

In the case of the sale of preferential subscription rights and similar rights or the division of these rights to exercise them, the cost of the rights reduces the book value of the respective assets.

At the end of the year, when there is objective evidence that the carrying amount of the investment is not recoverable, the necessary value adjustments are made.

A valuation adjustment equates to the difference between the book value of the investment and the recoverable amount. The latter is the higher of fair value less the costs to sell and the present value of the future cash flows derived from the investment.

Impairment losses and their reversal are recognized as an expense or income for the year on the income statement.

Reversal of impairment is limited to the book value of the investment that would be recognized on the reversal date if the impairment had not been registered. However, if an investment was made prior to its classification as a group, multi-group or associate company, and valuation adjustments posted directly to equity and derived from that investment were made before that classification, said adjustments are generally maintained after its classification and until the investment's disposal or cancellation, at which time they are recorded on the income statement.

Financial assets at fair value with changes in equity

This category includes financial assets whose contractual conditions give rise to cash flows that are solely the principal and interest collected on the outstanding principal amount, and that are not held for trading or classified in the "Financial assets at amortized cost" category.

This category also includes investments in equity instruments for which the irrevocable option has been exercised at initial recognition to present subsequent changes directly in equity.

They are initially valued at their fair value, which, unless there is evidence to the contrary, is the transaction price, equivalent to the fair value of the consideration given plus the directly attributable transaction costs.

The subsequent valuation is carried out at fair value, and changes in value are posted to equity, being reclassified on the income statement if sold or in the event of impairment of the financial asset.

Corrections in value due to impairment and gains or losses arising from foreign exchange differences in monetary financial assets in foreign currencies are recorded on the income statement.

The amount of interest calculated applying the effective interest rate method and dividends accrued are also recorded on the income statement.

Investments in equity instruments whose fair value may not be reliably determined are measured at their cost minus the accumulated valuation adjustments amount due to impairment.

When a value is assigned to these assets due to a balance sheet cancellation or for another reason, the weighted average cost method is applied for homogeneous groups.

In case of sale of preferential subscription rights and similar rights, the cost of the rights reduces the book value of the respective assets.

At least at the close of the financial year, the pertinent valuation adjustments are made, provided there is objective evidence that the value of a financial asset included in this category is impaired, the amount of which is recognized on the income statement. Reversals of valuation adjustments are credited to the income statement, with the exception of those associated with equity instruments, the reversal for which is recognized directly in equity.

For equity instruments, investments are analyzed individually to determine whether any impairment exists, when the market value has fallen either over a prolonged period (18 months) or by a significant amount (40%) compared to cost.

Determination of Fair Value:

The fair value of financial assets is determined through the use of market prices, as long as the available quotations of the instruments can be considered representative, as they are regularly published in the usual information systems provided by recognized financial intermediaries.

A fair value hierarchy is established according to the variables used, classifying the estimates into three levels:

- Level 1: those that use unadjusted quoted prices in active markets for identical assets or liabilities, which the company can access on the valuation date.
- Level 2: those based on prices quoted in active markets for similar instruments or other assessment techniques in which all significant variables are based on directly or indirectly observable market data.
- Level 3: those in which some significant variable is not based on observable market data.

If market valuation is not possible, a valuation is performed with internal models using, as far as possible, public market data that satisfactorily replicate the valuation of the instruments quoted. This valuation methodology is based on the discounting of (determined or estimated) future flows from the instruments using the risk-free discount curve. Depending on the characteristics of the issue concerned and the issuer, a specific credit risk is assigned, which applies to a different degree to each of the flows to be received.

For mutual funds holdings besides those classified in Group companies, the fair value will be the fund liquidation value as of the date of valuation.

Cash and other equivalent liquid assets

Cash includes liquid funds and demand deposits, while cash equivalents correspond to highly liquid short-term investments that can be easily converted to fixed amounts of cash and have an insignificant risk of change in value.

Interest and dividends received from financial assets

The interest and dividends from financial assets accrued after acquisition are recognized as revenue on the income statement. Interest from financial assets valued at amortized cost is recognized using the effective interest rate method, and dividends when the right to receive them is declared.

For these purposes, on initial measurement of financial assets, the amount of accrued and unmatured explicit interest and dividends agreed at the time of acquisition are recognized separately on the basis of their maturity.

Additionally, when the distributed dividends come from earnings generated prior to the acquisition date, because amounts were distributed that are greater than the profits generated by the investee since the acquisition, they are not recognized as revenue and they reduce the book value of the investment.

Derecognition of financial assets

Financial assets are derecognized when the contractual rights over the cash flows of the financial asset expire or when they are transferred, whereupon the risks and benefits of ownership are substantially transferred.

When a financial asset is derecognized, the difference between the net received compensation of the attributable transaction costs and the book value of the financial asset, plus any accumulated amount recognized directly as equity, determines the resulting gains or losses and is part of the result for the period.

FINANCIAL LIABILITIES

Instruments issued, incurred or assumed that give rise to a direct or indirect contractual obligation for the Company, based on its economic reality, to deliver cash or another financial asset or to exchange financial assets or liabilities with third parties on unfavorable terms are recognized as financial liabilities.

Financial liabilities are classified as:

Financial liabilities at amortized cost

These correspond to trade and non-trade payables.

After initial recognition at their fair value (transaction price, adjusted for directly attributable costs), they are measured at their amortized cost, and any interest is recorded on the income statement, applying the effective interest rate method.

In the case of trade payables maturing within a year and without a contractual interest rate, as well as third-party called capital for holdings whose amounts are expected to be paid in the short-term, both the initial valuation and subsequent valuations are performed at the face value when the effect of not discounting cash flows is immaterial.

Derecognition of financial liabilities

Financial liabilities are derecognized in whole or in part when the obligation inherent to them has expired. Additionally, own financial liabilities acquired are derecognized even when there is an intention to reassign them in the future.

If there is an exchange of debt instruments with significantly different conditions, the original liability is canceled and the new liability is recognized.

The difference between the book value of the financial liability or the derecognized part of the liability and the compensation paid, including attributable transaction costs, and including any transferred asset other than cash or the liability assumed, is recognized on the income statement during the fiscal year in which it occurs.

If there is an exchange of debt instruments without significantly different conditions, the original liability is not derecognized from the balance sheet, and any commission paid is recorded as an adjustment to the book value.

Own equity instruments

All items that show a residual investment in Company assets once its liabilities have been deducted are classified in this category.

Treasury stock is measured at its net acquisition cost and recorded in equity. Expenses incurred on acquisition are recognized in equity as a decrease in the value of reserves.

All transactions performed with own equity instruments are recorded in equity as a variation in the value of shareholders' equity.

d) Foreign currency transactions

Transactions in foreign currencies are converted to euros by applying the exchange rate in force on the transaction date.

At fiscal year-end, the balances that correspond to monetary items expressed in foreign currencies are converted at the exchange rate of the euro on that date, and all exchange differences are allocated on the income statement, except for monetary financial assets classified in the category of fair value with changes in equity, in which exchange rates other than those generated from the amortized cost are recognized directly in equity.

Non-monetary items that are measured at historical cost are generally recorded by applying the exchange rate as on the transaction date. When determining the net equity of an investee, adjusted for any unrealized gains that exist on the valuation date, the closing exchange rate is applied to the net equity and unrealized gains that exist on that date.

Non-monetary items at fair value are recorded by applying the exchange rate on the date when the fair value was determined, recognizing any losses and gains derived from the valuation as net equity or as earnings, depending on the nature of the item.

When presenting the cash flow statement, the flows from transactions in foreign currencies are converted to euros by applying the spot exchange rate on the dates of exchange to the amount in foreign currency.

The effect of the variation in exchange rates on cash and other equivalent liquid assets expressed in foreign currency is presented separately on the cash flow statement as "Effect of exchange rate variations."

e) Taxation of profits

Tax on profits is treated as an expense in the fiscal year and is recorded as such on the consolidated income statement including both the tax charge for the current tax and the effect corresponding to the movement in deferred taxes.

However, income tax relating to items whose valuation changes are recognized directly in equity is recognized in equity rather than on the income statement, and changes in valuation of these items are recognized net of the tax effect.

Current tax assets or liabilities are measured at the amounts that are expected to be recovered or paid, as per the tax rules and rates that are in force or approved and pending publication at the end of the year.

The Company files consolidated tax returns, and the corporate income tax expense accrued by companies filing under consolidated tax on profits is determined by considering, in addition to the parameters for individual taxation, the following:

- Temporary and permanent differences arising as a result of eliminations of the results of operations between Group companies arising from the process of determining the consolidated tax base.
- The deductions and allowances that correspond to each Group company under the consolidated tax regime; for these purposes, the deductions and allowances will be allocated to the Company that has carried on the activity or obtained the income necessary to obtain the right to the tax deduction or allowance.

Temporary differences derived from the elimination of gains and losses between companies in the tax group are recognized in the company that generated the gain or loss, and are measured at the applicable tax rate.

Tax losses incurred in certain Group companies that have been offset by profits of other companies in the Group give rise to a reciprocal credit and debit between the companies, as appropriate.

In 2023, the tax Group determined its taxable income by considering the positive individual taxable income and 50% of the individual tax loss carryforwards of the companies comprising the tax Group. In fiscal year 2024 and the following nine fiscal years, 50% of the individual tax loss carryforwards for fiscal year 2023 that were not included in the Group's consolidated taxable base for fiscal year 2023 will be included equally.

As regards negative tax results that cannot be compensated by the rest of the Group companies, the tax receivables that are generated by tax loss carryforwards that can be compensated are recognized as deferred tax assets by the companies to which they pertain, considering the Tax Group as a taxpayer for the relevant recovery.

Credits and deductions for the tax on profits will affect the calculation of the tax accrued in each company at the actual amount thereof that is applicable to the Group, as opposed to the amount that would correspond to each company under an individual tax regime.

As the Group's controlling company, the Company recognizes the total amount payable for consolidated corporate tax as a payable or a receivable with the different Group companies and associates, as appropriate.

Deferred tax is recorded for temporary differences on the reporting date between the tax base of the assets and the liabilities and their book values. The tax base of an equity item is the amount attributed to it for tax purposes.

The tax effect of temporary differences is included under the corresponding headings of "Deferred tax assets" and "Deferred tax liabilities," excluding the exceptions provided for in current regulations, if applicable.

The Company recognizes deferred tax assets for all deductible temporary differences, unused tax receivables and tax loss carryforwards to the extent that it is likely that the Company or tax group will have the future taxable profits allowing these assets to be used.

Unless evidenced otherwise, it is not considered likely that the Company will avail itself of future taxable profits if recovery is to take place more than ten years after fiscal year-end.

The Company recognizes deferred tax assets that have not been recognized due to expiration of the ten-year recovery period if the future reversal period does not exceed ten years from the date of fiscal year-end or when there are sufficient liabilities derived from temporary tax differences.

Deferred tax assets and deferred tax liabilities are measured according to anticipated tax rates for the fiscal years in which they will be recovered or liquidated, respectively.

Deferred tax assets and deferred tax liabilities are recognized on the balance sheet as non-current assets or liabilities, regardless of the expected date of realization or settlement.

In December 2024, the Law establishing supplementary taxes for multinational groups and large national groups ("Law 7/2024 or the Supplementary Tax Law") was definitively approved. This law implements the rules of Pillar Two in Spain. The Supplementary Tax Law applies to MAPFRE Group as of January 1, 2024, meaning that annuities obtained by Group companies that are taxed at jurisdictional level at an effective tax rate lower than the minimum rate of 15% are subject to the Supplementary Tax.

The MAPFRE Group has availed itself of the exception of recognizing and disclosing deferred tax assets and liabilities arising from the application of supplementary tax (Pillar Two rules).

Since fiscal year 2022, the Tax Group to which the company belongs must calculate the minimum liquid share in accordance with the provisions of Article 30 bis of Law 27/2014 in order to determine its tax on profits to be earned. In fiscal years 2024 and 2023, the Tax Group was not affected by the minimum liquid share.

f) Revenue and expenses

The holding of equity investments in Group and associated companies is the Company's ordinary activity and for which it obtains regular revenue. In accordance with the criterion stated by the Institute of Accounting and Accounts Auditing regarding the determination of the revenue of holding companies (consultation number 2 of the Official Bulletin of the Institute of Accounting and Accounts Auditing number 79), the dividends of Group and associated companies and the interest received on loans to Group and associated companies are shown as "Revenue," as well as the fees received for the provision of services to other Group companies and the rebilling of common expenses. Likewise, the heading "Impairment and result from disposal of equity instruments in Group and associated companies" is considered within the operating result.

Revenue derived from a contract is recognized as control over the committed goods or services is transferred to the client.

Revenue derived from commitments (in general, for the provision of services) that are fulfilled over time is recognized according to the degree of compliance with contractual obligations.

When, on a given date, it is not possible to reasonably measure the degree of fulfillment of the obligation, only revenue and the corresponding consideration are recognized in an amount equivalent to the costs incurred up to that date.

Interest income and expenses are recognized using the effective interest rate method.

Dividend income is recognized when the right to receive payment is established. When dividends unequivocally derive from reserves generated before the acquisition, the value of the investment will be adjusted.

Since fiscal year 2022, the Tax Group to which the company belongs must calculate the minimum liquid share in accordance with the provisions of Article 30 bis of Law 27/2014 in order to determine its tax on profits to be lodged. In fiscal years 2024 and 2023, the Tax Group was not affected by the minimum liquid share.

g) Provisions and contingencies

Provisions are recognized when there is a current obligation, whether legal or implicit, as a result of a past event, and it is estimated that there will be a probable outflow of funds that include future economic benefits.

They are measured at the fiscal year-end at the present value of the best possible estimate of the amount needed to cancel or transfer the obligation to a third party. The resulting adjustments are recorded when the provision is discounted as a financial expense on an accruals basis.

The compensation to be received from a third party on settling the obligation, provided that there is no doubt that it will be received, does not entail a decrease in the debt, and the collection right is recognized in the asset whose amount will not exceed the amount of the obligation recorded in the accounts.

h) Personnel expenses

Remuneration for employees may be short-term remuneration, post-employment benefits, termination compensation, other medium- and long-term remuneration, and stock-based payments.

Short-term remuneration

They are accounted for on the basis of the services rendered by the employees on an accrual basis.

Post-employment benefits

These essentially consist of defined contribution plans and defined benefit plans, as well as Life insurance covering death between the ages of 65 and 77.

Defined contribution plans

These are those in which the Company makes pre-determined contributions to a separate company (whether linked to the Group or external) and has no legal or implicit obligation to make any additional contributions in the event of an insufficiency of assets to honor the payment of benefits. For this reason, the obligation consists solely of making the contribution that is agreed to a fund, and the amount of the benefits to be received by employees is determined by the contributions made plus the return obtained on the investments where the fund is materialized.

Defined benefit plans

These are plans that establish the benefit to be received by employees at the time of retirement, normally based on factors such as remuneration.

The liability recognized on the balance sheet for defined benefit pension plans is equal to the present value of the defined benefit obligation on the balance sheet date less, where applicable, the fair value of plan assets.

The defined benefit obligation is determined separately for each plan using the projected credit unit actuarial valuation method.

Actuarial gains and losses are recognized in equity.

All the obligations for defined benefit plans that remain on the balance sheet correspond exclusively to retired personnel.

Termination compensation

Termination payments are recognized as a liability and as an expense when there is a demonstrable intention of termination of the employment relationship before the normal retirement date of employees, or when there is an offer to encourage the voluntary termination of employment contracts.

Other medium- and long-term remuneration and stock-based payments

Other long-term remuneration besides those described in the preceding paragraphs and referring specifically to the award for years of service or time with the company are recorded in line with the aforementioned principles; the only exceptions are past services costs, which are recognized immediately and recorded as an offsetting liability under the heading "Long-term provisions," and actuarial gains and losses, which are recorded on the income statement.

Incentive plans

On February 9, 2022, the Board of Directors of MAPFRE S.A. approved an Incentive Plan, extraordinary and non-cumulative, for the 2022–2026 period, made up of three overlapping cycles, each with a three-year target measurement period. This Plan is intended for certain key executives and professionals of the Company and of Group companies, including executive directors of the Company, and subject to the fulfillment of objectives established in the MAPFRE Group's strategic plan as well as to the executive remaining in the Company or Group. It will be partially paid in cash and through the delivery of MAPFRE S.A. shares and is subject to reduction or recovery clauses as well as to retention periods for the shares.

