

## **REGULATIONS OF THE BOARD OF DIRECTORS OF MAPFRE S.A.**

February 9, 2022 (with effects as of March 11, 2022)

## CONTENTS

### INTRODUCTION

### SECTION I. BOARD OF DIRECTORS

#### CHAPTER I: FUNCTIONS AND DUTIES

- Article 1. Basic functions.
- Article 2. Non-delegable duties.

#### CHAPTER II: COMPOSITION

- Article 3. Quantitative composition.
- Article 4. Qualitative composition.
- Article 5. Roles and functions

#### CHAPTER III: APPOINTMENT AND DISMISSAL OF DIRECTORS

- Article 6. Appointment and reelection of Directors.
- Article 7. Dismissal of Directors.

#### CHAPTER IV: FUNCTIONING OF THE BOARD OF DIRECTORS

- Article 8. Meetings.

### SECTION II. STEERING COMMITTEE AND DELEGATED COMMITTEES

#### CHAPTER I: STEERING COMMITTEE

- Article 9. Functions, composition, and procedure for meetings.

#### CHAPTER II: AUDIT AND COMPLIANCE COMMITTEE

- Article 10. Functions, composition, and procedure for meetings.

#### CHAPTER III: APPOINTMENTS AND REMUNERATION COMMITTEE

- Article 11. Functions, composition, and procedure for meetings

#### Chapter IV: RISK AND SUSTAINABILITY COMMITTEE

- Article 12. Functions, composition, and procedure for meetings.

#### CHAPTER V: WORKING REGIME OF THE STEERING COMMITTEE AND DELEGATED COMMITTEES

- Article 13. Meetings.

## **SECTION III. OTHER STATUTORY BODIES**

### **CHAPTER I: EXECUTIVE COMMITTEE**

- Article 14. Functions and composition.

## **SECTION IV. RIGHTS AND OBLIGATIONS OF THE DIRECTORS**

- Article 15. Right and duty of information.
- Article 16. Expert assistance.
- Article 17. Duty of diligence.
- Article 18. Duty of loyalty.
- Article 19. Other duties.
- Article 20. Remuneration of Directors.

## **SECTION V. RELATED-PARTY TRANSACTIONS**

- Article 21. Regime applicable to related-party transactions.

## **SECTION VI. RELATIONS OF THE BOARD OF DIRECTORS**

- Article 22. Relations with shareholders.
- Article 23. Relations with markets.
- Article 24. Corporate website.
- Article 25. Relations with the external auditor.

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## INTRODUCTION

These Regulations are established in compliance with the legislation in force. They are intended to set in motion the rules of internal regime and operation of the MAPFRE S.A. Board of Directors (hereinafter, the “Company”), in accordance with legal and statutory provisions, to ensure its proper administration.

For these Regulations, the **MAPFRE Group or Group** is understood as the group of companies comprising MAPFRE S.A., as a parent company, and its subsidiaries and dependent companies, in line with the provisions of Article 5 of the Consolidated Text of the Spanish Securities and Exchange Law.

The Board of Directors is responsible for ensuring that all Group business activities are carried out in accordance with its institutional, corporate, and organizational principles, as approved by this Board, with the ultimate aim of creating sustainable value for its shareholders. MAPFRE defines itself as a trusted global insurance company that strives to constantly improve services and develop the best possible relationships with its clients, distributors, providers, shareholders, and society in general. The Group implements and promotes the corporate values of Solvency, Integrity, Vocation for Service, Innovation for Leadership, and a Committed Team.

## **SECTION I. BOARD OF DIRECTORS**

### **CHAPTER I. FUNCTIONS AND DUTIES**

#### **Article 1. Basic functions**

1. In accordance with legal and statutory provisions, the Board of Directors is the body in charge of managing, administering, and representing the Company. As a result, it has full powers of representation, disposition, and management, and its acts are binding on the Company, with no further limitation than the express powers of the Annual General Meeting according to the Law and with these Bylaws.

It is the Company's main decision-making and supervisory body and the supervisory body of all subsidiary companies. At the same time, day-to-day management is carried out by the Company's management and executive bodies and by the relevant corporate bodies of the aforementioned subsidiary companies.

It may delegate as many powers as it deems appropriate, except those that may not be delegated as per law or the Bylaws.

2. It may create within itself a Steering Committee and Delegated Committees to better perform its functions, as well as delegate all or some of its powers to its members and grant powers of attorney to the parties it sees fit to appoint, subject to the exceptions and limits provided for by law, the Bylaws, and Article 2 of these Regulations.

It establishes the rules for the operations of the Steering Committee, Delegated Committees, and the Executive Committee, sets their powers, and freely appoints and removes their members, except for those who are Ex-officio members due to their positions.

#### **Article 2. Non-delegable duties**

The Board of Directors may not delegate the following powers:

1. Determining the general policies and strategies of the Company, in particular:
  - a) Performance Objectives and Strategic Plans for their achievement.

