

APPOINTMENTS AND REMUNERATION COMMITTEE REPORT REGARDING
ITS COMPOSITION AND FUNCTIONING IN FISCAL YEAR 2023

**APPOINTMENTS AND REMUNERATION COMMITTEE REPORT TO
THE BOARD OF DIRECTORS OF MAPFRE S.A. REGARDING ITS
COMPOSITION AND FUNCTIONING IN FISCAL YEAR 2023**

The Appointments and Remuneration Committee is the delegate body of the Board of Directors of MAPFRE S.A. (hereinafter the "Company") for undertaking the functions of appointment, dismissal and reelection of Board Directors and Senior Managers of MAPFRE S.A. and its Group, and for establishing their remuneration.

Its governing regulations are contained in Article 23 of the Bylaws and in Article 11 of the Regulations for the Board of Directors.

1. Composition

The Appointments and Remuneration Committee should consist of a minimum of three and a maximum of five Board Directors, all non-executive and at least two of whom should be Independent Board Directors. The Chairman should be an Independent Board Director and the Secretary is the Secretary of the Board of Directors.

As on December 31, 2023, the Appointments and Remuneration Committee included the following Board Directors¹:

Name	Position	Category
Ms. Catalina Miñarro Brugarolas	Chairwoman	Independent
Ms. Rosa María García García	Member	Independent
Ms. María Amparo Jiménez Urgal	Member	Independent
Mr. Antonio Miguel-Romero de Olano	Member	Nominee

¹ At the meeting of the Board of Directors held on October 26, 2023, Ms. María del Pilar Perales Viscasillas (independent board director) was appointed as a member of the Committee, effective January 1, 2024.

2. Duties

The Appointments and Remuneration Committee has the following duties in accordance with Article 11 of the Regulations for the Board of Directors:

- a) To evaluate the balance of skills, knowledge, and experience required on the Board of Directors, defining the functions and responsibilities required of the candidates to fill each vacancy accordingly, and decide the time and effort necessary for them to perform their functions properly.
- b) To establish a representation objective for the less-represented gender on the Board of Directors and create orientations regarding how to reach said objective.
- c) To submit to the Board of Directors any proposals for the appointment of Independent Board Directors so that they may be designated by co-opting or so that they may be subject to the decision of the Annual General Meeting, as well as proposals for reappointment or dismissal, and to report on cases related to proposals that affect the remaining Board Directors.
- d) To notify proposals for the appointment and dismissal of Senior Managers and their basic contractual conditions.
- e) To examine and organize the succession of the Chairman of the Board of Directors and, where appropriate, make the corresponding proposals to the Board so that said succession occurs in an orderly and well-planned manner.
- f) To propose to the Board of Directors the remuneration policy for Board Directors and general managers or anyone who performs senior management duties under the direct control of the Board, the Steering Committee, or the Managing Directors, as well as the individual remuneration and other conditions of the contracts of Executive Directors, ensuring their enforcement.
- g) To propose to the Board of Directors the candidates for appointment as FUNDACIÓN MAPFRE Trustees whose appointment is the responsibility of the Company.

- h) To authorize the appointment of External Directors in the other Group companies.

3. Functioning

As laid down in the Regulations for the Board of Directors, the Appointments and Remuneration Committee meets whenever necessary in order to appropriately perform its functions and, to this end, the Senior Manager supervising the Human Resources Division will be in attendance.

During the 2023 fiscal year, the Committee met four times, whereby the main topics addressed were as follows:

- **Appointment and reelection of directors:**

In compliance with the current Board Director Appointment Policy, the Appointments and Remuneration Committee completed the nomination processes and made proposals to the Board of Directors to reelect two Independent Board Directors and to appoint one Independent Board Director, and it reported to the Board of Directors with regard to the proposals to reelect one Executive Board Director and one Nominee Director and to appoint two Executive Board Directors.

To this effect, the Appointments and Remuneration Committee contributed toward analyzing the needs of both the Company and the Group and to assessing prestige and suitability, avoiding at all times any implicit bias that may imply discrimination, especially with regard to the selection of candidates of one gender or the other.

In each case, the Committee assessed the personal and professional qualities of the candidates and took the need for a diverse set of profiles on the Board into account, so as to enable suitable balance and diversity in terms of training, experience, age, gender and nationality.

Furthermore, and in accordance with the provisions established in current legislation, the Appointments and Remuneration Committee analyzed the suitability of the members of the Board of Directors to be a part of said body, assessing the existence of circumstances that may affect their personal and professional prestige.

The Committee has also reported favorably on the proposals for appointments and dismissals of external directors of MAPFRE Group companies.

- **Assessment of the Chairman of the Board and CEO**

As already known, in fiscal year 2022, Deloitte Legal S.L.P. was hired as an external adviser for the evaluation of the functioning of the Board and its committees as well as the Chairman of the Board. The Appointments and Remuneration Committee, based on the report prepared by the external consultant Deloitte Legal, S.L.P., conducted the evaluation process of the Chairman of the Board of Directors of MAPFRE S.A.