During the 2019 fiscal year, a medium-term incentive plan was approved for certain members of the MAPFRE executive team. The plan is extraordinary, non-cumulative, and multi-year, commencing January 1, 2019, and ending March 31, 2022, with payment of part of the incentives deferred to the 2023–2025 period. The payment of incentives is subject to the fulfillment of certain corporate and specific objectives, as well as to the executive's permanence in the Company or in the Group. It will be paid partly in cash (50%) and partly in MAPFRE S.A. shares (50%) and is subject to reduction or recovery clauses.

At the close of each fiscal year of the plan, objective achievement is evaluated and the amount accrued is recorded on the income statement, with a credit to a provisions account for the part of cash remuneration and a credit to an equity account for the part corresponding to shares. The valuation of the part of the incentive paid in MAPFRE S.A. shares takes into account the fair value of the equity instruments assigned at the transfer date, based on the terms and conditions of the plan.

Each year, until the vesting period date, the number of equity instruments included in the calculation of the transaction amount is adjusted. No further adjustments are made after the accrual date.

Stock-based Remuneration Plans

In 2021, MAPFRE launched a MAPFRE S.A. Stock-based Remuneration Plan for employees in Spain with the aim of strengthening their bond to the company's strategy and future profit. The plan offered voluntarily dedicating an annual amount of remuneration toward acquiring MAPFRE S.A. shares, which were delivered on a monthly basis over the course of 2022. Additionally, shares held by the participant until March 31, 2023, granted the right to receive additional shares free of charge.

Where appropriate, during the vesting period, an increase in equity is recorded for the additional shares to be delivered.

At the end of the vesting period, the difference with the value of the treasury stock delivered free of charge is recorded in voluntary reserves.

Moreover, in fiscal years 2022, 2023 and 2024 new Stock-based Remuneration Plans were launched by MAPFRE S.A. for employees in Spain, the implementation of which takes effect in the following fiscal year. These plans do not include the issuing of additional shares free of charge.

The transactions derived from each plan are measured at the fair value of the equity instruments assigned at the date of the concession agreement.

On a monthly basis, during the share delivery period, the Company redeems the treasury stock issued, recording the difference with respect to the value of the shares issued in voluntary reserves.

i) Related-party transactions

Transactions with related parties linked to the usual activities of the Company are conducted under market conditions and are recorded according to the aforementioned valuation rules.

5. Property, plant and equipment

The accompanying table shows the movements under this heading for the last two fiscal years:

ITEMS	BALANCE OPENING		ADDITIONS		DISPOSALS		BALANCE FINAL	
	2024	2023	2024	2023	2024	2023	2024	2023
Land	4,021	4,021	—	—	—	—	4,021	4,021
Construction	9,433	9,433	—	—	—	—	9,433	9,433
Technical facilities and other property, plant and equipment	7,605	7,060	212	545	(2)	—	7,815	7,605
Fixed assets in progress and advance payments	—	297	3	—	—	(297)	3	—
TOTAL COST	21,059	20,811	215	545	(2)	(297)	21,272	21,059
Cumulative amortization	(8,091)	(7,522)	(547)	(569)	—	—	(8,638)	(8,091)
NET TOTAL	12,968	13,289	(332)	(24)	(2)	(297)	12,634	12,968

Thousand euros

The main additions in both fiscal years correspond to disbursements for improvements to property, plant and equipment. The amortization of items of property, plant, and equipment is calculated on a straight-line basis according to its useful life. The depreciation rates applied by group of items are detailed below:

ITEM GROUPS	% AMORTIZATION
Buildings	2
Vehicles	16
Furniture and fittings	10
Data processing equipment	25

No items of property, plant and equipment were acquired from Group companies or associates in the last two fiscal years.

No items of property, plant or equipment are located outside of Spanish territory.

At the close of the last two fiscal years, there were no fully depreciated assets in use.

The Company has policies covering the net book value of property, plant, and equipment.

6. Intangible fixed assets

The accompanying table shows the movements under this heading for the last two fiscal years:

ITEMS	BALANCE OPENING		ADDITIONS		DISPOSALS		BALANCE FINAL	
	2024	2023	2024	2023	2024	2023	2024	2023
Computer applications	2,226	2,226	20	—	—	—	2,246	2,226
TOTAL COST	2,226	2,226	20	—	—	—	2,246	2,226
Cumulative amortization	(1,936)	(1,382)	(292)	(554)	—	—	(2,228)	(1,936)
NET TOTAL	290	844	(272)	(554)	—	—	18	290

Thousand euros

The main additions in the fiscal year correspond to disbursements for the development of current computer applications and the purchase of new licenses.

The annual amortization rate is 33%.

There are no intangible fixed assets outside of Spanish territory.

At the close of the last two fiscal years, there were fully depreciated assets in use amounting to 1,891,000 euros in 2024 (705,000 euros in 2023).

7. Leasing

Operating lease

The Company is the lessee in operating leases on a building. The contract is for a one-year term and may be extended by one-year increments if neither party informs the other of its desire to terminate the contract giving two months' notice. There are no restrictions on the lessee in connection with these leases.

The future minimum payments to be paid until the end of the lease term on non-cancellable operating leases amount to 3,545,000 euros, calculated as of December 31, 2024. (3,308,000 euros at December 31, 2023).

Leasing expenses registered in fiscal years 2024 and 2023 amount to 3,452,000 euros and 3,212,000 euros, respectively.

8. Financial instruments

Information related to the balance sheet

The following table shows the book value of the financial assets registered in the last two fiscal years, excluding taxes and balances with Public Administrations.

Financial assets

A.- Non-current financial assets								
Class	Equity instruments		Debt securities		Loans to group companies and loans to third parties		Total	
Category	2024	2023	2024	2023	2024	2023	2024	2023
Financial assets at amortized cost	—	—	—	—	4,912	4,952	4,912	4,952
Assets at fair value with changes in equity	58,625	52,586	9,970	9,835	—	—	68,595	62,421
TOTAL A	58,625	52,586	9,970	9,835	4,912	4,952	73,507	67,373
B.- Current financial assets								
Class	Equity instruments		Debt securities		Loans to group companies and loans to third parties		Total	
Category	2024	2023	2024	2023	2024	2023	2024	2023
Assets at fair value with changes in equity	—	—	64	64	—	—	64	64
Financial assets at amortized cost	—	—	—	—	104,347	88,582	104,347	88,582
TOTAL B	—	—	64	64	104,347	88,582	104,411	88,646
TOTAL A + B	58,625	52,586	10,034	9,899	109,259	93,534	177,918	156,019
Thousand euros								

Financial liabilities

The book value of the financial liabilities corresponding to the last two fiscal years is shown below, excluding taxes and balances with Public Authorities.

A.- Non-current financial liabilities								
Class	Due to credit institutions		Debentures and other negotiable securities		Debts group companies and commercial creditors		Total	
Category	2024	2023	2024	2023	2024	2023	2024	2023
Financial liabilities at amortized cost								
or at cost	85,000	80,000	2,449,543	2,447,385	—	—	2,534,543	2,527,385
TOTAL A	85,000	80,000	2,449,543	2,447,385	—	—	2,534,543	2,527,385

B.- Current financial liabilities								
Class	Due to credit institutions		Debentures and other negotiable securities		Debts group companies and commercial creditors		Total	
Category	2024	2023	2024	2023	2024	2023	2024	2023
Financial liabilities at amortized cost								
or at cost	30	37	45,220	45,220	252,807	339,726	298,057	384,983
TOTAL B	30	37	45,220	45,220	252,807	339,726	298,057	384,983
TOTAL A + B	85,030	80,037	2,494,763	2,492,605	252,807	339,726	2,832,600	2,912,368

Thousand euros

Credit line limits for the last two fiscal years as on December 31 are indicated below.

Bank	Maturity	Limit		Drawn down	
		2024	2023	2024	2023
BANCO SANTANDER	03/10/2029	500,000	1,000,000	85,000	80,000
CARTERA MAPFRE S.L.U.	10/09/2024	—	400,000	—	—
MAPFRE INTERNACIONAL	09/05/2025	350,000	50,000	—	39,500
TOTAL		850,000	1,450,000	85,000	119,500

Thousand euros

Banco Santander is the agent bank of the line of credit for an amount of 500 million euros (1 billion euros in 2023), which is a syndicated loan with other banks and which bears interest at a rate pegged to market variables. In fiscal year 2024, a novation was made, modifying its withdrawal limit, conditions, and extending its maturity. It is worth mentioning that this financing is classified as sustainable financing, and its interest is linked to the Group's sustainability parameters.

The maturity of the aforementioned credit line with Banco Santander is October 3, 2029 initially. It is extendable up to two successive periods upon express request from the borrower.

Accrued interest payable on the line of credit during the period amounted to 5,726,000 euros (9,232,000 euros in 2023).

In September 2024, the credit line granted by CARTERA MAPFRE S.L.U., which accrued a variable interest rate based on the quarterly Euribor plus a margin of 1.5%, expired and has not been extended.

On May 9, 2024, a bilateral credit line was granted between MAPFRE S.A. and MAPFRE INTERNACIONAL S.A. for the amount of 350 million euros (50 million in 2023) and extendable for successive annual periods. This credit line accrues a variable interest rate based on the quarterly Euribor plus a margin of 1.5%.

Information related to the income statement and equity

The following table provides information regarding the income statement and the equity of financial instruments for the last two fiscal years:

ITEMS	Income or financial expenses		Registered loss		Impairment Earnings per reversal	
	2024	2023	2024	2023	2024	2023
Financial assets						
Equity instruments	647,238	522,710	(3,616)	(12,983)	14,727	240
Financial assets at amortized cost	7	381	—	—	—	—
Other financial assets	3,999	10,280	—	—	—	—
For impairment and gains/losses on financial instrument disposal	1,369	135	—	(143)	—	—
Foreign exchange differences	(2)	(7)	—	—	—	—
Subtotal	652,611	533,499	(3,616)	(13,126)	14,727	240
Financial liabilities						
Financial liabilities at amortized cost	(4,530)	(995)	—	—	—	—
Debt with third parties	(85,880)	(87,836)	—	—	—	—
For discounting of provisions	(182)	(189)	—	—	—	—
Subtotal	(90,592)	(89,020)	—	—	—	—
TOTAL	562,019	444,479	(3,616)	(13,126)	14,727	240

Thousand euros

Fair value

The process for the valuation of financial assets is as follows:

- At the time of acquisition, the portfolio to which it is assigned is decided (assets at fair value with changes in gains or losses, financial assets at amortized cost, financial assets at cost, or financial assets at fair value with changes in equity), depending on the characteristics and the business model.
- Depending on the accounting status of the portfolios, they are valued against the market using the valuation methods described in Note 4.c. "Financial instruments" (Level 1, Level 2, and Level 3).

The assessment policy is decided at the time of acquisition and reviewed annually.

With regard to the sensitivity of fair value assessments, changes in the non-observable variables used in the aforementioned individual valuations would not significantly alter the fair value obtained.

Quoted prices are monitored and verified on a regular basis in order to decide whether any transfers between levels are required:

- If the quotation source for a particular asset is no longer representative, it is transferred from Level 1 to Level 2.
- Assets are transferred from Levels 2 and 3 to Level 1 if a reasonable quotation source is verified.
- Assets are transferred to Level 3 when some of the significant variables are not based on observable market data.

Financial assets at amortized cost

The investments allocated to the financial assets at amortized cost portfolio are shown in the accompanying table.

Financial assets at amortized cost						
Item	Book value		Fair value		Total	
	(amortized cost)		Level 2. Observable data			
	2024	2023	2024	2023	2024	2023
Long-term credit	4,912	4,952	4,912	4,952	4,912	4,952
Short-term credits	1,239	2,488	1,239	2,488	1,239	2,488
Short-term Group credits	103,108	86,094	103,108	86,094	103,108	86,094
TOTAL	109,259	93,534	109,259	93,534	109,259	93,534

Thousand euros

Financial assets at fair value with changes in equity

The investments allocated to the financial assets at fair value with changes in equity portfolio are indicated below.

Financial assets at fair value with changes in equity						
Item	Book value (fair value)				Total	
	Level 2. Data data		Level 3. Other valuations			
	2024	2023	2024	2023	2024	2023
Equity instruments - Shares	—	—	53,347	49,519	53,347	49,519
Equity instruments - Funds	—	—	5,278	3,067	5,278	3,067
Debt securities	10,034	9,899	—	—	10,034	9,899
TOTAL	10,034	9,899	58,625	52,586	68,659	62,485

Thousand euros

There follows a reconciliation of the fiscal-year balances for financial assets measured at fair value with changes in equity classified as Level 3.

Item	Equity instruments and Mutual funds	
	2024	2023
Opening balance	52,586	63,512
Procurement	3,958	—
Sales	(401)	—
Other	2,482	(10,926)
Closing balance	58,625	52,586

Thousand euros

For fiscal year 2024, the variation reflected in "Procurement" is mainly due to:

- The capitalization of the convertible loan that was granted to APLICACIONES SALUD, S.L. in 2022 in the amount of principal and interest accrued until April 23, 2024 for the amount of 2,000,000 euros and 67,000 euros respectively.

- Capital increase at ABANTE ASESORES S.A. for an amount of 1,877,000 euros.

For fiscal year 2024, the variation reflected in "Other" is mainly due to changes in value of equity instruments and mutual funds.

For fiscal year 2023, the variation reflected in "Other" is mainly due to the transfer in that fiscal year to the heading "Group companies and long-term associates" of the MEAG EUROPE OFFICE fund, which is consolidated through the global integration method.

Financial assets at cost

The investments allocated to the Financial assets at cost portfolio are indicated below:

Item	Financial assets at cost					
	Book value		Fair value			
	(cost)		Level 3. Other valuations		Total	
	2024	2023	2024	2023	2024	2023
Investments in Group companies	10,170,668	10,152,721	10,170,668	10,152,721	10,170,668	10,152,721
TOTAL	10,170,668	10,152,721	10,170,668	10,152,721	10,170,668	10,152,721

Thousand euros

Below is a conciliation of the fiscal-year balances for financial assets at cost classified as Level 3.

Item	Equity instruments	
	2024	2023
Opening balance	10,152,721	10,138,562
Procurement	7,876	38,443
Sales	(6)	(3)
Gains and losses	11,111	(12,743)
Other	(1,034)	(11,538)
Closing balance	10,170,668	10,152,721

Thousand euros

Gains and losses recognized in equity instruments correspond to changes in valuation adjustments in Group and associated companies and in the assets at fair value with changes in equity portfolio, as shown in the accompanying table.

Name	(Impairment) Reversal 2024	(Impairment) Reversal 2023
MAPFRE INMUEBLES	(1,932)	(1,219)
MAPFRE ASISTENCIA	14,727	(10,295)
DESURCIC	(1)	(2)
MAPFRE TECH	—	240
ALMA MUNDI INSURTECH FUND II FCRE	(550)	(772)
MEAG EUR OFFICE S EOS SCSP SICAV RAIF	(1,133)	(695)
TOTAL	11,111	(12,743)

Thousand euros

The accrued dividends and other revenue from the funding granted to investee companies are recognized under "Revenue," as established in note 4.f.).

Group and associate companies

Appendix 1 of the annual report contains details of the Group and associate companies in which direct equity investments have been held in the last two fiscal years.

The results of the companies included in the aforementioned appendix are all ongoing operations.

In compliance with Article 155 of the Recast Text of the Spanish Limited Liability Companies Act, the corresponding notifications were made, when applicable, to investee companies.

The main operations undertaken in the last two fiscal years with Group companies and associates are described in Note 18 of this annual report.

The minority shareholders of the subsidiary MAPFRE RE have a put option on the shares of that company. If exercised, MAPFRE or a MAPFRE Group company would have to acquire the shares from the selling non-controlling shareholder. The purchase price for the shares is to be calculated using the previously agreed formulas in each case. As of December 31, 2024 and 2023, taking into account the variables included in the aforementioned formula, the commitment assumed by the Group in the event of exercising this option would amount to a total of approximately 142.7 and 128.9 million euros, respectively.

As of December 31, 2024, the Company's working capital was negative, totaling 6,767,000 euros (26,948,000 euros in 2023), mainly due to the financing received from Group companies. However, the financing of its liabilities and liquidity needs is guaranteed through the financial support from the Group itself, the dividends expected to be received in 2025, and the available limits of credit lines.

Financial instrument risk

Credit and market risks are managed centrally through the MAPFRE Group's Investment Area, which applies a prudent investment policy to mitigate exposure to this type of risk.

Liquidity is managed by the Company, which maintains sufficient balances of current assets and lines of credit to cover any event derived from its obligations. It also has the Group's support for financing operations when additional liquidity is required.

There were no significant amounts in the last two years regarding financial assets exposed to interest rate risk.