- b) Annual Revenue Budgets, Expenses and Results, and Annual Forecasts of Financial Position and Assets.
  - c) Definition of the Group's structure.
  - d) Investment and Financing policy.
  - e) The policy for identifying, managing, and controlling risks, including tax risks, and supervising internal information and control systems.
  - f) The corporate governance policy of the Company and the Group.
  - g) The corporate sustainability policy.
  - h) The dividend policy.
  - i) The policy related to treasury stock.
  - j) Determining the Company's tax strategy.
2. Approving the financial information that, as a listed company, the Company must publish on a regular basis.
  3. Approving the creation or acquisition of shareholdings in companies with a special purpose or companies that are registered in countries or territories considered to be tax havens, as well as any other transactions or operations of a similar nature.
  4. Authorizing related-party transactions, following a report from the Audit and Compliance Committee, unless their approval corresponds to the Annual General Meeting or has been delegated, under the terms set forth in current legislation.
  5. Formulating the following for each fiscal year:
    - a) The Management Report and the Annual Financial Statements of the Company.
    - b) The Management Report and the Consolidated Annual Financial Statements of the Company and its subsidiaries and dependent companies.
    - c) The Group's Integrated Report.
    - d) The Annual Corporate Governance Report and Directors' Remuneration Report.

- e) Any other reports that cannot be delegated in accordance with the law, the company's Bylaws, and these Regulations.
6. Supervising the process of preparation and presentation of financial information and the management report, which shall include, where appropriate, mandatory non-financial information, and submitting recommendations or proposals to the administrative body aimed at safeguarding its integrity.
  7. Authorizing investments or operations of any kind that are of a strategic nature or have a special tax risk due to their high amount or special characteristics, unless the Annual General Meeting must approve them.
  8. Promoting the approval and, if necessary, the modification of the Regulations of the Annual General Meeting.
  9. Convening the Annual General Meeting, drawing up the agenda for the meeting, and submitting the corresponding proposals concerning the various matters within its competence.
  10. Making decisions concerning its organization and functioning.
  11. Supervising the effective functioning of any Committees it has set up and the performance of any delegated bodies and directors it has appointed.
  12. Where applicable, granting authorization or waiver of the obligations derived from the duty of loyalty of the Directors in accordance with the provisions of the legislation in force.
  13. Appointing and dismissing the members of the delegated bodies and, where applicable, the Managing Directors and executives who report directly to the Board or any of its members, and establishing the terms of their contracts, including their compensation.
  14. Adopting decisions regarding the remuneration of Directors within the statutory framework and the compensation policy approved by the Annual General Meeting.
  15. Ensuring compliance with the MAPFRE Group's institutional and business principles, taking the decisions it deems appropriate at any given time.

When duly justified urgent circumstances occur, the delegated bodies or persons may adopt decisions corresponding to the aforementioned matters provided for in the

legislation in force, and such decisions must be ratified at the first meeting of the Board of Directors held after the adoption of the decision.

## **CHAPTER II. COMPOSITION**

### **Article 3. Quantitative composition**

The Board of Directors will be composed of the number of members determined by the Annual General Meeting and within the limits established by the company's Bylaws, either directly or indirectly, as per the Annual General Meeting resolutions on appointing dismissing Directors.

### **Article 4. Qualitative composition**

1. Directors must meet the following requirements:

a) **Professional qualifications**

A university degree or five years' experience administrating, managing, overseeing, or advising financial or insurance entities subject to the rules and supervision of the Public Administration, or in functions involving a similar level of responsibility in other public or private entities of a similar size and with similar requirements to those of the Company.

b) **Personal, professional, and commercial ethics**

- Longstanding compliance with the commercial laws and other laws regulating business activity and operations, as well as good sales, financial, and insurance practices.
- A clean criminal record in terms of crimes against freedom, assets, or the socioeconomic order; against collective security; against the Administration of Justice; or for any kind of falsehood.
- Must not be disqualified from exercising public, administrative, or management positions in financial or insurance companies.
- Must not be disqualified under the Bankruptcy Law until the period of disqualification has expired.



c) Capacity and compatibility

- Must have no involvement in legal incompatibility, incapacity, or prohibition proceedings in accordance with law.
- Must not possess significant shareholdings, nor provide professional services to companies competing with the Company or with any Group company, nor be an employee, senior manager, or director thereof, unless otherwise expressly authorized by the Board of Directors.
- Must have no relationship (up to the second degree), including by affinity, with members of the Boards of Directors, executives, managers, or employees in active service of any Group company.<sup>1</sup>
- Must not be members of more than four Boards of Directors of entities not belonging to the Group, except for personal or family companies.
- Must not be involved in an insurmountable situation of conflict of interest.
- Must have no involvement in circumstances whereby their membership on the Company's Board of Directors could endanger the Company's interests.

d) Age

- Must not have reached the age of 70.