The Appointments and Remuneration Committee, following the appropriate analysis, deemed the conduct of the CEO and Chairman of the MAPFRE S.A. Board of Directors in fiscal year 2022 to be very satisfactory, both in said capacity and in the capacity of the Group's most senior management representative, in all aspects: dedication to the role, fulfillment of the institutional principles established in the rules of good governance; performance of the functions of providing high institutional representation of the company and direction of the activities of its Board of Directors and delegate bodies, inherent to the position of Chairman and CEO; and performance of the executive C-Suite of the Group's activities.

- **Compensation Policy**

The Appointments and Remuneration Committee issued a favorable report on the Compensation Policy for Board Directors 2023–2025, for its submission by the Board of Directors to the Annual General Meeting, which was approved at the meeting held on March 10, 2023.

The Appointments and Remuneration Committee also issued a favorable report on the MAPFRE Group Solvency II Compensation Policy for approval by the Board of Directors.

- **Short-term variable remuneration**

The Appointments and Remuneration Committee issued a favorable report on the proposed establishment of an additional component in short-term variable remuneration for Executive Board Directors and members of senior management for fiscal year 2023, linked to two independent objectives: (i)

Global Automobile Combined Ratio and (ii) growth percentages of earned premiums and change in charged expenses (excluding Life savings).

- **Second overlapping cycle 2023-2025 of the Medium-Long Term Incentives Plan**

For the purposes of its approval by the Board of Directors, the Appointments and Remuneration Committee gave a favorable report on the proposed objectives and amounts for the second overlapping cycle 2023-2025 of the Extraordinary Medium- and Long-Term Incentives Plan, which cannot be consolidated and multi-year comprising three overlapping cycles with a three-year objective measurement period each (2022-2024, 2023-2025 and 2024-2026).

- **Remuneration of Board Directors**

In compliance with its competences and within the framework of the Compensation Policy for Board Directors approved by the Annual General Meeting held on March 10, 2023, the Appointments and Remuneration Committee made a proposal for the remuneration of Board Directors in their capacity as such, and the contractual conditions, including remuneration, for Executive Board Directors corresponding to the 2023 financial year, for their approval by the Board of Directors.

- **Annual Report on Board Director Remuneration**

The Appointments and Remuneration Committee issued a favorable report for the Annual Report on Remuneration for Board Directors corresponding to the 2022 financial year, for its submission on a consultation basis by the Board of Directors to the Annual General Meeting, and which was approved at the meeting held on March 10, 2023.

- **Senior Management Appointments**

The Appointments and Remuneration Committee analyzed the proposals for appointments and dismissals for members of the MAPFRE S.A. and MAPFRE Group senior management, issuing a report on said appointments and dismissals to be submitted for approval by the competent MAPFRE Group administrative bodies in each case.

- **Contract conditions for members of Senior Management:**

The Committee analyzed, and submitted to the Board of Directors, the proposals for the applicable contractual conditions, including fixed and variable remuneration, corresponding to the 2023 financial year for members of senior management in the MAPFRE Group, under the terms provided for in the MAPFRE Group Compensation Policy.

- **Pension commitments**

The Committee analyzed and submitted to the Board of Directors, where appropriate, the proposals and modifications to the applicable pension commitments of the members of the MAPFRE Group senior management.

- **Remuneration and key personnel of MAPFRE INVERSIÓN SOCIEDAD DE VALORES, S.A. and MAPFRE ASSET MANAGEMENT, S.G.I.I.C.**

In accordance with current legislation, the Company's Appointments and Remuneration Committee performs functions related to remuneration for MAPFRE INVERSIÓN SOCIEDAD DE VALORES, S.A. and MAPFRE ASSET MANAGEMENT, S.G.I.I.C., S.A. To this effect, it issued a favorable report for the remuneration of key personnel from these companies in financial year 2023 and the list of persons comprising this category.

- **Appointment and re-election of FUNDACIÓN MAPFRE trustees**

In accordance with the provisions of the Regulations of the Board of Directors, the Appointments and Remuneration Committee proposed to the board the appointment of one Trustee.

- **Report on the structure and functioning of the Committee in 2022**

The Appointments and Remuneration Committee prepared a report on its composition and operation during the 2022 financial year.

- **Flexible share-based remuneration plan in 2024**

The Appointments and Remuneration Committee reported favorably on the proposal to approve a flexible share-based remuneration plan for MAPFRE employees in 2024.

- **Board of Directors' Competency Matrix**

The Appointments and Remuneration Committee has approved an update to the MAPFRE Board of Directors' Competency Matrix, which defines the skills and knowledge of its members.

4. 2023 Assessment

The assessment was carried out based on the review of the corporate information and the self-assessment questionnaires carried out by each board director.

The result of the Appointments and Remuneration Committee's assessment on composition and operation in 2023 was very positive and did not give rise to any observations or suggestions for improvement from its members.

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The Appointments and Remuneration Committee has therefore unanimously agreed to submit this report to the MAPFRE S.A. Board of Directors so that the latter may evaluate the operation of the Committee during 2023 based on the report content.

Madrid, February 7, 2024
Committee Secretary

Ángel L. Dávila Bermejo