As regards the credit risk, the policy is based on maintaining a diversified portfolio comprising securities selected prudently according to the issuer's solvency. Fixed-income and equity investments are subject to limits per issuer.

Credit risk

The accompanying table shows details for the last two fiscal years of the credit rating of fixed income securities issuers and companies in which the Company has cash positions.

Credit rating of issuers	Book value			
	Assets at fair value with changes in equity		Finance	
	2024	2023	2024	2023
A	—	—	20,053	11,362
BBB	10,034	9,899	—	—
Total	10,034	9,899	20,053	11,362

Thousand euros

Market risk

The following table shows the significant information for the last two years regarding the level of exposure to the interest rate risk of financial assets and liabilities:

Item	Amount of the asset exposed to risk					
	Type of fixed interest		Not exposed to risk		Total	
	2024	2023	2024	2023	2024	2023
At amortized cost	—	—	109,259	93,534	109,259	93,534
Fair value with changes in equity	10,034	9,899	58,625	52,586	68,659	62,485
Total	10,034	9,899	167,884	146,120	177,918	156,019

Thousand euros

Item	Amount of the liability exposed to risk					
	Type of fixed interest		Not exposed to risk		Total	
	2024	2023	2024	2023	2024	2023
Issuance of debentures and other negotiable securities	2,494,763	2,492,605	—	—	2,494,763	2,492,605
Debts with Group companies and other trade creditors	—	—	252,807	339,726	252,807	339,726
Due to credit institutions	—	—	85,030	80,037	85,030	80,037
Total	2,494,763	2,492,605	337,837	419,763	2,832,600	2,912,368

Thousand euros

All amounts corresponding to financial assets and liabilities are denominated in euros, with the exception of holdings in companies located overseas.

Liquidity risk

The details of the last two fiscal years of maturities of financial liabilities are shown in the accompanying table.

Fiscal year 2024

ITEMS	Maturity in						Balance
	2025	2026	2027	2028	2029	Subsequent	
Financial liabilities							
Debentures and other negotiable securities	75,181	932,481	661,250	535,000	14,375	514,375	2,732,662
Due to credit institutions	2,653	2,653	2,653	2,653	87,653	—	98,265
Other financial liabilities	82,951	—	—	—	—	168,034	250,985
Total financial liabilities	160,785	935,134	663,903	537,653	102,028	682,409	3,081,912

Thousand euros

Fiscal year 2023

ITEMS	Maturity in						Balance
	2024	2025	2026	2027	2028	Subsequent	closing
Financial liabilities							
Debentures and other negotiable securities	75,181	75,181	923,855	641,473	528,502	518,432	2,762,624
Due to credit institutions	3,321	80,553	—	—	—	—	83,874
Other financial liabilities	337,170	—	—	—	—	876	338,046
Total financial liabilities	415,672	155,734	923,855	641,473	528,502	519,308	3,184,544

Thousand euros

9. Shareholders' equity

SHARE CAPITAL

The Company's share capital as of December 31, 2024 and 2023 was represented by 3,079,553,273 shares with a face value of 0.10 euros each, fully subscribed and paid-up. All shares carry the same political and economic rights.

All shares representing the share capital of the company are admitted to official trading on the Spanish stock market.

The Annual General Meeting of March 10, 2023, authorized the company's board of directors to increase capital up to a maximum of 153,977,663.65 euros, equivalent to 50% of the share capital at the time. This authorization was granted for a period of five years. Furthermore, the Board of Directors was authorized to issue bonds, convertible analogous fixed-income securities or debentures, for a maximum amount of 2 billion euros.

CARTERA MAPFRE's direct interest in the Company in the last two fiscal years amounted to 69.69% of the capital.

SHARE PREMIUM

This reserve is unrestricted and corresponds to the provisions made as a result of the capital increases, as indicated in the accompanying table.

DATE	ISSUE TYPE	AMOUNT
June 1985	200%	956
October 1985	300%	4,015
January 1986	600%	11,040
June 1986	600%	2,428
January 2007	3,192%	3,320,281
TOTAL		3,338,720

Thousand euros

LEGAL RESERVE

The legal reserve, which at the end of the last two years amounted to 61,591,065 euros, cannot be distributed to shareholders unless the Company is liquidated. In that case, it may only be used to offset potential losses.

TREASURY STOCK

MAPFRE S.A. shares are bought and sold in accordance with the regulations in force, the relevant agreements adopted at the Annual General Meeting, and the MAPFRE Group Treasury Stock Policy on how to handle transactions that involve the Company's own shares.

In fiscal year 2024, 29,727 shares (35,760 shares in 2023) were delivered to subsidiary directors, and a negative impact in the amount of 1,177.20 euros was registered (compared to a negative impact of 9,715.99 euros in 2023). This has been included under the heading "Other reserves."

In addition, 2,899,347 shares (4,624,725 shares in 2023) were delivered under the MAPFRE S.A. Stock-based Remuneration Plan described in "Measurement Standards" Note 4.h., recording a negative impact of 380,547.66 euros (compared to a negative impact of 935,586.41 euros in 2023), which are included under the heading "Other reserves."

At the close of the fiscal year, the Company owned 12,200,024 treasury stocks (15,129,098 in 2023), which represented 0.3962% of capital (0.4913% in 2023) at an average rate of 2.09 euros per share over the last two fiscal years.

The total face value of the treasury stock acquired was 1,220,002 euros (1,512,910 euros in 2023).

10. Obligations

A. Subordinated debentures

As of December 31, 2024 and 2023, the balance of this account included the face value of the subordinated debentures issued by the Company and represented through book entries. The most significant terms and conditions of same are shown in the accompanying table.

Description	Nominal amount	Book value		Fair value		Outstanding interest		Expiration date	Coupon	Market	Rating
		2024	2023	2024	2023	2024	2023				
April 2022 issuance	500,000	495,448	494,665	485,000	462,818	10,319	10,319	13-04-30	2.88%	AIAF	BBB-
September 2018 issuance	500,000	498,484	498,110	508,000	487,998	6,498	6,498	07-09-48	4.13%	AIAF	BBB-
March 2017 issuance	600,000	599,324	599,043	612,000	610,777	19,777	19,777	31-03-47	4.38%	AIAF	BBB
TOTAL	1,600,000	1,593,256	1,591,818	1,605,000	1,561,593	36,594	36,594				

Thousand euros

The most relevant conditions related to subordinated debenture are detailed below.

April 2022 issuance

The obligations of this issuance accrue a fixed coupon of 2.875% per year, the payment of which may be deferred under certain circumstances.

Debentures are governed by Spanish law and are admitted to trading on AIAF Fixed Income Market. Debentures are calculated as Tier 3 instruments of MAPFRE and its consolidated group in accordance with the applicable solvency regulations.

September 2018 issuance

This issuance included an initial call option on September 7, 2028, with the interest payable from this date up to 2048 being the three-month Euribor plus 4.30%, payable annually.

March 2017 issuance

This issuance included an initial call option on March 31, 2027, with the interest payable from this date up to 2047 being the three-month Euribor plus 4.54%, payable annually.

For issuances in fiscal years 2017, 2018 and 2022, the issuer is obliged to defer interest payments in the case where there is any non-compliance with the Solvency Capital Requirement or Minimum Capital Requirement, or the pertinent regulatory has prohibited interest payments, or the issuer cannot settle the liabilities that are past due and payable.

Amortization will occur in special cases as a result of reform or modification of tax regulations, due to lack of interchangeability of the issuer's own funds, and as a result of a change in treatment by the credit ratings agencies.

B. Simple obligations

As of December 31, 2024 and 2023, the balance of this account included the face value of the simple debentures issued by the Company and represented through book entries. The most significant terms and conditions of same are shown in the accompanying table.

Description	Nominal amount	Book value		Fair value		Outstanding interest		Expiration date	Coupon	Market	Rating
		45291	44926	45291	44926	45291	44926				
April 2016 issuance	857,300	856,287	855,567	846,155	844,493	8,626	8,626	19/05/2026	1.63%	AIAF	A-
TOTAL	857,300	856,287	855,567	846,155	844,493	8,626	8,626				

Thousand euros

September 2016 issuance

MAPFRE established on May 19, 2016 the terms of an issuance of simple debentures with a face value of 1,000,000,000 euros, which were partially redeemed on December 15, 2021 (1,427 debentures) for an aggregate face value of 142,700,000 euros. This issuance expires on May 19, 2026 and accrues a fixed coupon of 1.63% payable annually.

11. Foreign currency

At the end of the last two years there were no significant amounts of asset and liability items denominated in foreign currency.

12. Tax position

Since 1985, the Company has been included for corporate tax purposes in Tax Group 9/85, consisting of the Company and those of its subsidiaries that meet the requirements to be eligible for this tax regime.

In 2024, the following companies belonged to Tax Group No. 9/85.

Companies belonging to Tax Group 9/85

MAPFRE S.A.

MAPFRE RE, COMPAÑÍA INTERNACIONAL DE REASEGUROS S.A.

MAPFRE INMUEBLES S.G.A., S.A.

DESARROLLOS URBANOS CIC S.A.

SERVICIOS INMOBILIARIOS MAPFRE S.A.

MAPFRE ASISTENCIA, CIA. DE SEGUROS Y REASEGUROS S.A.

IBEROASISTENCIA S.A.

MAPFRE INTERNACIONAL S.A.

MAPFRE VIDA S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA

MAPFRE INVERSIÓN S.V.S.A.

MAPFRE ASSET MANAGEMENT S.G.I.I.C. S.A.

MAPFRE VIDA PENSIONES E.G.F.P. S.A.

CONSULTORA ACTUARIAL Y DE PENSIONES, MAPFRE VIDA S.A.

GESTIÓN MODA SHOPPING S.A.

MIRACETI S.A.

MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.

MULTISERVICIOS MAPFRE MULTIMAP S.A.

MAPFRE TECH S.A. U.

GESTIÓN DE CENTROS MÉDICOS MAPFRE S.A.U.

CENTRO DE EXPERIMENTACIÓN Y SEGURIDAD VIAL MAPFRE S.A.

CLUB MAPFRE S.A.

MAPFRE AUTOMOCIÓN S.A.U.

VERTI ASEGURADORA CIA DE SEGUROS Y REASEGUROS S.A.

MEDISEMAP AGENCIA DE SEGUROS EXCLUSIVA S.L.

FUNESPAÑA S.A.

SERVICIOS FUNERARIOS FUNEMADRID S.A.U.

ALL FUNERAL SERVICES S.A.U.

FUNERARIAS REUNIDAS EL BIERZO S.A.

SALUD DIGITAL MAPFRE S.A.

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

RISK MED SOLUTIONS S.L.U.

FUNERARIA ALIANZA CANARIA S.L.U.

FUNESPAÑA DOS S.L.U.

POMPAS FÚNEBRES DOMINGO S.L.U.

MAPAR IMPERIAL 14 S.L.U.

CEMENTERIO PARQUE ANDUJAR S.A.

The reconciliation of the accounting profit to the corporate tax base for the last two years is shown in the accompanying table.

RECONCILIATION OF THE BOOK RESULT WITH THE TAXABLE RATE OF THE CORPORATION TAX				
Item	Income statement		TOTAL	
	2024	2023	2024	2023
Balance of revenue and expenses of the fiscal year	509,612	370,807	509,612	370,807
Corporate income tax	(44,755)	(37,917)	(44,755)	(37,917)
Permanent differences	(627,790)	(483,365)	(627,790)	(483,365)
Temporary differences				
- originating in the fiscal year	27,144	11,212	27,144	11,212
- from previous years	(2,428)	(2,435)	(2,428)	(2,435)
Individual taxable income (tax result)	(138,217)	(141,698)	(138,217)	(141,698)
Permanent differences for fiscal consolidation	(1,044)	(547)	(1,044)	(547)
50% Individual Negative Tax Base to be offsover et in the next 10 years	69,109	70,849	69,109	70,849
Inclusion of tenth part 50% Individual Negative Tax Base for the 2023 period not included	(7,128)	—	(7,128)	—
Individual tax base after consolidation	(77,280)	(71,396)	(77,280)	(71,396)

Thousand euros

Increases and decreases in the past two fiscal years:

The amount of increases for permanent differences originating in the income statement corresponds to expenses that are not tax deductible, among others, for fines and penalties; for donations pursuant to Law 49/2002, for the value corrections of equity instruments (holdings in Group companies and associates), recorded in accounts and for the tax loss not deductible in the sale of qualifying holdings (in fiscal year 2024).

The amount of decreases for permanent differences originating in the income statement corresponds in both fiscal years to tax-exempt dividends, and to the accounting recovery of value corrections for equity instruments that were not deductible at the time of their allocation. It also corresponds to the dividends that have the lowest tax value of the stake in accordance with Transitional Provision 23, and in fiscal year 2023 with the income obtained from the transfer of shares of investee companies that meet the requirements to apply the exemption.

Increases due to temporary differences originating in the fiscal year in the income statement essentially correspond to pension commitments, other obligations acquired with personnel and other provisions for expenses that are not considered to be tax-deductible in the fiscal year, as well as the recovery by third parties of impairments that were tax deductible until December 31, 2012.

Decreases for temporary differences originating in previous years in the income statement are essentially due to the recovery of adjustments for pension commitments, the application of provisions for other obligations acquired with personnel, the application of provisions for expenses that were not deductible in the fiscal year in which they were recorded, and the recovery of one tenth of the amortization of assets of property, plant and equipment and intangible assets that were not deducted in 2013 and 2014.

The main elements of expense related to tax on profit from ongoing operations, and the reconciliation between the expense related to tax on profit and the product of multiplying the accounting result by the applicable tax rate for the fiscal years ending on December 31, 2024 and 2023 are shown in the accompanying table.

Item	Amount	
	2024	2023
Tax expense		
Result before taxes from ongoing operations	464,857	332,890
25% of the result before taxes from ongoing operations	(116,214)	(83,222)
Tax effect of permanent differences	156,948	120,841
Tax incentives for the year	5,061	585
Complementary tax (Pillar II)	(4,456)	—
Total (expense)/revenue from current tax originating in the year	41,339	38,204
Expense from current tax originating in previous fiscal years	3,416	(287)
Tax on profits (expense)/revenue	44,755	37,917
Retentions and interim payments	516	410
50% of the individual negative base to be offset over the next 10 years	(17,277)	(17,712)
Temporary differences	(5,918)	(2,058)
Incorporation of the non-integrated one-tenth of the negative base of prior periods	1,782	—
Tax credits and incentives applied, registered in previous fiscal years and applied in the current year	(1,664)	1,592
Tax on profits discontinued operations	—	—
Net tax on profits to be (paid)/received	22,194	20,149
Thousand euros		

The tax rate applicable in the 2024 and 2023 fiscal years was 25%.

The tax on profits expense recognized in the income statement in fiscal year 2024 includes 4,456,000 euros for the Supplementary Tax (Pillar Two). Note 4.e.

In fiscal years 2024 and 2023, the Tax Group was not affected by the minimum tax liability.

The following tables show the detail of changes in fiscal years 2024 and 2023 to the heading of deferred tax assets, breaking down the amount of deferred tax by items charged or paid directly against equity in each of the two fiscal years.

Fiscal year 2024

Item	Opening balance	Originating from Results	Equity	Cancellations	Closing balance
Assets					
50% of the negative base to be offset in future years	17,712	17,277	—	(1,672)	33,317
Commitments to personnel	16,274	1,809	—	—	18,083
Other items	3,416	3,840	—	—	7,256
Total	37,402	22,926	—	(1,672)	58,656

Thousand euros

Fiscal year 2023

Item	Opening balance	Originating from Results	Equity	Cancellations	Closing balance
Assets					
50% of the negative base to be offset in future years	—	17,712	—	—	17,712
Commitments to personnel	15,564	1,516	—	(806)	16,274
Other items	2,397	1,287	—	(268)	3,416
Total	17,961	20,515	—	(1,074)	37,402

Thousand euros

A deferred tax asset has been recorded for the negative tax base generated by the company that cannot be offset by 50% by the Tax Group, in accordance with the limitation introduced in the Tax Law, which amounts to 69,109,000 euros (70,849,000 euros in 2023).

The breakdown of movements for fiscal year 2024 and 2023 under the heading deferred tax liabilities is also shown below, differentiating the amount of deferred tax liabilities relating to items charged and paid directly against equity in each of the fiscal years.