2. In exercising its powers, the Board of Directors shall endeavor to ensure that External Directors represent an ample majority over Executive Directors when composing the Board of Directors. Likewise, it shall seek to ensure that the number of Independent Directors be at least a third of the total number of Directors.

The following definitions will apply under the legally envisaged terms:

- Executive Directors: those who perform management functions in the Company or the Group.

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<sup>1</sup> This prohibition is not applicable to supervening situations or, temporarily, to situations existing prior to the incorporation of this rule into the company's Bylaws.

- External directors:
  - Nominee Directors: those who have a shareholding equal to or greater than that legally considered significant or who have been designated as shareholders, even if their shareholding does not reach such amount, as well as those who represent the aforementioned shareholders.
  - Independent Directors: those who, having been appointed on the basis of their personal and professional qualifications, may perform their functions without being conditioned by relationships with the Company or the Group, its major shareholders, or its executives.

Under no circumstances may persons in any of the following circumstances be considered as independent directors:

- a) Anyone who has been an employee or executive director of a Group company, unless 3 or 5 years have elapsed since the termination of that relationship.
- b) Anyone who receives any amount or benefit for anything other than the director's remuneration, unless it is not significant for the director, from the Company, or its Group,
- c) In the past three years, anyone who has been a partner of the external auditor or responsible for the audit report, whether it concerns the audit during said period of the Company or of any other Group company.
- d) Anyone who is an executive director or senior manager of another company in which an executive director or senior manager of the Company is also an external director.
- e) Anyone who, during the past year, maintains or has maintained a significant business relationship with the Company or any Group company, either in their own name or as a significant shareholder, director, or senior manager.
- f) Anyone who is a significant shareholder, executive director, or senior manager of an entity that, during the past 3 years, receives or has received donations from the company or its group.
- g) Anyone who is a spouse, person linked by an analogous marriage-like relationship, or relative up to the second degree of an executive director or senior manager of the Company.

- h) Anyone who has not been proposed, either for appointment or renewal, by the Appointments and Remuneration Committee.
- i) Anyone who has been a director for a continuous period of more than 12 years.
- j) Anyone in any of the situations indicated in letters a), e), f), or g) above concerning any significant shareholder or shareholder represented on the Board. In the case of the kinship relationship indicated in letter g), the limitation will apply to the shareholder and nominee directors in the investee company.

The nature of each Director will be explained by the Board of Directors in the proposal for appointment or reappointment during the Annual General Meeting or, where applicable, in their appointment by co-option. If exceptionally, any Director cannot be included in one of the aforementioned categories, the Board shall explain such circumstance and the person's links with the Company or the Group, its executives, or its shareholders.

## Article 5. Roles and functions

### 1. Chairman

The Chairman of the Board represents the Company and has the role of the most senior management representative. Their appointment requires the favorable vote of two-thirds of the Board of Directors.

As the person responsible for the efficient operation of the Board of Directors, the Chairman of the Board of Directors convenes, presides over, and directs the Board's meetings, ensuring that the Directors receive sufficient information in advance on the items on the agenda and stimulating debate and active participation from all Directors while safeguarding their freedom to take a position. This figure also orders the fulfillment of the Board's resolutions and exercises the other functions assigned to it by law and the company's Bylaws.

In the event of the death or incapacity of the Chairman, the First Vice-Chairman (or whoever fits the role in accordance with the provisions of the following section) shall automatically and temporarily assume the duties of the Chairman. They shall convene the necessary meetings of the Appointments and Remuneration Committee and the Board of Directors so that a new Chairman is appointed within thirty days of the beginning of the interim period.

## 2. Vice-Chairmen

The Board of Directors may designate as many Vice-Chairmen as it considers necessary from among its members.

In the order established in their appointment or, where not applicable, by order of seniority in office, the Vice Chairmen replace the Chairman in the event of absence, illness, or by the latter's express delegation. Otherwise, the Chairman will be replaced by the director oldest in age.

## 3. Managing Director

The Board of Directors may appoint one or more Managing Directors from among its members, who shall supervise the Company's performance.

The Board shall establish in the appointment resolution itself—and may subsequently modify it as many times as it deems appropriate—their rules of procedure and the powers delegated to them by the Board, which shall be recorded in a public deed.

## 4. Coordinating Director

The Board of Directors, with the abstention of the Executive Directors, shall appoint a Coordinating Director from among the Independent Directors, who will be especially empowered to convene the Board of Directors or include new points in the agenda from a Board meeting already convened, coordinate and bring together the non-executive Board Directors, and, if required, direct the periodic evaluation of the Chairman of the Board of Directors.