Fiscal year 2024

Item	Opening balance	Adjustments to opening balance	Originating from Results	Equity	Cancellations	Closing balance
Liabilities						
Profit from the sale of equity instruments	108	—	—	—	—	108
Financial instruments	1,174	—	—	1,783	—	2,957
Total	1,282	—	—	1,783	—	3,065

Thousand euros

Fiscal year 2023

Item	Opening balance	Adjustments to opening balance	Originating from Results	Equity	Cancellations	Closing balance
Liabilities						
instruments	1,184	(1,076)	—	—	—	108
Financial instruments	—	—	—	381	(283)	1,174
Total	1,184	—	—	381	(283)	1,282

Thousand euros

There are no negative tax bases from previous years pending compensation.

The Company's tax incentives for fiscal years 2024 and 2023 are shown in the accompanying table.

Fiscal year 2024

Modality	Year to which they correspond	Amount applied in the fiscal year
Double taxation deduction	2024	6,004
Deductions for carrying out IT activities	2024	776
Other	2024	34
TOTAL		6,814

Thousand euros

Fiscal year 2023

Modality	Year to which they correspond	Amount applied in the fiscal year
Double taxation deduction	2023	1,305
Deductions for carrying out IT activities	2023	536
Other	2023	49
TOTAL		1,890

Thousand euros

The consolidated settlement of Tax Group 9/85 for the fiscal year 2024 results in an amount to be returned of 13,734,000 euros, recorded in the Company's liabilities (9,525,000 euros to be paid in 2023, recorded in the liabilities).

As a result of its distribution between the Group companies, the Company has recorded in the last two fiscal years the following receivables and payables, generated over the year from/to the controlled companies in Tax Group 9/85:

COMPANY	AMOUNT			
	CREDIT		DEBIT	
	2024	2023	2024	2023
MAPFRE VIDA S A DE SEGUROS Y REASEG SOBRE LA VIDA HUMANA	—	12,854	16,379	—
MAPFRE RE COMPAÑÍA DE REASEGUROS S.A.	36,226	25,074	—	—
MAPFRE INMUEBLES S.G.A.,S A	—	—	420	105
MAPFRE INVERSIÓN S.V.S.A.	1,327	1,028	—	—
MAPFRE VIDA PENSIONES E. G. F. P., S. A.	173	189	—	—
MAPFRE ASSET MANAGEMENT S.G.I.I.C.S. A.	5,232	4,688	—	—
CONSULTORA ACTUARIAL Y DE PENSIONES MAPFRE VIDA S.A.	7	10	—	—
GESTIÓN MODA SHOPPING S.A.	—	—	8	3
MIRACETI S.A.	—	263	86	—
MAPFRE ASISTENCIA CIA INTERNACIONAL DE SEGUROS Y REASEGUROS S.A	—	—	4,431	3,850
IBEROASISTENCIA S.A .	—	—	8	28
CENTRO DE EXPERIMENTACIÓN Y SEGURIDAD VIAL MAPFRE S.A.	106	127	—	—
CLUB MAPFRE S.A.	16	8	—	—
DESARROLLOS URBANOS CIC S.A.	—	—	370	319
MAPFRE INTERNACIONAL S.A.	—	—	26,612	12,756
MULTISERVICIOS MAPFRE MULTIMAP S. A.	532	586	—	—
SERVICIOS INMOBILIARIOS MAPFRE S.A.	130	115	—	—
MAPFRE TECH S.A.U.	—	—	5,514	3,967
MAPFRE AUTOMOCIÓN S.U.	—	—	57	169
GESTION CENTROS MÉDICOS MAPFRE S.A.U.	—	—	681	588
VERTI ASEGURADORA CIA DE SEGUROS Y REASEGUROS S.A .	—	—	226	545
MEDISEMAP AGENCIA DE SEGUROS EXCLUSIVA S.L.	3	—	—	—
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A .	23,908	6,900	—	—
FUNESPAÑA S.A .	—	—	17	27
SERVICIOS FUNERARIOS FUNEMADRID S.A.U.	263	41	—	—
ALL FUNERAL SERVICES S.A.U.	130	265	—	—
FUNERARIAS REUNIDAS EL BIERZO S A	173	157	—	—
POMPES FÚNEBRES DOMINGO S.L.	16	12	—	—
SALUD DIGITAL MAPFRE S.A.	—	—	375	246
MAPFRE GLOBAL RISKS AGENCIA DE SUSCRIPCIÓN S.A.U.	552	244	—	—
FUNERARIA ALIANZA CANARIA S.L.U	—	—	37	5
RISK MED SOLUTIONS S.L.U.	—	—	59	125
FUNESPAÑA DOS S.L.U.	—	—	570	153
MAMPAR IMPERIAL 14 S.L.U.	—	—	9	—
CEMENTERIO PARQUE ANDÚJAR, S.A.	—	—	19	—
TOTAL	68,794	52,561	55,878	22,886

The sum of the total amount to be returned by the Treasury for corporate income tax for fiscal year 2024 of the Tax Group, minus the Additional Tax, amounts to 9,278,000 euros. Taking into account the net receivables 68,794,000 euros and payables -55,878,000 euros previously mentioned with the Group companies, an amount payable by the Company as an individual company amounts to 22,194,000 euros (20,149,000 euros in 2023).

During the past two years, no significant eliminations were made in the consolidated Tax Group due to temporary differences. The following table shows the breakdown of the amounts pending inclusion as a result of eliminations due to temporary differences of the company in the tax group.

The accompanying table breaks down the amounts pending inclusion as a result of the eliminations due to temporary differences of the company in the tax group.

Item	Group company	Fiscal year		Year of elimination
		2024	2023	
Shares	MAPFRE INTERNACIONAL, S.A.	(2)	(3)	2,003
Shares	MAPFRE ASISTENCIA CIA INTERNACIONAL DE SEGUROS Y REASEGUROS S..A	512	512	2003
Shares	MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A .	(92)	-92	2004
Shares	MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A .	10,251	10251	2005
Shares	MAPFRE TECH S.A.U.	1,219	1219	2010
Shares	SOLUNION S.L.	(16)	-16	2010
Shares	MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A .	(1,764)	-1764	2010
Shares	MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A .	(184)	-184	2010
Shares	MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A .	(956)	-956	2010
Shares	MAPFRE VIDA S A DE SEGUROS Y REASEG SOBRE LA VIDA HUMANA	(251)	-251	2010
Real estate	MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A .	3,630	3728	2011
Real estate	MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A .	(1,258)	-1291	2011
Shares	MAPFRE ESPAÑA, CÍA SEGUROS Y REA SA	398	398	2011
Shares	MAPFRE ESPAÑA, CÍA SEGUROS Y REA SA	(1,095)	-1095	2011
Shares	MAPFRE VIDA S A DE SEGUROS Y REASEG SOBRE LA VIDA HUMANA	56	56	2011
Shares	MAPFRE VIDA S A DE SEGUROS Y REASEG SOBRE LA VIDA HUMANA	(154)	-154	2011
Shares	MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A .	212	212	2011
Shares	MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A .	(583)	-583	2011
Shares	MAPFRE AUTOMOCIÓN S.A.U.	(15)	-15	2015
Total		9,908	9,972	

The adjustment for the integration of the provisions for pension commitments, with the limit of 25% of the previous tax base regulated in Article 11.12 of Law 27/2014, to be applied to the consolidated tax base in 2024, was 1,044,316 euros (547,402 euros in 2023).

Verification by tax authorities

In accordance with current legislation, the statements made for the different taxes may not be considered final until they have been inspected by the tax authorities or the limitation period of four years has elapsed.

On March 1, 2024, MAPFRE S.A., as the controlling company of Tax Consolidation Group no. 9/85, was notified of the commencement of inspections of Corporate Tax for fiscal years 2017 to 2020. It was also informed, in its capacity as representative of VAT Group 87/10, of the initiation of actions to verify Value Added Tax for the periods from February 2020 to December 2022.

As regards MAPFRE S.A. as an individual company, the actions are extended to Corporate Tax for the fiscal years 2017 to 2020, to Value Added Tax for the periods February 2020 to December 2022, and to Withholdings and interim income on the income from work and economic activities of Personal Income Tax for the periods February 2020 to December 2022.

In relation to the Inspection Activities for Corporate Tax, fiscal years 2013 to 2016, referring to Tax Consolidation Group No. 9/85, notices of disagreement were signed that affected MAPFRE S.A. as an individual company with regard to the deductibility of certain personnel expenses and the deduction for technological innovation expenses. The related tax assessments were appealed before the Central Economic and Administrative Court, which dismissed the tax appeal filed by the company. In response to this dismissal, a contentious-administrative appeal was filed, and a claim has been submitted to the National Court to date.

MAPFRE S.A. considered that, in accordance with the criterion expressed by internal tax advisors, the regularizations practiced had no significant impact on the individual annual accounts, given that there are strong defense arguments in the pending appeals. For this reason, no specific provision was recognized for these items.

In 2022, MAPFRE S.A., as the controlling company of Tax Group No. 9/85, and with the aim of limiting the financial costs of the suspension of the tax assessments resulting from the inspection activities regarding the years 2013 to 2016, proceeded to settle the tax liability related from the disagreement notices for Corporate Tax for the years 2013 to 2015, along with the suspended interest. To the extent that there are strong defense arguments in ongoing legal proceedings, the Company recorded a receivable with the Tax Authorities for 110 million euros. At the same time, MAPFRE S.A. recognized a payable to the controlled companies of the Tax Group for items signed in disagreement, totaling 107 million euros, with the difference corresponding to the disagreed items affecting MAPFRE S.A. as an individual company.

In fiscal year 2022, MAPFRE SA, as the controlling company of Tax Group no. 9/85, and in order to limit the financial cost of suspending the reports derived from the Inspection Activities of fiscal years 2013 to 2016, the tax debt of the corporate tax disagreement certificates for fiscal years 2013 to 2015 was entered, together with the suspense interest. To the extent that there are strong defense arguments in ongoing legal proceedings, the Company accounted for a loan against the Tax Office in the amount of 110 million euros. At the same time, MAPFRE S.A. recognized a debit against the controlled companies of the Fiscal Group to which the concepts signed in disagreement for the amount of 107 million correspond, with the difference corresponding to the dissenting items that affect MAPFRE S.A. as an individual company.

During fiscal year 2022 Tax Group 9/85 called for the correction of its Corporate Taxes for fiscal years 2017 to 2019 in relation to the recovery of certain adjustments derived from the minutes of fiscal years 2013 to 2016 and to request recognition of the elimination of double taxation in relation to certain equity investments that were considered qualifying holdings at the tax group level, requesting the recognition of a return of 61 million euros that has been recorded as a credit against the Treasury. At the same time, a debit of the same amount has been recorded against the Group's subsidiaries that are individually affected by the aforementioned rectification.

Both items for a combined amount of 171 million euros are included under the heading of the balance sheet "Other receivables with Public Authorities" in 2024 and under the heading "Current tax assets" in 2023.

The liability heading "Due to Group and associate companies" includes the total amount of 168 million euros that can be allocated to the companies of the tax group. The difference between the aforementioned receivables and debts corresponds to the non-conformity items that affect the individual Company in the amount of 3 million euros.

With regard to the deduction for technological innovation expenses, Supreme Court has issued four judgments accepting the appeals filed against the rulings of the National Court that accepted the arguments of the Tax Inspection to defend its competence to delimit the scope of the deduction, and the consideration that the software is not covered by the technological innovation expenses deduction provided for in the Corporate Tax Law. Consequently, Supreme Court has concluded that the reports prepared by the Tax Administration to regularize the technological innovation expense deduction cannot call into question the rating made in the binding reports issued by the Ministry of Science and Technology, under which the MAPFRE Tax Group has applied the deduction.

The Tax Group has resorted to the minutes initiated, among other items, due to the regularization of this deduction, which in the case of MAPFRE S.A. as an individual company amounts to an amount of 84,000 euros (fiscal years 2013 to 2016). In addition, the deduction applied by the company in fiscal years 2017 to 2023 was 4,554,000 euros, and that generated in fiscal year 2024 was 776,000 euros.

On January 18, 2024, the Constitutional Court handed down a judgment declaring the unconstitutionality of certain measures that were introduced into the Corporate Tax by Royal Decree-Law 3/2016, of December 2 [RDL 3/2016], as the regulatory vehicle used for its approval was considered inadequate. This unconstitutionality had also been raised by the MAPFRE Group in the appeals filed before the Courts. Of the measures declared unconstitutional, Tax Group 9/85 is only affected by the obligation to include, from fiscal year 2016, the taxable amount and, by fifths, any impairment of tax-deductible shares until fiscal year 2012. The nullity of this measure would have a favorable impact for the Group of 13 million euros. However, Law 7/2024 of December 20 on Supplementary Tax reintroduced the obligation to pay taxes for impairments deducted within a period of three years, so the Group has not recorded any amount in its 2024 accounts for the aforementioned unconstitutionality.

With regard to the non-deductibility of losses in the transfer of shares, also approved by the same RDL 3/2016, the TC has postponed its decision at the time it has to decide on a resource proposed for the specific application of this measure. The unconstitutionality of this standard is also being cited by the Tax Group in the various requests for rectification of self-liquidation presented. The future ruling, should the unconstitutionality of the regulation by the Constitutional Court be accepted, would have a favorable impact for the Tax Group of 66.5 million euros, although this has not been recorded by the Group.

At December 31, 2024, the company has open to inspection all those taxes to which it is subject for fiscal years 2020 to 2023 inclusive and corporate tax for fiscal years 2017 to 2019. In the opinion of the Company's advisers, the possibility of tax liabilities occurring that significantly affect the Company's financial position as at December 31, 2024 is remote.

Business restructuring operations

On April 23, 2024, a convertible loan was capitalized, granted to APLICACIONES SALUD, S.L. in 2022 for an amount of 2,067,000 euros.

On June 13, 2024, a capital increase was made in ABANTE ASESORES S.A. for an amount of 1,877,000 euros.

On September 9, 2024 the stake held in COMPARE.COM (ADMIRAL GROUP) was sold for 1,370,000 euros.

In November 2024, a capital increase was carried out at Platinum Care (Santander MAPFRE Hipoteca Inversa S.A.) for an amount of 4,000,000 euros.

In addition, 2,930,000 euros were disbursed from the MAPFRE PRIVATE DEBT FIL. fund, with 3,970,000 euros pending disbursement as at December 31, 2024.

The outstanding payment of 940,000 euros from the MEAG EUR OFFICE S EOS SCSP SICAV RAIF fund was settled in 2024.

On November 3, 2022, a merger of the companies MAPFRE S.A. (absorbing company) was carried out with MAPFRE PARTICIPACIONES S.A. and MAPFRE AM INVESTMENT HOLDING, S.A.U. (absorbed companies), in which the latter two were absorbed by the former.

The date on which this merger had accounting effects was January 1, 2022.

Said operation was covered by the Special Regime foreseen in Chapter VII, Part VII of Corporate Tax Law 27/2014 of November 27, 2014.

For the purposes of the provisions of Article 86 of Law 27/2014 of Corporate Tax, MAPFRE S.A., as the acquiring entity, provides the following information:

- The tax periods in which the transferring companies acquired the transferred assets include the following fiscal years:
 - MAPFRE AM INVESTMENT HOLDING SAU: From fiscal year 2017 to fiscal year 2022
 - MAPFRE PARTICIPACIONES SA: From fiscal year 1986 to fiscal year 2022
- The acquired assets that have been incorporated into the accounting books of the absorbing company MAPFRE SA, for a value different from that for which they were included in those of the transferring companies are as follows:
 - 5,170,307 MAPFRE ESPAÑA shares, equivalent to 16.48% of its capital. The value contributed to these shares was 286,146,000 euros and its recognized value was 509,006,000 euros.
 - 3,334,615 SOLUNION SEGUROS shares, equivalent to 50% of its capital. The value contributed to these shares was 62,331,000 euros and its recognized value was 75,959,000 euros.
 - 7,880 LA FINANCIERE RESPONSABLE shares, equivalent to 24.95% of its capital. The value contributed to these shares was 535,000,000 euros and its recognized value was 402,000,000 euros.
 - 1,039,213 ABANTE shares, equivalent to 18.77% of its capital. The value contributed to these shares was 43,157,000 euros and its recognized value was 47,258,000 euros.

- There are no tax benefits for the transferring companies MAPFRE AM INVESTMENT HOLDING SAU and MAPFRE PARTICIPACIONES SA, for which MAPFRE SA must comply with certain requirements in accordance with the provisions of section 1 of Article 84 of Law 27/2014.