## 5. Secretary and Vice-Secretary

On the Chairman's behalf, the Secretary shall sign notices of Annual General Meetings and meetings of the Board of Directors, compile minutes of the meetings, keep the minutes books at the registered office, and draw up the necessary certifications. If the Secretary is absent, their place will be taken by the Vice-Secretary, or in the Vice-Secretary's absence, by the youngest Director among those present.

The Secretary shall assist the Chairman in their duties and ensure the proper functioning of the Board of Directors and its Steering Committees and Delegated Committees, providing the members of said bodies with the necessary advice and

information. In any case, the Secretary shall ensure the formal and material legality of the actions of the aforementioned governing bodies and their compliance with the company's Bylaws and other internal regulations and shall guarantee that their procedures and rules of action are respected and regularly reviewed.

The Vice-Secretary, when such a position exists, shall assist the Secretary and shall substitute them in case of absence. Unless otherwise decided by the Board of Directors, the Vice-Secretary may attend the meetings to assist the Secretary in drafting the minutes.

### **CHAPTER III. APPOINTMENT AND DISMISSAL OF DIRECTORS**

#### **Article 6. Appointment and reelection of Directors**

1. Board Members will be appointed or reappointed by resolution of the Annual General Meeting or, provisionally, by co-optation by the Board of Directors in accordance with the Law and the company's Bylaws.
2. Proposals for appointing and re-appointing directors are made by the Appointments and Remuneration Committee when concerning Independent Directors, and by the Board of Directors when concerning Nominee Directors and Executive Directors.
3. The persons to whom the above-mentioned agreements and proposals concern must make a true and complete Prior Statement of their personal, family, professional, and business circumstances, stating:
  - a) Individuals or companies that are considered to be related parties based on current legislation.
  - b) Circumstances that could imply a cause of incompatibility in accordance with the law, the Bylaws, and these Regulations, or a situation of conflict of interest.
  - c) Any other professional obligations, if they will detract from the necessary dedication to the post.
  - d) Criminal proceedings in which the party is accused or charged.
  - e) Any other relevant matters or situations which may affect the Director's performance.

This declaration, which will include all data and circumstances which must appear on the corporate website in accordance with the provisions of these Regulations, must be made on the form provided for such purposes by the Company and must include express acceptance of the regulations set out in the company's Bylaws and other internal regulations, as well as in current legislation.

The Director is obliged to keep the content of their Prior Statement permanently updated and, therefore, must communicate any significant change in their situation concerning what is declared therein and update it periodically when required to do so by the Company's governing bodies.

4. The formulation of proposals for appointment or reappointment by the Board of Directors must be preceded:
  - a) In the case of Nominee Directors, by a suitable proposal of the shareholder backing their appointment or reappointment.
  - b) In the case of Executive Directors, as well as the Secretary, whether or not a director, by a suitable proposal from the Chairman of the Board of Directors.

Both types of proposals must also be preceded by the corresponding report from the Appointments and Remuneration Committee.

5. In the event of reappointment, the proposal or report by the Appointments and Remuneration Committee must include a performance evaluation of the Director during their mandate and, where appropriate, of the candidate on the Board, taking into account or assessing the amount and quality of the work done by them, as well as their commitment to the position.
6. In any case, the proposals for appointment and reappointment of Directors must be accompanied by an explanatory report from the Board which assesses the responsibility, experience, and merits of the proposed candidate.

#### Article 7. Dismissal of Directors

1. Directors shall hold office for the term established in the company's Bylaws.
2. Directors appointed by co-optation shall hold office until the first Annual General Meeting convened after the date on which the vacancy occurs, without prejudice to their reappointment, as the case may be, by the General Meeting.

3. In any case, Directors shall cease to hold office at the age of 70, at which point they must submit the corresponding resignation. The Chairman, Vice-Chairmen, and Directors who perform executive functions, as well as the Secretary of the Board, must retire from office on reaching 65 years of age or, on any earlier date according to the terms and conditions of their respective contracts, submitting the corresponding resignations. Nevertheless, they may continue as members of the Board without any executive duties for a maximum of five years in the same conditions as External Nominee Directors.
4. All Directors must resign from their position on the Board of Directors and any office held, such as on the Steering Committee and Delegated Committees, and tender their formal resignation should the Board of Directors deem it pertinent, in the following cases:
  - a) When they are removed from the executive office associated with their appointment as members of these governing bodies.
  - b) When they become subject to any disqualification or prohibition laid down under law.
  - c) When they are accused of (or a court issues an order for the opening of a trial for) allegedly committing any crime or are involved in disciplinary proceedings involving a serious or very serious fault at the instance of the supervisory authorities.
  - d) When they receive a serious warning from the Audit and Compliance Committee due to infringement of their obligations as directors.
  - e) When they are affected by circumstances in which their remaining on any such management bodies might cause damage to the company's credit or reputation or place its interests at risk. When such events or circumstances are well-known or public, the Appointments and Remuneration Committee, by agreement of the majority of its members, may request the resignation of the respective Director.
  - f) When the reasons (if any expressly exist) for which they were appointed cease to apply.

Resignation from these positions must be formally tendered in a letter addressed to all members of the Board of Directors.

5. Directors who, at the time of their appointment, do not hold any executive position or perform any executive functions in the company, or in another Group company, will not be able to perform any executive functions unless they first resign their directorship, even though they may subsequently remain eligible for the position.
6. Nominee directors must also tender their resignation when the shareholder that appointed them sells their shareholding.

When a shareholder reduces their shareholding, a proportionally equivalent number of nominee directors that they have appointed must resign.

7. Independent Directors must also tender their resignation when they have held office for 12 consecutive years.

The Board of Directors shall not propose to the Annual General Meeting that any Independent Director be dismissed from office before the end of the term for which they have been elected unless the Board of Directors considers, based on a report from the Appointments and Remuneration Committee, that there are grounds for doing so. In particular, the dismissal proposal will be deemed justified when the Director has failed to comply with the duties inherent to the position, has not complied with any requirement set forth for Independent Directors, or has incurred in an insuperable conflict of interest according to the provisions of current legislation.

8. When, whether by resignation or otherwise, a Director leaves before the end of their term, they shall explain the reasons for resigning in a letter addressed to all members of the Board of Directors.
9. Directors who resign, or leave for any other reason, may not provide services, for two years, to another entity whose corporate purpose is similar to that of the MAPFRE Group companies in which they have performed their duties.

## **CHAPTER IV. FUNCTIONING OF THE BOARD OF DIRECTORS**

### **Article 8. Meetings**

1. The Board of Directors shall hold as many meetings as necessary to decide on the matters that fall within its competence, including those submitted for its consideration by the Chairman, the other governing bodies of the Company, or any of the Directors, and to recognize, and approve where applicable, the main issues tackled and resolutions adopted by the Steering Committee, the Delegate



Committees, and the Executive Committee. It shall hold at least one quarterly meeting and eight meetings per year.

Unless there are special reasons that justify otherwise, the meetings of the Board of Directors must not be held on the same day as the meetings of the Executive Committee. This ensures that each body will give the necessary attention to discussing the matters within its competence, even when there are matters to be considered by both bodies.

2. The call for the meeting must always include the agenda, as established by the Chairman, and must be accompanied by the duly prepared information on the matters to be discussed. When, in exceptional circumstances and as a matter of urgency, the Chairman wishes to submit decisions or resolutions that are not part of the agenda to the Board of Directors, prior and express consent must be obtained from the Directors present, which must be duly recorded in the minutes.

The Chairman may authorize the attendance of Directors at meetings of the Board via audiovisual, telephonic, or similar means, provided that such means allow the recognition of the persons attending and intercommunication, as well as intervention and the casting of votes, all in real time and simultaneously.

The Chairman shall take the appropriate measures to ensure that the Directors receive sufficient information on the matters on the agenda in advance of the meeting, organize the debates, encourage all Directors to participate in the deliberations, and ensure that all may freely adopt and express their position and vote on the different matters submitted for consideration by the Board.

3. The Board shall prepare an annual plan of ordinary sessions. It shall annually evaluate the quality of its work, the performance of the Chairman, based on the report submitted to this effect by the Appointments and Remuneration Committee, and the functioning of its Steering Committee and Delegated Committees. Furthermore, it shall propose, if appropriate, an action plan to correct any deficiencies detected.
4. Under the terms established in current legislation, Directors must abstain from attending and participating in deliberations and voting on decisions that affect them personally and in cases of conflict of interest.

## **SECTION II. STEERING COMMITTEE AND DELEGATED COMMITTEES**

### **CHAPTER I. STEERING COMMITTEE**

#### **Article 9. Functions, composition, and procedure for meetings**

1. The Steering Committee is the delegate body of the Board of Directors responsible for senior management and permanent oversight of the strategic and operational aspects of the company's ordinary business affairs and those of its subsidiaries. It also makes any decisions necessary for proper operation.

The Steering Committee shall have the general capacity of decision-making with express delegation in its favor of all powers that correspond to the Board of Directors, except for those that may not be delegated by legal imperative or, where applicable, by express provision in the company's Bylaws or in these Regulations.

It may delegate to any of its members the necessary powers for the final adoption of decisions previously discussed by the Committee and the implementation of the agreements it adopts.

2. It will be made up of a maximum of ten members, all part of the Board of Directors. Its Chairman, First and Second Vice-Chairmen, and Secretary will automatically be members of the body. Members must be appointed with a favorable vote from two-thirds of the members of the Board of Directors.
3. It shall meet whenever necessary as part of the proper performance of its functions.