In March 2019, administrative authorization was obtained to carry out the total spin-off operation of the entity MAPFRE GLOBAL RISKS COMPAÑÍA DE SEGUROS Y REASEGUROS S.A., which had been agreed in 2018, in favor of the entities MAPFRE RE COMPAÑÍA DE REASEGUROS S.A., MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A., MAPFRE PARTICIPACIONES S.A. and MAPFRE GLOBAL RISKS AGENCIA DE SUSCRIPCIÓN S.A.U.

During fiscal year 2016, the merger by absorption of the companies MAPFRE AMÉRICA S.A. (absorbing company) and MAPFRE INTERNACIONAL S.A. (absorbed company) took place, with the company changing its name to MAPFRE INTERNACIONAL S.A.

Both operations were covered by the Special Regime foreseen in Chapter VII, Title VII of Corporate Tax Law 27/2014 of November 27, and the corresponding reports include mandatory accounting information regarding these operations.

On September 6, 2013, 100% of the shares of SEGUROS GERAIS held by MAPFRE INTERNACIONAL were spun off to MAPFRE FAMILIAR. MAPFRE S.A. is the sole partner of the companies involved in the operation. The corresponding notes contain mandatory accounting information concerning these operations.

On February 22, 2011, the capital of MAPFRE VIDA was increased via non-monetary contributions from the companies CAJA CASTILLA LA MANCHA VIDA Y PENSIONES DE SEGUROS Y REASEGUROS and UNIÓN DUERO COMPAÑÍA DE SEGUROS VIDA S.A.

On June 6, 2011, the capital of MAQUAVIT INMUEBLES, S.L.U. was increased via the contribution of the holding of the company MAPFRE QUAVITAE.

The 2011 annual report contains mandatory accounting information concerning these operations.

All the aforementioned operations were subject to the Special Regime of Chapter VIII, Part VII of Royal Legislative Decree 4/2004.

Up to 2008, the following merger operations were carried out, under the tax deferral regime established in the Corporate Tax regulations:

- Merger by absorption of MAPFRE-CAJAMADRID HOLDING DE ENTIDADES ASEGURADORAS S.A. by MAPFRE S.A.
- Merger by absorption of MAPFRE AUTOMOBILES, COMPAÑÍA DE SEGUROS Y REASEGUROS S.A., MAPFRE CAJA SALUD, COMPAÑÍA DE SEGUROS, S.A. and MAPFRE GUANARTEME, COMPAÑÍA DE SEGUROS DE CANARIAS S.A. by MAPFRE SEGUROS GENERALES, COMPAÑÍA DE SEGUROS Y REASEGUROS S.A. (which changed its company name to MAPFRE FAMILIAR, COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.).
- Merger by absorption of MAPFRE AGROPECUARIA, COMPAÑÍA DE SEGUROS Y REASEGUROS S.A. by MAPFRE EMPRESAS, COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.
- Merger by absorption of MAPFRE AMÉRICA VIDA S.A. by MAPFRE AMÉRICA S.A.

In 2008, the capital of MAPFRE INTERNACIONAL S.A. was increased via share contributions from the Turkish company GENEL SIGORTA.

In 2007, the capital of MAPFRE INTERNACIONAL S.A. was increased via contributions from the companies MAPFRE SEGUROS GERAIS, CATTOLICA and MAPFRE USA.

In 2006, a capital increase took place in MAPFRE INTERNACIONAL S.A. through the contribution of the Company's stake in MIDDLE SEA and MAPFRE ASIAN INSURANCE CORPORATION.

On January 31, 2003, there was a capital increase of MAPFRE RE in which the Company contributed the property located at Paseo de Recoletos 25, Madrid, which it had received in the global assignment of assets and liabilities of INCALBARSA, formalized on December 27, 2000.

In fiscal year 2001, the Company carried out a securities redemption operation through which shares in MAPFRE SEGUROS GENERALES, Compañía de Seguros y Reaseguros S.A. were contributed to a capital increase of MAPFRE-CAJA MADRID, Holding de Entidades Aseguradoras S.A.

In fiscal year 2000, the Company carried out business restructuring operations consisting of the contribution of shares in MAPFRE VIDA, Sociedad Anónima de Seguros y Reaseguros sobre la Vida Humana S.A., MAPFRE CAUCIÓN Y CRÉDITO, Compañía de Seguros de Reaseguros S.A., and MAPFRE SEGUROS GENERALES, Compañía de Seguros y Reaseguros S.A. to a capital increase of MAPFRE-CAJA MADRID Holding de Entidades Aseguradoras S.A.

In that same year, the global assignment of assets and liabilities of INCALBARSA S.A. was formalized in favor of the sole shareholder, CORPORACIÓN MAPFRE S.A.

Mandatory accounting information relating to the operations described above is contained in the report of the annual accounts for the years in which they were formalized.

All restructuring operations previously described were subject to the Special Deferral Regime provided for in Chapter VIII of Part VII of Royal Legislative Decree 4/2004, which approved the Recast Text of the Corporate Tax Law.

VAT Group

Since fiscal year 2010, and for the purposes of value added tax, the Company forms part of the VAT Group no. 87/10 formed by the controlling company, MAPFRE S.A., and those of its controlled companies that agreed to join the VAT Group when it was created.

In 2024, the following companies comprised VAT Tax Group No. 87/10:

MAPFRE S.A.
 MAPFRE INTERNACIONAL S.A.
 MAPFRE RE COMPAÑÍA DE REASEGUROS S.A.
 MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.
 MAPFRE VIDA S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA
 MAPFRE ASISTENCIA CIA INTERNACIONAL DE SEGUROS Y REASEGUROS S.A.
 BANKINTER SEGUROS DE VIDA S.A. DE SEGUROS Y REASEGUROS
 VERTI ASEGURADORA COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A
 MAPFRE TECH S.A.U.
 BANKINTER SEGUROS GENERALES, S.A. DE SEGUROS Y REASEGUROS.
 MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.
 MAPFRE ASSET MANAGEMENT SGIIC S.A.
 CENTRO DE EXPERIMENTACIÓN Y SEGURIDAD VIAL MAPFRE S.A.
 MAPFRE GLOBAL RISKS AGENCIA DE SUSCRIPCIÓN S.A.U
 SANTANDER MAPFRE SEGUROS Y REASEGUROS, S.A.
 MAPFRE INMUEBLES S.G.A., S.A.

13. Revenue and expenses

The following table shows the employee benefits paid by the Company in the last two fiscal years:

SOCIAL SECURITY CONTRIBUTIONS	AMOUNT	
	2024	2023
Social security	9,461	8,559
Contributions to pensions	6,399	6,505
Other employee benefits	6,919	7,383
TOTAL	22,779	22,447

Thousand euros

14. Provisions and contingencies

The following table shows the movement in the provisions recognized on the balance sheet for the last two fiscal years.

ITEM	OPENING BALANCE		INCREASES		DECREASES		CLOSING BALANCE	
	2024	2023	2024	2023	2024	2023	2024	2023
Long-term provisions								
Long-term employee benefit obligations	13,722	10,720	16,210	4,098	(954)	(1,096)	28,978	13,722
TOTAL	13,722	10,720	16,210	4,098	(954)	(1,096)	28,978	13,722

Thousand euros

As of December 31 of the last two fiscal years, "Long-term employee benefit obligations" primarily included:

- Defined benefit plans that are externalized, detailed in Note 16 of the Annual Report, amounting to 4,380,000 euros (4,455,000 euros in 2023).
- Long service bonuses, detailed in the recognition and measurement standards for "Personnel expenses," amounting to 3,458,000 euros (3,300,000 euros in 2023).
- Life insurance covering death between the ages of 65 and 77 years detailed in the note on measurement bases for "Personnel expenses," amounting to 713,000 euros (628,000 euros in 2023). The actuarial tables used in the last two years were PASEM-2020.
- Provisions corresponding to personnel objectives and incentives in the amount of 19,856,000 euros (4,717,000 euros in 2023)

At the close of the last two fiscal years, and up to the date these annual accounts were prepared, there was no evidence of the existence of contingent assets and contingent liabilities for significant amounts.

15. Environmental information

The Company did not have any environmental-related item in the last two fiscal years that might be significant or specifically included in these annual accounts.

16. Medium- and long-term employee remuneration and share-based payments

Long-term remuneration

The current defined benefit and defined contribution plans are measured as described in the recognition and measurement standards.

The amount corresponding to the expense for defined-contribution pension plans increased to 6,399,000 euros in 2024 (6,505,000 euros in 2023).

Existing defined benefit plans, all of them instruments taking the form of insurance policies underwritten by MAPFRE VIDA, are those in which the benefit is established based on final salaries, and entitling the beneficiary to a life annuity, tied to the annual consumer price index (CPI). They apply entirely to retired personnel.

A. Amounts recognized on the balance sheet

The reconciliation of the present value of the obligation arising from the defined benefit plans in the last two financial years is detailed in the accompanying table.

Item	2024	2023
Present value of obligation as on January 1	4,455	4,517
Interest cost	182	189
Fair value gains or losses	41	(46)
Benefits paid	(301)	(292)
Other items	3	87
Present value of obligation as on December 31	4,380	4,455

Thousand euros

The following table shows the reconciliation of the opening and closing balances of plan assets and the redemption rights for the last two fiscal years, the value of which corresponds to the mathematical provision for the policies externalizing commitments.

Item	2024	2023
Value of reimbursement right at January 1	4,455	4,517
Expected return from allocated assets	182	189
Actuarial gains and losses	41	(46)
Benefits paid	(301)	(292)
Other items	3	87
Value of reimbursement right at December 31	4,380	4,455

Thousand euros

B. Hypothesis

The main actuarial assumptions used at fiscal year-end were the PERM/F-2020 mortality tables and an annual CPI increase of 2.8% (3% in 2023), using an identical discount rate and expected return on assets as the products include cash flow matching.

Other medium-term remuneration and stock-based payments

On February 9, 2022, the Board of Directors of MAPFRE S.A. approved a new long-term incentive plan, described in valuation regulation 4.h.) The amount provisioned in the year for this Plan amounts to 15,139,000 euros.

Stock-based Remuneration Plan

The accompanying table shows information corresponding to the different remuneration plans in MAPFRE, S.A. shares, as reflected in Note 4.h.

Plan	Year	No. of employees	% of employees	Free shares awarded
2024	2025	202	37	No
2023	2024	145	29	No
2022	2023	129	27	No
TOTAL		476		

17. Subsequent events

There have been no significant events subsequent to fiscal year-end.

18. Related-party transactions

Below are the main transactions performed with related parties over the last two fiscal years.

Expenses and revenue	Group companies		Other related parties		TOTAL	
	2024	2023	2024	2023	2024	2023
1) Financial expenses	(4,530)	(995)	—	—	(4,530)	(995)
4) Leases	(3,452)	(3,212)	—	—	(3,452)	(3,212)
9) Other expenses	(26,184)	(30,569)	—	—	(26,184)	(30,569)
COSTS	(34,167)	(34,777)	—	—	(34,167)	(34,776)
10) Financial income	7	381	—	—	7	381
13) Dividends received	647,238	522,710	—	—	647,238	522,710
15) Provision of services	74,015	64,013	—	—	74,015	64,013
REVENUE	721,260	587,104	—	—	721,260	587,104

Thousand euros

Other transactions	Group companies		Other related parties		TOTAL	
	2024	2023	2024	2023	2024	2023
Financing agreements: Credits and capital contributions	6,319	35,193	—	—	6,319	35,193
Financing agreements: Receivables	202,000	89,500	—	—	202,000	89,500
Amortization or cancellation of credits	(241,500)	(67,532)	—	—	(241,500)	(67,532)
Dividends and other distributed profits	—	—	334,070	312,903	334,070	312,903

Thousand euros

The following transactions were carried out in 2024:

- Capital increase at Santander MAPFRE Hipoteca Inversa S.A. in the amount of 4,000,000 euros.
- Disbursement of 2,930,000 from the MAPFRE PRIVATE DEBT FIL fund, with 3,970,000 pending disbursement as at December 31.
- The pending disbursement of 940,000 euros from the MEAG EUR OFFICE S EOS SCSP SICAV RAIF fund was fully paid in 2024.
- On November 15, 2024, a corporate guarantee letter amounting to 35 million euros was signed, guaranteeing compliance with the economic obligations undertaken by Desarrollos Hospitalarios 2024 S.L. (a company in which MAPFRE ESPAÑA owns a 49.97% stake) with Azora Capital.

As at December 31, 2024, there was an outstanding disbursement on shares of ALMA MUNDI INSURTECH, amounting to 11,120,000 euros, such amount being unchanged compared to 2023.

On January 1, 2023, there was a first reduction in the share capital of the company MAPFRE ASISTENCIA for the waiver of outstanding contributions in the amount of 19,999,000 euros. Subsequently, on June 27, 2023, a second reduction in share capital was made for the return of contributions through the amortization of the Company's shares in the amount of 10,332,000 euros, as detailed in Note 18 of this report.

The following capital reduction was carried out in 2023 in Group and associate companies: 30,331,000 in MAPFRE ASISTENCIA, of which part of this contribution comes from an outstanding disbursement on shares worth 19,999,000 euros, with the balance in cash.

The following operations were also carried out:

- Settlement of MAPFRE CONSULTORES for an amount of 61,000 euros and a net profit of 128,000 euros.
- Capital increase at Santander MAPFRE Hipoteca Inversa S.A. in the amount of 4,000,000 euros.

The accompanying table shows the amount of balances receivable from and payable to Group companies at the close of the last two fiscal years.

Item	Assets		Liabilities	
	2024	2023	2024	2023
Loans and receivables	—	—	—	39,500
Tax group	83,224	66,724	224,874	272,571
Group billing	19,884	19,370	3,461	2,723
TOTAL	103,108	86,094	228,335	314,794

Thousand euros

For the last two fiscal years, there are no financial expenses associated with the drawdown on the CARTERA MAPFRE line of credit described in Note 8.

Transactions with related parties are related to the normal trading activities of the Company and were conducted according to market conditions.

Board of Directors and other Delegate Committees

The following table shows the remuneration paid out over the last two fiscal years to members of the Company's Board of Directors.

ITEM	AMOUNT	
	2024	2023
Short-term remuneration		
Salaries	1,936	2,551
Short-term variable remuneration	2,323	1,988
Fixed allowances	1,948	1,908
Travel, subsistence and accommodation allowances	21	27
Other items	114	252
Variable short-term remuneration	2,053	—
TOTAL	8,395	6,726
Life insurance	120	104

Thousand euros

The basic remuneration of external directors comprises an annual fixed amount for their membership of the Board of Directors, which totaled 110,000 euros in the last two fiscal years. In the last two fiscal years, the Vice Chairman-Lead Board Director received a fixed annual allocation of 220,000 euros. Members of the Steering Committee received 10,000 euros and a travel, subsistence and accommodation allowance per meeting of 3,000 euros in the last two fiscal years. The Chairperson of the Audit and Compliance Committee received remuneration of 70,000 euros in 2024 and 2023, and the remuneration for members of the Audit and Compliance Committee was 50,000 euros in 2024 and 49,000 euros in 2023. The Chairperson of a Steering Committee received remuneration of 62,000 euros in 2024 and 2023, and members of other sub-steering committees received 41,000 euros in 2024 and 40,000 euros in 2023. The Chairperson of the Risks and Sustainability Committee received 65,000 euros in 2023 and 2024, and members of this committee received 46,000 euros in 2024 and 45,000 euros in 2023.

Life insurance is also established in case of death, with an insured capital sum of 400,000, as well as some benefits granted to personnel, such as occupational illness insurance.

Executive directors receive the remuneration established in their contracts, which includes a fixed salary, incentives with varying amounts linked to results, life and disability insurance, and other general benefits established for the Group's staff. Contributions to defined benefit plans (including employee pension plans) amounted to 2,424,000 euros in 2024 (2,094,000 in 2023), and were recognized as expenses for the year, with the accumulated rights reaching 27,670,000 as at December 31, 2024 (30,235,000 euros in 2023).

Executive directors do not receive the fixed amount established for external directors.

Regarding short-term variable remuneration accrued in the current and previous years, at the close of 2024, 3,189,000 euros are pending payment (3,160,000 million euros in 2023)

In February, 2022, the Board of Directors of MAPFRE S.A. approved, as proposed by the Appointments and Remuneration Committee, an extraordinary annual bonus aimed at a key group in the Company, linked to the Auto Combined Ratio as well as the percentage of earned Premium Growth and the variation in incurred expenses (excluding Life Savings). The accrued amount for this additional short-term component for members of the Board of Directors reached 73,400,000 million euros in 2023.