### **CHAPTER II. AUDIT AND COMPLIANCE COMMITTEE**

#### **Article 10. Functions, composition, and procedure for meetings**

1. The Committee has the following basic functions, without prejudice to the other functions it may be assigned by the Board of Directors:
  - a) Inform the Annual General Meeting of matters that are the responsibility of the Committee and, in particular, regarding the results of the audit, explaining how

said audit has contributed to the integrity of the financial and non-financial information and role that the Committee has played in that process.

- b) Supervise the efficiency of the Company's internal control, internal audit, and financial and non-financial risk control and management systems, as well as to discuss with the External Auditor any significant weaknesses in the internal control system detected when carrying out audits, but without compromising the External Auditor's independence. For these purposes, recommendations or proposals may be presented to the Board of Directors, where applicable, together with the corresponding term for the monitoring thereof.
- c) Supervise the process for drawing up and presenting the mandatory financial and non-financial information, and to present recommendations or proposals to the Board of Directors with a view to safeguarding its integrity.
- d) Submit to the Board of Directors any proposals for the selection, appointment, reappointment, and substitution of the External Auditor, being accountable both for the selection process, as contemplated in the corresponding legislation currently in force, and for the conditions of its hiring, and regularly to gather information relating to the audit plan and its execution from the External Auditor, while preserving its independence in performing its functions.
- e) Establish appropriate relationships with the External Auditor in order to receive information concerning any issues that may jeopardize its independence, so that they may be examined by the Committee, and any other issues relating to the accounts auditing process, and where appropriate, authorizations for services other than those prohibited under the terms contemplated in the corresponding legislation currently in force for auditing accounts, on independent status, as well as other communications envisaged in account audit legislation and auditing standards. In any case, they must receive annual written confirmation from the External Auditor of their independence from the company or companies directly or indirectly linked to it, as well as the detailed and individualized information concerning the additional services of any type rendered and those professional fees received corresponding to these companies by said External Auditor, or by the people or companies linked to them in accordance with the provisions of the accounts auditing legislation in force.
- f) Issue a yearly report, prior to the publication of the accounts audit report, expressing an opinion concerning whether the independence of the External Auditor has been compromised. This report, in any case, must contain the reasoned evaluation of the provision of each and every one of the additional

services to which the above letter makes reference, individually considered and jointly, apart from those concerning legal audits and in relation to the independent status or with the regulatory statutes for account auditing activity.

- g) Ensure that, as far as possible, the External Auditor of the Group takes responsibility for auditing all the companies belonging to it.
- h) Ensure the independence and efficacy of the Internal Audit function; propose the selection, appointment, reelection and removal of its most senior management, as well as its annual budget, and the annual internal audit work plan; to receive regular information on its activities; and check that the C-Suite takes the conclusions and recommendations of its reports into account.
- i) Report on the related-party transactions that must be approved by the Annual General Meeting or the Board of Directors and supervise the internal procedure established by the Company for those whose approval has been delegated, where appropriate, by the Board of Directors.
- j) Report to the Board of Directors, in advance, on all matters stipulated by law, by company Bylaws, and by the Regulations herein, and in particular on:
  - The financial and non-financial information that the Company must periodically make public.
  - The creation or acquisition of shareholdings in companies with a special purpose or companies that are registered in countries or territories considered to be tax havens.
- k) Establish and supervise a mechanism that allows employees and other people related to the company, such as board directors, shareholders, providers, contractors, or subcontractors, to communicate potentially significant wrongdoing, including financial and accounting wrongdoing, and those of any other nature, that they observe within the company itself or within its Group. This mechanism must guarantee confidentiality and, in any case, envision situations where communications can be made anonymously, respecting the rights of the whistleblower and the accused party.
- l) Ensure in general that the internal control policies and systems established are effectively implemented in practice.
- m) Verify the application of the established good governance regulations at all times.

- n) Monitor compliance with internal and external regulations, especially with internal codes of conduct, standards and procedures for the prevention of money laundering and financing terrorism, as well as to make proposals for their improvement.
  - o) Supervise the adoption of actions and measures that are the result of reports or actions for inspection of administrative authorities for supervision and control.
2. The Committee will be made up of a minimum of three and a maximum of five Directors. All must be non-executive, and the majority must be Independent Directors, one of which must be designated based on their knowledge and experience in the area of accounting or auditing or both. Overall, the members of the Committee should have the pertinent technical knowledge in relation to the company's sector of activity. Its Chairman must be an Independent Board Director and they must be substituted in this position every four years, only to be reelected to the post one year after leaving that position. The Secretary of the Board of Directors will also be the Secretary of the Committee. The Group Chief Internal Audit Officer shall attend the meetings as a guest.
3. It shall normally meet quarterly and as often as necessary on an ordinary or extraordinary basis.

### **CHAPTER III. APPOINTMENTS AND REMUNERATION COMMITTEE**

#### **Article 11. Functions, composition, and procedure for meetings**

1. This is the delegate body of the Board of Directors responsible for coordinating the appointments and remuneration policy applicable to the group's Directors and Senior Managers.