The Board of Directors of MAPFRE S.A., at the proposal of its Appointments and Remuneration Committee, approved at its meeting on February 9, 2022, the Medium- and Long-term Incentive Plan 2022–2026. Consisting of three overlapping cycles, each with an objective measurement period of three years, it is aimed at certain key executives and professionals of the Company and Group companies. In 2022, the first overlapping cycle (2022–2024) was approved, while at the Board of Directors meeting of MAPFRE S.A. on February 8, 2023, the second overlapping cycle (2023–2025) was approved, and at the Board of Directors meeting on February 13, 2024, the third overlapping cycle (2024–2026) was approved, all following a proposal from the Appointments and Remuneration Committee. The amount provisioned for the members of the Board of Directors in 2024, corresponding to i) one-third of the second overlapping cycle (2023–2025), ii) one-third of the third overlapping cycle (2024–2026), and iii) the adjustment for both the variation in the share value of MAPFRE S.A. and the degree of achievement of the objectives, amounts to a total of 1.201 million euros, including both the cash portion and equity instruments (695,000 euros in 2023).

The basic remuneration for external directors is approved at the Annual General Meeting at the proposal of the Board of Directors and pursuant to the report issued by the Appointments and Remuneration Committee. The amount of the contractual remuneration for executive directors and the fixed payment for serving on the boards or on the steering committees is approved by the Board of Directors, subject to a report by the aforementioned committee.

The amount paid for third-party liability insurance premiums for directors due to damage caused by acts or omissions during the performance of their duties reached 500,000 euros (568,000 euros in 2023).

During the last two fiscal years, the Company's directors did not undertake any operations with the Company itself or with any other Group company, either outside the scope of the companies' ordinary trading activities or not at arm's length.

During the last two fiscal years, no conflicts of interest, either direct or indirect, arose between the directors or their related parties and the Company.

Senior Management

The remuneration paid to C-Suite in the last two years is shown below.

	2024	2023
No. of senior management members	9	7
Fixed remunerations	2,670	2,197
Variable remunerations	2,037	1,403
Other remuneration	487	295
Other medium-term variable remuneration	2,727	—
TOTAL	7,921	3,895
Life Insurance	56	49

Thousand euros

Additionally, as a contribution to defined contribution plans, 2,042,000 euros were recorded as expenses for the fiscal year in 2024 (1,991,000 euros in 2023), with accumulated rights amounting to 14,467,000 euros (12,070,000 euros in 2023).

With regard to the short-term variable remuneration accrued in this and previous fiscal years, at the close of fiscal year 2024, 2,832,000 euros were outstanding (2,129,000 euros in 2023).

In addition, other remuneration corresponding to non-recurring items amounting to 4,131,000 euros was accrued in 2024.

In 2022, the Board of Directors of MAPFRE S.A., at the proposal of the company's Appointments and Remuneration Committee, approved on February 9, 2022 an annual and extraordinary bonus aimed at a certain group and linked to the Auto Combined Ratio and jointly to the percentage of earned Premium Growth and the variation in incurred expenses (excluding Life Savings). The amount accrued for this additional short-term component for members of Senior Management in 2023 was 75,000 euros.

The Board of Directors of MAPFRE S.A., dated February 9, 2022 at the proposal of its Appointments and Remuneration Committee, approved a Medium and Long-term Incentive Plan 2022-2026 consisting of three overlapping cycles with a three-year objective measurement period each aimed at certain key executives and professionals of the Company and of Group companies. In 2022, the first overlapping cycle (2022-2024) was approved, while at the Board of Directors meeting of MAPFRE S.A. on February 8, 2023, the second overlapping cycle (2023-2025) was approved, and at the Board of Directors meeting on February 13, 2024 the third overlapping cycle (2024-2026) was approved, all of which were proposed by Appointments and Remuneration Committee. The amount provisioned for members of Senior Management in 2024, corresponding to i) one third of the second overlapping cycle (2023-2025), ii) one third of the third overlapping cycle (2024-2026) and iii) the adjustment for both the variation in the value of the MAPFRE S.A. share and the degree of fulfillment of the objectives amounts to a total of 1,473,000 (including both the part in cash and equity instruments (709,000 in 2023)).

19. Further information

The following tables show the average and year-end headcount during the last two years, by category and gender.

Average number of employees

ITEM	2024		2023	
	Men	Women	Men	Women
Board Directors and C-Suite	16	3	12	5
Senior Management	195	124	166	100
Advisors	86	109	102	125
Associates	7	31	6	32
TOTAL AVERAGE NUMBER OF EMPLOYEES	304	267	286	262

Number of employees at fiscal year-end

ITEM	2024		2023	
	Men	Women	Men	Women
Board Directors and C-Suite	16	3	13	5
Senior Management	204	139	173	105
Advisors	83	96	104	124
Associates	7	32	6	31
TOTAL NUMBER OF EMPLOYEES	310	270	296	265

The accompanying shows the average number of employees with a disability of 33% or more employed in Spain, along with the category they belong to.

ITEM	2024	2023
Senior Management	5	4
Advisors	3	3
Associates	2	2
TOTAL	10	9

The fees charged by the external auditors are shown below. It is deemed that these fees do not compromise their independence.

ITEM	AMOUNTS	
	2024	2023
Audit services	820	965
Other verification services	454	716
Other services	220	106
Total services of main auditor	1,274	1,681

Thousand euros

Other verification services include mandatory legal compliance services in Spain provided by KPMG Auditores, S.L. to the Company during fiscal year 2024, including the six-monthly review, the review of the Solvency and Financial Condition Report and the agreed procedures report on the description of the Internal Control System on Financial Independence. Furthermore, KPMG Auditores, S.L. billed the Company 220,000 euros for verification of the Non-Financial Information Statement and Sustainability Statement.

Information regarding the services provided by KPMG Auditores, S.L. to the companies linked by a control relationship to MAPFRE S.A. during the fiscal year ending December 31, 2024, can be found in the Annual Accounts of MAPFRE S.A. and its subsidiary companies as of December 31, 2024.

Details of payments made to providers in the last two years are shown in the accompanying tables.

ITEM	2024	2023
	Day	Day
Average provider payment period	13	13
Ratio of transactions paid	13	13
Ratio of transactions with payment outstanding	13	13
	Amounts	Amounts
Payments made	103,669	110,744
Payments pending	137	406
Total payments for the fiscal year	103,806	111,150

Thousand euros

The information on invoices paid in a period less than the maximum established in the default regulations is shown in the accompanying table.

ITEM	2022	2021
Monetary amount paid	103,669	110,744
Thousand euros		
Percentage of total monetary payments made to providers	99.87%	99.63%
Total number of invoices paid to providers	6,478	6,119
Percentage of the total number of invoices paid to providers	97.57%	96.85%

Appendix 1

Fiscal year 2024

Name	Legal form	Address	Activity	PARTICIPATION				Thousand euros								
				% Voting rights		Capital	Reserves	Other equity items	Earnings for the fiscal year		Book value	(Impairment) /Reversal in fiscal year	Accumulated impairment in fiscal year	Dividends received		
				Direct	Indirect				Direct	Indirect					Earnings from operations	Other earnings
MAPFRE Tech	S.A.U.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	IT	100.00	—	100.00	—	26,869	2,468	—	1,427	225	27,886	—	—	—
MAPFRE Internacional	S.A.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Holding	100.00	—	100.00	—	824,432	5,256,883	(1,675,442)	367,030	(101)	4,141,762	—	—	200,000
MAPFRE RE Cia. de Reaseguros	S.A.	Paseo de Recoletos 25, 28004 Madrid (Spain)	Reinsurance	94.43	—	94.43	—	342,165	1,812,402	(37,723)	325,271	—	1,023,175	—	—	127,008
MAPFRE Asistencia, Cia Internacional de Seguros y Reaseguros	S.A.	Sor Angela de la Cruz 6, 28020 Madrid (Spain)	Insurance and Reinsurance	100.00	—	100.00	—	135,129	82,179	(91,917)	10,416	(5,694)	73,792	14,726	283,781	3,260
MAPFRE Inmuebles	S.G.A., S.A.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Real Estate	10.00	90.00	10.00	90.00	593,474	(118,561)	—	2,540	(16,803)	49,964	(1,932)	57,037	—
MAPFRE Vida	S.A.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Insurance and Reinsurance	100.00	—	99.92	—	60,197	1,051,004	92,676	163,420	51,913	1,133,095	—	—	246,284
MAPFRE Investment	S.A.	Avda. 18 de Julio , 841 Montevideo (Uruguay)	Finance	100.00	—	100.00	—	5,571	7,595	(7,542)	—	2,104	4,658	—	—	139
MAPFRE Consultores de Seguros y Reaseguros	S.A.	Paseo de Recoletos 25, 28004 Madrid (Spain)	Advisory and Management Services	—	—	—	—	—	—	—	—	—	—	—	—	—
MAPFRE Inversión	S.A.	Crta. Pozuelo 50, Majadahonda, 28222 Madrid (Spain)	Securities	—	100.00	—	100.00	33,055	41,690	3,545	(13,792)	52,318	2	—	—	—
SOLUTION SEGUROS, CIA INTERNACIONAL S.A.	S.A.	Avda. General Perón 40, 28020 Madrid (Spain)	Insurance and Reinsurance	50.00	—	50.00	—	40,149	128,730	(18,678)	18,895	—	75,950	—	—	—
MAPFRE Asset Management	S.A.	Crta. Pozuelo 50, Majadahonda, 28222 Madrid (Spain)	Collective Investment Institutions Management	0.01	99.99	0.01	—	2,043	(6,176)	1,395	(10,823)	43,272	2	—	—	5
MAPFRE España	S.A.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Insurance and Reinsurance	100.00	—	100.00	—	564,624	1,168,038	(39,383)	143,447	8,112	3,563,024	—	—	69,511

The amounts for Equity Accounts and the results of the companies correspond to consolidated data.

Fiscal year 2024

Name	Legal form	Address	Activity	PARTICIPATION				Thousand euros									
				%		Voting rights		Capital	Reserves	Other equity items	Earnings for the fiscal year			Book value	(Impairment) /Reversal in fiscal year	Accumulated impairment in fiscal year	Dividends received
				Direct	Indirect	Direct	Indirect				Earnings from operations	Other earnings					
Desarrollos Urbanos, CIC	S.A.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Real Estate	0.08	99.92	0.08	99.92	383	8,035	—	675	(2,701)	7	(1)	56	—	
MGR Agencia de Suscripción	S.A.U.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Insurance and Reinsurance	100.00	—	100.00	—	60	1,964	—	-164	846	1,952	—	—	961	
Santander MAPFRE Hipoteca Inversa	S.A.	Calle Juna Ignacio Luca de Tena 11, 28027 Madrid (Spain)	Financial Intermediation	50.00	—	—	—	14,000	(4,268)	—	(3,548)	—	10,500	—	—	—	
LA FINANCIÈRE RESPONSABLE		Rue de Ponthieu 52, 75008 Paris (France)	Asset Management	51.00	—	—	—	1,169	693	—	(221)	—	1,470	—	—	70	
ALMA MUNDI INSURTECH FUND, FCRE	LTDA	Plaza de Santa Bárbara 2, 28004 Madrid (Spain)	Investment Fund	24.94	—	—	—	95,149	(29,110)	35,547	(4,455)	—	23,726	—	—	—	
ALMA MUNDI INSURTECH FUND II, FCRE	LTDA	Plaza de Santa Bárbara 2, 28004 Madrid (Spain)	Investment Fund	23.85	—	—	—	108,447	(4,625)	22	(3,159)	—	20,920	(549)	1,321	—	
MEAG EUR OFFICE S EOS SCSP SICAV RAIF	0	Rue Gabriel Lippmann 1c, L-5365 Munsbach, (Luxembourg)	Investment Fund	5.00	45.00	5.00	45.00	238,200	(18,892)	—	(583)	—	12,735	(1,133)	1,828	—	
MAPFRE PRIVATE DEBT FIL		Crta. Pozuelo 50, Majadahonda, 28222 Madrid (Spain)	Investment Fund	2.86	81.51	2.86	81.51	218,831	—	—	—	—	6,030	—	—	—	
Total													10,170,650	11,111.00	344,023	647,238	
Other investments													18				
Total investments in Group and associate companies													10,170,668				

The amounts for Equity Accounts and the results of the companies correspond to consolidated data.

Fiscal year 2023

Name	Legal form	Address	Activity	PARTICIPATION			Thousand euros								
				Direct	Indirect	Direct	Reserves	Other equity items	Earnings for the fiscal year		Book value	(Impairment)/Reversal in fiscal year	Accumulated impairment	Dividends received	
									%	Indirect					from operation
MAPFRE Tech	S.A.U.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Informática	100.00	—	100.00	—	26,869	1,071	—	(348)	1,787	27,886	240	—
MAPFRE Internacional	S.A.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Holding	100.00	—	100.00	—	824,432	5,256,819	(1,585,767)	233,783	(6,412)	4,141,762	—	90,000
MAPFRE RE Cia. de Reaseguros	S.A.	Paseo de Recoletos 25, 28004 Madrid (Spain)	Reaseguros	94.43	—	94.43	—	342,165	1,701,893	(98,739)	244,611	—	1,023,175	—	86,451
MAPFRE Asistencia, Cia Internacional de Seguros y Reaseguros	S.A.	Sor Angela de la Cruz 6, 28020 Madrid (Spain)	Insurance and Reinsurance	100.00	—	100.00	—	135,129	79,757	(94,875)	3,801	1,643	59,065	(10,295)	298,508
MAPFRE Inmuebles	S.G.A.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Real Estate	10.00	90.00	10.00	90.00	593,474	(106,045)	—	1,877	(15,346)	51,896	(1,219)	55,105
MAPFRE Vida	S.A.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Insurance and Reinsurance	100.00	—	100.00	—	60,197	1,071,967	69,941	173,860	51,446	1,133,100	—	270,203
MAPFRE Investment	S.A.	Avda. 18 de Julio , 841 Montevideo (Uruguay)	Finance	100.00	—	100.00	—	7,131	6,681	(6,808)	—	1,934	5,787	—	—
MAPFRE Consultores de Seguros y Reaseguros	S.A.	Paseo de Recoletos 25, 28004 Madrid (Spain)	Advisory and Management Services	50.00	50.00	50.00	50.00	—	—	—	19	(19)	—	—	—
MAPFRE Inversión	S.A.	Crta. Pozuelo 50, Majadahonda, 28222 Madrid (Spain)	Securities	0.01	99.99	0.01	99.99	33,055	72,166	1,286	(11,610)	46,337	2	—	1
SOLUNION SEGUROS, CIA INTERNACIONAL SA	S.A.	Avda. General Perón 40, 28020 Madrid (Spain)	Insurance and Reinsurance	50.00	—	50.00	—	40,149	115,748	(17,161)	13,220	—	75,950	—	—
MAPFRE Asset Management	S.A.	Crta. Pozuelo 50, Majadahonda, 28222 Madrid (Spain)	Collective Investment Institutions Management	0.01	99.99	0.01	99.99	2,043	(3,319)	1,165	(9,275)	37,142	2	—	5
MAPFRE España	S.A.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Insurance and Reinsurance	100.00	—	100.00	—	564,624	1,100,370	(61,374)	119,786	10,877	3,563,024	—	75,220
Desarrollos Urbanos	S.A.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Real Estate	0.08	99.92	0.08	99.92	383	1,943	—	637	(2,545)	1	(2)	55
MGR Agencia de Suscripción	S.A.U.	Crta. Pozuelo 52, Majadahonda, 28222 Madrid (Spain)	Insurance and Reinsurance	100.00	—	100.00	—	60	1,991	—	(290.00)	1,252	1,952	—	677
Santander MAPFRE Hipoteca Inversa	S.A.	Calle Juna Ignacio Luca de Tena 11, 28027 Madrid (Spain)	Financial Intermediation	50.00	—	—	—	13,000	(3,142)	—	(1,151)	—	6,500	—	—
LA FINANCIÈRE RESPONSABLE	0	Rue de Ponthieu 52, 75008 Paris (France)	Asset Management	51.00	—	—	—	1,169	992	—	—	—	1,470	—	153

The amounts for Equity Accounts and the results of the companies correspond to consolidated data.

Fiscal year 2023

Name	Legal form	Address	Activity	PARTICIPATION						Earnings for the fiscal year						Book value	(Impairment) /Reversal in fiscal year	Accumulated impairment	Dividends received
				%		Voting rights		Capital	Reserves	Other equity items	Earnings from operations	Other earnings							
				Direct	Indirect	Direct	Indirect												
ALMA MUNDI INSURTECH FUND, FCRE	LTDA	Plaza de Santa Bárbara 2, 28004 Madrid (Spain)	Investment Fund	24.94	—	—	—	95,149	(16,402)	40,770	—	—	—	23,351	—	—			
ALMA MUNDI INSURTECH FUND II, FCRE	LTDA	Plaza de Santa Bárbara 2, 28004 Madrid (Spain)	Investment Fund	23.85	—	—	—	93,266	(2,592)	281	(929)	—	21,469	(772)	772	—			
MEAG EUR OFFICE S EOS SCSP SICAV RAIF		Rue Gabriel Lippmann 1c, L-5365 Munsbach, (Luxembourg)	Investment Fund	5.00	45.00	5.00	45.00	238,200	(18,892)	—	(583)	—	13,205	(695)	695	—			
MAPFRE PRIVATE DEBT FIL		Crta. Pozuelo 50, Majadahonda, 28222 Madrid (Spain)	Investment Fund	2.86	86.15	2.86	86.15	177,078	—	—	—	—	3,100	—	—	—			
Total												10,152,697		(12,743)	355,135	522,710			
Other investments												24							
Total investments in Group and associate companies												10,152,721							

The amounts for Equity Accounts and the results of the companies correspond to consolidated data.

No companies are listed on the stock market.

INDIVIDUAL MANAGEMENT REPORT 2024

MAPFRE S.A.

INDIVIDUAL MANAGEMENT REPORT 2024

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MAPFRE S.A.

INDIVIDUAL MANAGEMENT REPORT 2024

MAPFRE S.A. (the "Company") is a Spain-registered company primarily focused on investing its funds in financial and real estate assets.

A. Key individual figures

Key income statement figures are as follows:

- Dividend revenue from Group companies amounted to 647.2 million euros, compared to 522.7 million euros in fiscal year 2023.
- Operating expenses amounted to 171.2 million euros, a 2.4% decrease on 2023.
- Financial income amounted to 3.9 million euros, compared to 9.7 million in the previous fiscal year.
- Financial expenses stood at 90.6 million euros, up 1.77% on the previous fiscal year.
- During the period, 3.6 million euros were allocated to, and 14.7 million euros were reversed from, impairment provisions for investments in Group and associate companies (compared to 12.7 million euros allocated in 2023).
- Earnings before tax for the fiscal year amounted to 464.9 million euros (against 332.9 million euros in 2023).
- A corporate tax rebate of 44.8 million euros was posted in 2024, compared with 37.9 million euros in 2023.
- Post-tax earnings stood at 509.6 million euros, up 37.43% on the previous fiscal year.

Key balance sheet figures are as follows:

MAPFRE S.A.'s shareholders' equity amounted to 7.74 billion euros, a year-on-year increase of 38.8 million euros, 0.50% of which is due to the difference between the profit for the year and the dividends paid during the year, which stood at 277.2 million euros, the final dividend for the 2023 fiscal year distributed in 2024, and 200.2 million euros for the interim dividend charged against 2024 earnings.

- Assets totaled 10.63 billion euros, of which 10.17 billion euros correspond to long-term investments in Group and associate companies, and 103.1 million euros to short-term investments.

B. Main activities

The main variations in the Company's financing sources during the 2024 fiscal year were as follows:

- Partial cancellations of loans with Group companies amounting to 48.5 million euros and disbursements totaling 9 million euros.
- Partial cancellation of the syndicated loan, due in October 2029, amounting to 614 million euros, and new disbursements totaling 619 million euros.
- A new bilateral credit line with Group companies, from which 193 million euros were drawn and fully repaid.

Investments in Group companies

During the fiscal year, the Company had the following expenditure in respect of investments in Group companies.

- Return of MAPFRE INVESTMENT contributions, amounting to 1.3 million euros.
- MEAG EUROP capital call for a total amount of 0.94 million euros and a return on contributions of 0.3 million euros.
- MAPFRE PRIVATE DEBT capital call for a total amount of 2.9 million euros.
- Capital increase of Santander MAPFRE Hipoteca Inversa for the amount of 4 million euros.

C. MAPFRE and its shareholders

THE MAPFRE SHARE

The following table shows the basic information on the MAPFRE share at the end of 2024.

Number of shares outstanding	3,079,553,273, fully subscribed and fully paid up.
Face value of each share	0.1 euros.
Type of share	Ordinary, represented by book entries. All outstanding shares carry identical voting and dividend rights
Stock exchange listings	Spanish stock market
ISIN code	ES0124244E34

According to data published by the Spanish stock market operator (BME Group), an average of 2,455,098 shares were traded daily in 2024, and the effective average daily transaction value was 5.5 million euros.

The company anticipates that a similar volume is likely being traded through alternative markets.

VALUE AND RETURN

The stock price has evolved as shown in the table below, compared to key benchmark indices such as the IBEX 35 and sectoral indices like the STOXX Europe 600 Insurance and IBEX 35 Banks.

	1 YEAR	2 YEARS
MAPFRE	25.9%	35.1%
STOXX Europe 600 Insurance	18.2%	28.5%
IBEX 35	14.8%	40.9%
IBEX 35 Banks	23.5%	57.8%

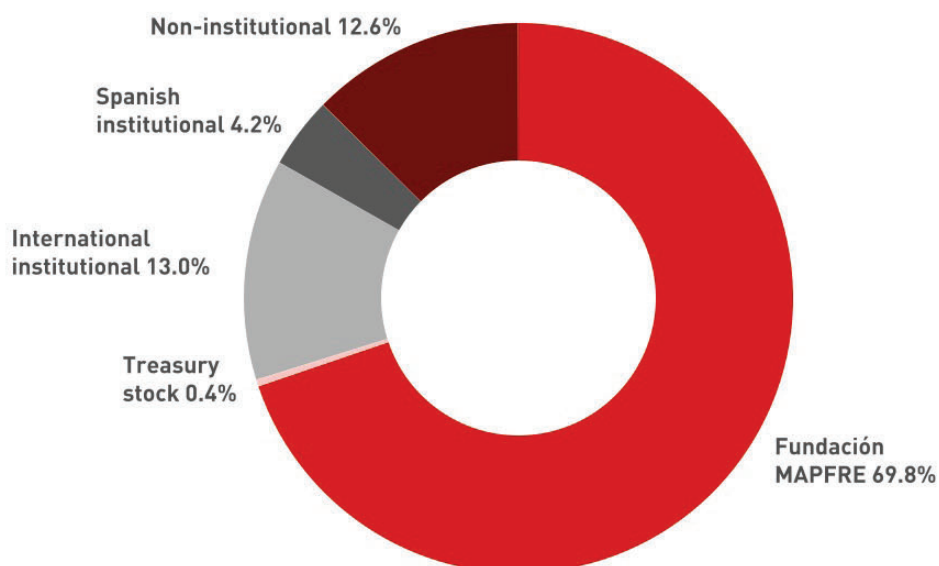
The main data relating to the MAPFRE share in the same period are shown in the accompanying table.

	2024	2023	Var. %
Market capitalization (million euros)	7,533	5,984	25.9%
Share price (euros)	2.446	1.943	25.9%
Book value per share (euros)	2.89	2.75	5.0%
Price/Book value	84.7%	70.7%	14.0 pp
Earnings per share (euros)	0.31	0.22	42.9%

SHAREHOLDER COMPOSITION

At the end of fiscal year 2024, MAPFRE had 198,995 shareholders (209,140 in 2023).

The following chart shows the breakdown of the shareholder composition.



DIVIDEND

On November 29, 2024, the interim dividend charged against 2024 earnings was paid at 0.0653 euros per share before tax (0.0603 euros gross in 2023), after the amount corresponding to treasury stock had been applied to the remaining shares on a proportional basis. The total dividend paid out in the year was 0.155 euros per share, giving a total remuneration of 477.3 million euros (446.5 million in 2023).

The final dividend for fiscal year 2024 to be proposed at the Annual General Meeting is 0.095 euros per share before tax. Consequently, the total dividend against fiscal 2024 amounts to 0.16 euros per share before tax, representing a payout ratio of 50.9% (68.2% in fiscal 2023).

Dividend payments made during the fiscal year and the dividend yield, calculated on an average share price basis, are shown in the accompanying table.

	2024	2023
DIVIDEND PER SHARE (euros)	0.155	0.145
DIVIDEND YIELD	6.9%	7.7%

ANALYST COVERAGE

According to analyst reports covering MAPFRE, the target price for the company's stock is €2.64 as of the date of this report. As of December 31, 2023, the target price was €2.30.

The majority of analysts recommend buying (53%), while the rest suggest holding (27%) or selling (20%).

D. Environment

In 2024, MAPFRE made continued progress on the objectives outlined in the Environmental Footprint Plan, resulting in a 25% reduction in the Group's footprint compared to the 2022 baseline. These objectives, as well as the actions necessary to achieve them, are included in the Sustainability Plan 2024–2026 to ensure the aligned and coordinated action of all MAPFRE Group companies in this area.

As part of the Corporate Greenhouse Gas (GHG) Compensation Strategy, MAPFRE has neutralized its carbon footprint in 10 countries: Germany, Brazil, Spain, Italy, Mexico, Peru, Portugal, Puerto Rico, Turkey, and the U.S.A., through projects focused on reforestation, avoided deforestation, and regenerative agriculture. These efforts contribute to nature restoration and biodiversity preservation.

The circular economy remains a vital solution in responding to the current economic and climate challenges. MAPFRE has received AENOR Zero Waste Regulation for its international offices in Mexico and Brazil, as well as its offices at Calle General Perón, 40, in Madrid. The certifications for the Group's headquarters in Majadahonda, Madrid, and the Monte del Pilar Training Campus (Madrid) have also been maintained.

Detailed environmental information can be found in the Sustainability Statement (Section 2: Environmental Information).

E. Acquisition and disposal of treasury stock

Purchase and sale transactions involving MAPFRE S.A. shares, where appropriate, comply with the provisions of the Internal Code of Conduct regarding Listed Securities issued by MAPFRE, the Regulation on market abuse and Circular 1/2017 of the Spanish National Securities and Exchange Commission.

In fiscal year 2024, 29,727 shares were delivered to subsidiary directors, and a negative impact in the amount of 1,177.20 euros was registered (compared to a negative impact of 9,715.99 euros in 2023). This has been included under the heading "Other reserves."

Additionally, 2,899,347 shares were delivered under the Stock-based Remuneration Plan of MAPFRE S.A., as described in "Valuation Standards" Note 4.h., with a positive impact of 380,279.35 euros, which has been included under the "Other Reserves" heading.

At the close of the fiscal year, the Company owned 12,200,024 treasury stocks (15,129,098 in 2023), which represented 0.3962% of capital (0.4912% in 2023) at an average rate of 2.09 euros per share over the last two fiscal years.

The total face value of the treasury stock acquired was 1,220,002 euros (1,512,910 euros in 2023).

F. Human resources

The following tables show the average and year-end headcount during the last two years, by category and gender.

Average number of employees

ITEM	2024		2023	
	Men	Women	Men	Women
Board Directors and C-Suite	16	3	12	5
Management	195	124	166	100
Advisors	86	109	102	125
Associates	7	31	6	32
TOTAL AVERAGE NUMBER OF EMPLOYEES	304	267	286	262

Number of employees at fiscal year-end

ITEM	2024		2023	
	Men	Women	Men	Women
Board Directors and C-Suite	16	3	13	5
Management	204	139	173	105
Advisors	83	96	104	124
Associates	7	32	6	31
TOTAL NUMBER OF EMPLOYEES	310	270	296	265

The accompanying table shows the average number of employees with a disability of 33% or more employed in Spain, along with the personnel category they belong to.

ITEM	2024	2023
Management	5	4
Advisors	3	3
Associates	2	2
TOTAL	10	9

MAPFRE is a global company built on the continuous effort of the 30,585 people who are at the heart of our people management strategy, the pillars of which are development, promotion, and well-being.

MAPFRE has a Capability Transformation plan in place, the main objective of which is to identify and develop the necessary knowledge for the business in the short and medium term, in addition to improving employability with development plans, career plans, training itineraries, upskilling, reskilling and retention plans.

All countries define succession plans up to the third organizational level. These plans have a common methodology that defines immediate, short-term and medium-term replacement, as well as the professional tracks in order to prepare potential successors.

The promotion, selection and mobility selection policy sets out a series of principles of equal opportunities, inclusion, transparency, equity and recognition.

MAPFRE establishes appropriate and competitive remuneration according to the function/job position, merits, and performance. This remuneration is based on applicable regulations while guaranteeing equality and nondiscrimination. The remuneration model focuses on productivity and the generation of added value, with flexibility to adapt to the different groups and circumstances of an increasingly demanding talent market.

MAPFRE has a transparent Compensation Policy, which is known to all employees, whereby remuneration is a source of motivation and satisfaction that allows the objectives set to be achieved and the strategy to be met within the framework of the company's long-term interests.

To make good on its Sustainability Plan 2022–2024, MAPFRE committed to reducing its gender pay gap to within +/-1% by the end of 2024. Therefore, in 2023, the methodology for calculating the equal pay gap, verified in 2018 by the consulting firm Ernst & Young (EY), continued to be applied.

MAPFRE is a diverse, equal, and inclusive group that has a Diversity and Equal Opportunities Policy and a Diversity, Inclusion, and Equity Strategy, called Inclusion for Sustainable Growth, in place. People from five different generations coexist in the company, contributing and deploying all their talent and complementing each other with equal opportunities.

Both the aforementioned policies and the other corporate policies are available to the workforce on the Global Intranet.

Since February 2020, MAPFRE has been a signatory to the United Nations Women's Empowerment Principles and in 2021, 2022 and 2023 MAPFRE was included in the Bloomberg GEI (Gender Equality Index). MAPFRE is committed to ensuring that by the end of 2024, women represent 34% of the management group. At December 31, 2024, 34.2% of the management group were women.

MAPFRE promotes the integration of people with disabilities into the workplace and committed to 3.5 percent of its employees being people with disabilities. In 2024, 4.2% of the global workforce had some kind of disability.

The objective of the Policy on Health, Well-being and Prevention of Occupational Risks is to promote a safe and healthy work environment and improve the health of employees and their families, both inside and outside the workplace. The Global Healthy Company Management Model implemented worldwide includes five areas of action: work environment, health promotion, physical activity and diet, mental well-being and work environment.

The Human Rights Policy guarantees the right to freedom of opinion, information and expression, respecting the diversity of opinions within the company and promoting dialog and communication, as well as the right to a safe and healthy working environment in which any manifestation of harassment and violent or offensive behavior toward the rights and dignity of people is rejected.

A cultural reactivation plan has been developed that focuses on aligning all people in MAPFRE with purpose and values. For this reason, the claim of the strategic plan has been called: WE ARE AND DO MAPFRE.

The main objective of the cultural reactivation plan is to generate excitement and strengthen commitment, bringing together the reason for being and the purpose of MAPFRE: "We care about what matters to you," so that everyone in MAPFRE cares for clients, colleagues and society.

Further information is provided in section 3.1. "Own Personnel" in the Sustainability Statement.

G. External audit

Professional fees charged by the external auditor are shown below. It is deemed that these fees do not compromise the independence of the auditors.

ITEM	AMOUNTS	
	2024	2023
Audit services	820	965
Other verification services	234	610
Other services	220	106
Total services of main auditor	1,274	1,681

Thousand euros

Other verification services include mandatory legal compliance services in Spain provided by KPMG Auditores, S.L. to the Company during fiscal year 2024, including the six-monthly review, the solvency review and the agreed procedures report on the description of the Internal Control System on Financial Independence. Furthermore, KPMG Auditores, S.L. billed the Company 220,000 euros for verification of the Non-Financial Information Statement and Sustainability Statement.

Information regarding the services provided by KPMG Auditores, S.L. to the companies linked by a control relationship to MAPFRE S.A. during the fiscal year ending December 31, 2024, can be found in the Annual Accounts of MAPFRE S.A. and its subsidiary companies as of December 31, 2024.

H. Governing bodies

At the Annual General Meeting held on March 15, 2024, Ms. María Leticia de Freitas Costa, Ms. Rosa María García García, and Mr. Eduardo Pérez de Lema Holweg were re-elected as directors.

Antonio Miguel-Romero de Olano resigned as a member of the Board of Directors, Steering Committee, the Audit and Compliance Committee, Appointments and Remuneration Committee and the Risk and Sustainability Committee of MAPFRE S.A., effective July 3, 2024, having reached the maximum limit of permanence on the Board of Directors and its delegate bodies, as provided for in the corporate governance regulations of MAPFRE S.A.