It shall have, under the terms established by law, the following functions:

- a) 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) Establish a representation objective for the less-represented gender on the Board of Directors and create orientations regarding how to reach said objective.
- c) 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) Notify proposals for the appointment and termination of senior managers and their basic contractual conditions.
- e) 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) 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) Propose to the Board of Directors the candidates for appointment as FUNDACIÓN MAPFRE Trustees whose appointment is the responsibility of the Company.
- h) Authorize the appointment of External Directors in the other Group companies.

In the exercise of the aforementioned responsibilities, the Committee must consult the Chairman of the Board and must consider their recommendations on issues related to Executive Directors and Senior Managers.

2. The Committee is made up of a minimum of three and a maximum of five Directors, all of whom must be non-executive, and at least two of whom must be Independent Directors. The Chairman must be an Independent Director. The Secretary of the Board of Directors will also be the Secretary of the Committee.
3. It shall meet 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.

## **CHAPTER IV. RISK AND SUSTAINABILITY COMMITTEE**

### **Article 12. Functions, composition, and procedure for meetings**

1. This delegate body of the Board of Directors supports and advises the Board when defining and evaluating the Group's risk management policies, when determining susceptibility to risk and the risk strategy, and when defining and supervising the corporate sustainability policy and sustainability strategy.

The Risk and Sustainability Committee shall have the following functions, without prejudice to any others that may be entrusted to it by the Board of Directors:

- a) Support and advise the Board of Directors when defining and evaluating the Group's risk policies and when determining susceptibility to risk and the risk strategy.
  - b) Assist the Board of Directors in overseeing the application of the risk strategy.
  - c) Study and evaluate risk management methods and tools, carrying out monitoring on the models applied in terms of results and validation.
  - d) Support and advise the Board of Directors when defining and evaluating the Group's sustainability strategy and policy, ensuring that they are aimed at responding to the expectations of the Company's stakeholders and value creation.
  - e) Assist the Board of Directors in monitoring the Company's performance in terms of sustainability.
  - f) Promote, guide, and supervise the Group's principles, commitments, objectives, and strategy in terms of sustainability.
2. The Committee will be made up of a minimum of three and a maximum of five members, all of whom must be non-executive, and at least two of whom must be Independent Directors. The Chairman must be an Independent Director.

The Board of Directors must designate a Secretary, a position which need not be filled by a Director.

3. It shall meet whenever the Board of Directors or its Chairman requests that a report be issued or proposals be adopted, and in any case whenever it is convenient for the proper performance of its functions and powers. The Senior Managers overseeing the Group's risk area and sustainability area shall attend the Committee as guests.

## **CHAPTER V. OPERATING PROCEDURE OF THE STEERING COMMITTEE AND DELEGATED COMMITTEES**

### **Article 13. Meetings**

1. Meetings will be called by the Secretary, by order of the Chairman, on the Secretary's initiative, or at the request of no fewer than three members (in the case of the Executive Committee) or of any one of its members (in the case of Delegated Committees). If the meeting has not been held within fifteen days, they may call it directly with a notarized message. Group Executives may be called to the meetings should their presence be deemed appropriate for deliberations.

The call may be made by letter, email, fax, or any other means that guarantees its receipt, at least seventy-two hours in advance or, exceptionally, at least twenty-four hours in advance in cases where the urgency of the matters to be addressed justifies the Chairman's opinion. Meetings held without any prior call will be valid when all the members of the Steering Committee are present and they unanimously agree to hold the meeting.

2. The meeting will be valid when more than half of all members are present or represented and the Chairman or any of the Vice-Chairmen is present, or the former has given their express consent. Decisions will be made with an absolute majority of the members attending the meeting, and the vote of the individual presiding over the meeting will be the casting vote.

The Chairman may authorize members to attend Committee meetings via audiovisual, telephonic, or similar means, provided that said means allow for the recognition of the persons attending and intercommunication, as well as participation and the casting of votes, all in real-time and simultaneously.

3. In the event of vacancy, absence, or illness of the Chairman and Vice-Chairmen, the oldest member present shall chair the meeting; in the event of vacancy, absence or illness of the Secretary, the Vice-Secretary shall act in their place and, in the latter's absence, the youngest member of those present shall act in their place.



4. Where, in the opinion of the Chairman, matters of urgency or effectiveness so require, decisions may be made without a formal meeting on specific proposals that are submitted for consideration by the Chairman, if no members so oppose. The Secretary shall therefore forward, by letter, email, fax, or any means permitting receipt, the corresponding proposals and documentation to all members, who shall communicate their consent or objections to the Secretary via the same means within twenty-four hours of receipt of said documentation; proposals that have received a majority consent shall be understood as approved.
5. The corresponding minutes of each meeting shall be taken. The body itself may approve these at the end of the meeting or the next meeting, or by the Chairman of the meeting and the member delegated to this end by any Committee.