At the meeting of the Board of Directors on June 26, 2024, Mr. José Luis Perelli Alonso was appointed as a member of the Board of Directors of MAPFRE S.A., in the category of independent director, through the co-option procedure, with effect from July 4, 2024, to fill the vacancy created by the departure of Mr. Antonio Miguel-Romero de Olano. Likewise, at the same meeting, Mr. Perelli Alonso was nominated as a member of the Audit and Compliance Committee of MAPFRE S.A.

Additionally, at the meeting of the Board of Directors of MAPFRE S.A. held on October 28, 2024, it was agreed to appoint, following a favorable report from the Appointments and Remuneration Committee, Mr. Antonio Gómez Ciria as member of the Steering Committee, Mr. José Luis Perelli Alonso as member of the Risk and Sustainability Committee, and Ms. Ana Isabel Fernández Álvarez as member of the Appointments and Remuneration Committee, in all cases with effect from January 1, 2025.

During the 2025 fiscal year, the terms of independent directors Ms. Ana Isabel Fernandez Álvarez and Mr. José Luis Perelli Alonso (who was appointed through the co-option procedure on the previously mentioned date) will expire. The Appointments and Remuneration Committee has proposed the reelection of both directors for submission to the Annual General Meeting.

Likewise, during fiscal year 2025, the term of office of Mr. Francisco José Marco Orenes will expire, whose reelection as nominee director is proposed to the Annual General Meeting. In addition, it is proposed to appoint Mr. José Luis Jiménez Guajardo-Fajardo as the new executive board director, replacing Mr. Fernando Mata Verdejo, who will step down as executive director of MAPFRE with effect from the holding of the next Annual General Meeting, on the occasion of his retirement. The proposals for the appointment of Messrs. Marco Orenes and Jiménez Guajardo-Fajardo both received favorable reports from the Appointments and Remuneration Committee.

I. Average provider payment period

Details of payments made to providers in the last two years are shown below.

ITEM	2024 Day	2023 Day
Average provider payment period	13	13
Ratio of transactions paid	13	13
Ratio of transactions with payment outstanding	13	13
	Amounts	Amounts
Payments made	103,669	110,744
Payments pending	137	406
Total payments for the fiscal year	103,806	111,150
Thousand euros		

The information on invoices paid in a period less than the maximum established in the default regulations is shown in the accompanying table.

ITEM	2022	2021
Monetary amount paid	103,669	110,744
Thousand euros		
Percentage of total monetary payments made to providers	99.87%	99.63%
Total number of invoices paid to providers	6,478	6,119
Percentage of the total number of invoices paid to providers	97.57%	96.85%

J. Research, development, and innovation

INNOVATION

Innovation is a core value at MAPFRE and an integral part of its strategy, business model, and culture. It enables the development of products and solutions that address evolving customer needs in a rapidly changing, technology-driven environment impacting individuals, businesses, and society.

MAPFRE OPEN INNOVATION (MOi) is MAPFRE's strategic commitment to boost client-centered transformation. With it, the company aims to foster innovation carried out by and for people. As an open innovation platform, MOi forms partnerships with other players and leverages emerging technologies. For MOi, adding value to MAPFRE is as important as contributing to the progress toward a more prosperous, just, and egalitarian society. Since 2019, more than 4.4 million clients have benefited from solutions originating from this model, in terms of both insurance operations (contracting or benefits) and relational and aspirational aspects, addressing major social issues. MAPFRE has collaborated with approximately 150 startups, and over 30 active projects are currently underway, solidifying MAPFRE's relationship with entrepreneurs in the insurance sector and its position as a leader in insurance innovation. MAPFRE has managed to attract the best projects in their class, signing agreements with some of the most valued startups and the top insurtech solutions in the market.

As part of our commitment to venture capital investment associated with the insurance industry, MAPFRE participates as the main investor in the venture capital fund Alma Mundi Insurtech, managed by Mundi Ventures. Fund I, with 100 million euros, has already entered the divestment phase. Fund II, launched in early 2022 with a target size of 250 million euros, has already raised 162 million euros and made 21 investments, earning recognition as the largest insurtech fund in Europe.

In 2024, MAPFRE has continued focusing on and allocating resources to growth initiatives in strategic areas identified as significant opportunities for the future of the insurance business. Some areas of opportunity we've been working on in 2024 include health and well-being, new mobility solutions, and emerging risks such as those related to climate change, cybersecurity, and artificial intelligence (AI). At the same time, this year we have continued to work on transformation initiatives that promote efficient operations and an improved user experience, automating processes such as claims processing, image appraisal, and document management.

Delving further into some of the areas mentioned:

- In the field of Cyber Protection, work continues on developing comprehensive solutions that address the needs of SMEs in relation to cyber risks. Additionally, proposals are being formulated in homeowners protection, incorporating both services and cyber insurance for families.
- Concerning Climate Risks, advanced solutions are being tested that enable a more precise assessment of risks and their future projections under different climate change scenarios. Various opportunities are also being explored for climate risk-related products and services across sectors such as Business, Life, and Homeowners. One such initiative involves the development of parametric climate index insurance as a complement to traditional insurance policies.
- In the area of Responsible Artificial Intelligence (RAI), efforts have focused on defining governance mechanisms to ensure the safe deployment of AI within MAPFRE, as well as the tools and frameworks needed to assess and manage AI-related risks for each application. MAPFRE's multidisciplinary team (including MOi) has conducted an extensive search and selection process for startups capable of assessing AI risks, running proof of concepts, and launching a more expansive pilot with one of the selected startups. This pilot has identified, evaluated, and developed mitigation strategies for the risks associated with various AI models currently in use at MAPFRE. These tools also ensure compliance with AI regulations in countries where such laws are in place (e.g., the EU AI Act, NIST standards, etc.). Regarding Generative AI, a "scenario planning" exercise was undertaken to identify potential future growth opportunities and strategic actions for MAPFRE. The exercise examines trends and the future evolution of generative AI to create four possible scenarios outlining how the mass adoption of this technology might impact the behavior of users, businesses, and society at large. The study, which has garnered widespread attention both nationally and internationally, has been published on MAPFRE's website under the title "Exploring Tomorrow: The Role of Insurers in a Society Shaped by Generative AI".

The Center for Experimentation and Road Safety (CESVIMAP) has implemented the following initiatives:

- It has expanded its understanding of automotive cyber risks in collaboration with companies such as Innotec Security and DEKRA, and through organizing a public demonstration on vehicle cyberattacks in partnership with the Automotive Security Research Group in Málaga, Spain.
- Its research into the repair, recovery, and recycling of batteries from accident-damaged electric vehicles has earned 11 awards, recognizing its efforts in reducing the environmental impact of lithium-ion batteries. Additionally, CESVIMAP has worked with suppliers to integrate battery health assessments into the value proposition of electric vehicle insurance policies.
- With the adoption of electric vehicles, CESVIMAP has introduced advanced technologies such as high-definition 3D scanning of accident sites, enabling MAPFRE to recreate and analyze various accident scenarios, including fires. This allows the identification of key risks and their consequences.

Lastly, for the 2022-2024 period, MAPFRE OPEN INNOVATION set a target to benefit 3.0 million customers through its products and services. As a result, the total number of customers reached by initiatives developed in the last three years has now surpassed 3,129,054 (924,361 in 2024, 1,191,996 in 2023, and 1,012,697 in 2022).

K. Environmental, social and governance factors and risks

The Sustainability Statement of the Consolidated Management Report provides extensive information on the Group's ESG risk management.

L. Other risks and uncertainties

With regard to the material and emerging risks facing the Group, extensive information is available in the Sustainability Statement of the Consolidated Management Report.

The Group is reasonably protected by maintaining a strategic line based on:

- Technical rigor in risk underwriting and claims management, and a lower expense level than the market average.
- Conservative policy in the management of investments with the application of sustainability criteria to generate a positive impact on the environment and society.
- Maintaining a reasonable level of indebtedness and liquid assets, which mitigates potential liquidity and debt refinancing problems under adverse conditions.
- Continuous analysis of client needs and flexible processes to adapt the supply of products and services to demand.

In turn, the Group and its companies are subject to the risk-based management requirements established in the Solvency II regulation. This regulation establishes the minimum amount of capital resources that companies must have in order to be authorized to operate the types of capital resources admissible in under the regulation and the available capital. Therefore, maintaining a high solvency ratio in the Group is its main protection measure against the risks it faces.

M. Non-financial information

The Company is exempt from the obligations established in Law 11/2018 of December 28 for the preparation of the statement of non-financial information and from the obligations set out in paragraphs 1 to 4 of Article 19 bis of Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 with regard to the presentation of sustainability information.

The information regarding the consolidated non-financial statement and the consolidated financial information of the Company, along with the verification report, is included in the Sustainability Statement of the MAPFRE Group's Consolidated Management Report, whose parent company is MAPFRE S.A. This report will be filed, together with the Consolidated Annual Accounts, with the Madrid Commercial Registry. This information can be found on the website of MAPFRE S.A.: www.mapfre.com/información-financiera/.

N. Significant events for the company occurring after the fiscal year-end

No significant events took place after the fiscal year-end.

O. Outlook

2025 is expected to bring significant uncertainty due to various open and latent risks. Open risks include geopolitical tensions (Ukraine, the Middle East, and Taiwan), geoeconomic issues (BRICS, oil, etc.), and economic challenges (the Chinese real estate crisis, the U.S. office rental crisis, and Germany's industrial slump). Latent risks include financial risks stemming from known issues, such as U.S. banks' bond portfolios with unrealized losses, as well as risks related to debt or contagion from the aforementioned factors.

In terms of growth, global growth (3.0%), U.S. growth (1.8%), and Spanish growth (2.1%) are expected to remain positive but more moderate compared to 2024. Some recovery is anticipated in Germany (0.9%), the UK (1.5%), and Japan (1.1%), which all experienced a challenging 2024. In Latin America, overall improvement is expected (2.0%), except for Brazil (2.0%), which is in a later stage of its economic cycle and is tightening monetary policy to counter rising inflation. Brazil's estimated growth for 2024 is 2.5%.

Inflation continued to moderate throughout 2024 and is expected to continue decreasing in the future. However, prices are currently about 20% higher than in 2020 in the U.S. and 21% higher in the Eurozone.

Most central banks began reducing interest rates in 2024, aligning with moderating inflation, with Brazil and Japan being notable exceptions, where rates are rising. These monetary policy trends are expected to continue in 2025, though risks will need to be closely monitored, whether due to economic slowdown or inflationary pressures. The risk of policy missteps in monetary policy is high, primarily due to the delayed impact on the economy. In the United States, recent data show labor market weakness (fewer job openings), but labor data tends to be a lagging indicator. A more forward-looking indicator could be the U.S. interest rate curve, which has become positively sloped again—historically a signal of potential recession.

Despite this, central scenario forecasts do not predict a recession. Instead, global growth is expected to moderate slightly, which could be seen as a success of combining restrictive monetary policies with expansive fiscal policies.

Once this central scenario is confirmed, risks in both directions should still be considered. In the United States, Congress will need to address fiscal sustainability in the coming years, as the deficit and debt are on an alarming trajectory, according to the Congressional Budget Office, the Federal Reserve, the IMF, and credit rating agencies. That said, weaknesses persist in the office real estate sector, and how this may spread to the banking sector, especially among mid-sized banks, should be monitored. These banks are already facing significant unrealized losses in their bond portfolios.

In China, significant risks remain in the real estate markets and in the region's debt, with implications for the financial sector. The Chinese government has announced new stimuli to contain contagion effects, but there is uncertainty about how effective these measures will be.

In Germany, Europe's industrial muscle is showing signs of strain, not only from rising energy costs but also due to a decline in industrial production over the past five years. The automotive and chemicals sectors face competitive challenges, compounded by broader trends of industrial offshoring.

In Japan, the weakness of the yen and the impact of interest rate hikes on the economy and currency stability must be closely monitored. For example, interest rate hikes in August 2024 raised the cost of yen-denominated loans, reducing the appeal of carry trades (borrowing in yen to invest in other currencies). Promises to continue raising interest rates to defend the exchange rate could significantly affect international investment flows.

Geopolitically, tensions remain high in Ukraine and the Middle East. The potential for change under the next U.S. administration and its ability to influence these situations will be crucial. China's support for Russia is a critical issue, as is the strengthening of military alliances among non-Western countries, particularly through the Shanghai Cooperation Organization (SCO). These developments have implications for the stability of Asia and the broader world.

The Taiwan issue remains a key geopolitical flashpoint, with China asserting its sovereignty and the U.S. supporting Taiwan's autonomy. Although a military conflict has long been a possibility, China has been expanding its military activities in the region, indicating that this option remains open. An escalation in tensions could disrupt global supply chains, especially in the semiconductor sector.

On the geoeconomic front, it remains to be seen how the U.S. administration's planned imposition of tariffs will play out. In Europe, there are also discussions about imposing tariffs on Chinese cars. Such tariffs could result in a redesign of global supply chains and potentially lead to a broader trade war.

Moreover, an alignment is emerging among countries in the Global South, under the BRICS initiative, aimed at increasing trade among these nations and using their own currencies. This is seen as a response to the dollar's dominance in Western markets. Notably, in the past two years, the dollar's share of international transactions has increased, while the euro has lost some ground, particularly after Europe stopped importing energy from Russia due to sanctions.

On a positive note, there are potential favorable developments in the scenarios, which could include: (i) confirmation that large economies can achieve a “soft landing”, allowing positive growth momentum to continue; (ii) governments maintaining expansive fiscal policies without causing significant concerns in debt markets; (iii) resolutions in ongoing military conflicts, leading to better international relations; (iv) China successfully mitigating existing risks and continuing with its expansionary economic cycle; (v) the United States finding a way to reactivate its private sector in a way that aligns with fiscal recovery efforts.

P. Annual Corporate Governance Report

The Annual Corporate Governance Report for the year 2024, as required by Article 538 of Royal Decree Law 1/2010, of July 2, approving the Consolidated Text of the Companies Act, forms an integral part of this Consolidated Management Report and is subject to the same approval, deposit, and publication criteria as this Consolidated Management Report. It is available for inspection on the website of the Spanish National Securities and Exchange Commission (CNMV),

<https://www.cnmv.es/portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=1&nif=A08055741>, or on the website of MAPFRE, www.mapfre.com

Q. Annual Report on Board Director Remuneration

The Annual Report on Remuneration of Directors for the year 2024, as required by Article 538 of Royal Decree Law 1/2010, of July 2, approving the Consolidated Text of the Companies Act, is an integral part of this Consolidated Management Report and is subject to the same approval, deposit, and publication criteria. It is available for inspection on the website of the Spanish National Securities and Exchange Commission (CNMV),

<https://www.cnmv.es/portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=6&nif=A08055741>, or on the website of MAPFRE, www.mapfre.com.

The Individual Annual Accounts for MAPFRE S.A. (the "Company"), on the preceding pages 1 to 54 herein, and the Individual Management Report on the preceding pages 55 to 68 herein, corresponding to the financial year 2024, were ratified by the Board of Directors at its meeting held on February 11, 2025. The Board Members declare that, as far as they are aware, the aforementioned accounts have been prepared in accordance with the applicable accounting principles and offer a true and fair view of the equity, financial situation, and results of the Company and the companies comprising the consolidation as a whole. Likewise, the Management Report includes a true and fair view of the development of the results and of the position of the Company and of the Group, and broadly informs, along with the Consolidated Annual Report, of the risks and uncertainties they face.

Mr. Antonio Huertas Mejías
Chairman and CEO

Ms. María Amparo Jiménez Urgal
Member

Mr. José Manuel Inchausti Pérez
First vice chairman

Mr. Francisco J. Marco Orenes
Member

Ms. Catalina Miñarro Brugarolas
Second vice chairwoman

Ms. María Pilar Perales Viscasillas
Member

Mr. Fernando Mata Verdejo
Third vice chairman

Mr. José Luis Perelli Alonso
Member

Ms. Ana Isabel Fernández Álvarez
Member

Mr. Eduardo Pérez de Lema Holweg
Member

Ms. María Leticia de Freitas Costa
Member

Ms. María Elena Sanz Isla
Member

Ms. Rosa María García García
Member

Mr. Francesco Paolo Vanni d'Archirafi
Member

Mr. Antonio Gómez Ciria
Member

Mr. José Miguel Alcolea Cantos
Non-director secretary

DILIGENCE to establish, in line with articles 253.2 of the Recast Text of the Companies Act and 366.1.2 of the Mercantile Registry Regulations, that María Amparo Jiménez Urgal has excused herself from attending the meeting due to an unavoidable conflict, expressly delegating her representation and vote to Ms. Catalina Miñarro Brugarolas.

In Madrid, on February 11, 2025.

José Miguel Alcolea Cantos – Secretary to the Board of Directors