The minutes shall be signed by the Secretary of the Committee or of the meeting, by whoever acted as Chairman of the meeting, and, where applicable, by the member who approved them by proxy.

Decisions taken in writing and without holding a meeting shall be recorded in the minutes book by means of an official record signed by the Chairman, the Secretary, and the member delegated to do so under the adopted agreements.

6. The Secretary shall, at the earliest convenience, duly inform the Company's competent bodies and any Group companies affected by the decisions made during the meeting.
7. The main issues discussed and resolutions adopted must be reported to the Board of Directors at its first meeting.
8. The minutes of the meetings of the Steering Committee and Delegated Committees will be available to all members of the Board of Directors.

### **SECTION III. OTHER STATUTORY BODIES**

#### **CHAPTER I. EXECUTIVE COMMITTEE**

##### **Article 14. Functions and composition**

1. The Executive Committee reports to the Steering Committee on the development and execution of the Committee's decisions, prepares proposals for decisions and

plans for approval by the Steering Committee, and adopts ordinary management decisions within its scope of its powers at any given time, in an effort to bring coordination and synergy to the Group's ordinary operations

2. It will be composed of a maximum of twelve members, appointed from among the Company's Senior Executives and its subsidiaries, and chaired by the Chairman of the Board of Directors. The Board of Directors shall appoint and, where appropriate, dismiss the remaining members, ensuring adequate representation of the Business Units and Corporate Areas. The Secretary of the Board shall act as secretary of the meetings.
3. Its operating rules and powers will be determined by the Board of Directors and recorded in a public deed.

## **SECTION IV. RIGHTS AND OBLIGATIONS OF THE DIRECTORS**

### **Article 15. Right and duty of information**

1. The Board Members must diligently inform themselves on the Company's progress by gathering any information that may be necessary or useful at all times for the proper and diligent performance of their duties.

In addition, Directors are vested with the broadest powers to obtain information on any aspect of the Company and examine its books, records, documents, and other background information on social operations. The Directors extend this right to information to the Group companies to the extent necessary for effective performance of their operations.

2. Exercising the right to information will be channeled through the Chairman or the Secretary of the Board of Directors, who shall respond directly to the board members' requests or provide them with the appropriate interlocutors.
3. The Company shall provide the necessary support so that new Board Members may quickly and adequately acquire knowledge on the Company and its corporate governance rules. To do so, it shall put in place welcome and orientation programs with a special emphasis on strategic, financial, and insurance aspects. Likewise, when circumstances so advise, the Company may set up refresher programs for Directors.

### **Article 16. Expert assistance**

1. Directors may request advice as necessary in order to perform their functions. Any request for advice must be addressed to the Chairman or the Secretary of the Board of Directors, and the issue at hand must deal with specific problems of special importance or complexity that arise in the course of their duties.
2. The request may call for external advice at the Company's expense when exceptional circumstances so warrant. The Board of Directors may refuse to hire external advisors if it determines:
  - It is not necessary for the proper performance of the functions entrusted to the Directors.
  - The cost is unreasonable, bearing in mind the significance of the problem and the company's assets and revenues.
  - The advice requested can be adequately provided by experts and technicians inside the Company or the Group.

#### Article 17. Due diligence

Directors shall perform their duties as prescribed by the legislation in force, the Bylaws, and these Regulations with the diligence of orderly business professionals and adequate dedication, and they will adopt any and all measures necessary for the proper management and control of the Company.

#### Article 18. Duty of loyalty

Directors shall perform their duties with the loyalty expected of a faithful representative, in good faith and in the Company's best interests. To this effect, Directors are obliged to:

- a) Refrain from exercising their powers for purposes other than those for which they were granted.
- b) Keep information, data, reports, and historic data to which they have had access in the performance of their duties a secret, including when they no longer serve in the post.
- c) Refrain from deliberating and voting on resolutions or decisions in which the Director, or a related party, has a direct or indirect conflict of interest under the terms established by law.

- d) Perform their functions under the principle of personal responsibility using their own criteria or judgment regarding instructions or relationships with third parties.
- e) Adopt the necessary measures to avoid situations of conflict of interest under the legally established terms.

The Company may waive compliance with the aforementioned obligations in special cases under the terms provided by law.

#### Article 19. Other duties

Directors will be subject to the applicable rules found in the Internal Conduct Regulations relating to the Securities issued by MAPFRE and any internal rules of the Company or the Group that may be in force and applicable to them at any time.

#### Article 20. Remuneration of Directors

Directors will be entitled to receive remuneration for performing their functions in accordance with the remuneration system set forth in the Company's Bylaws and the Directors' remuneration policy approved by the Annual General Meeting under the terms established by the regulations in force.

### **SECTION V. RELATED-PARTY TRANSACTIONS**

#### Article 21. Regime applicable to related-party transactions

1. For the purposes set forth in this article, related-party transactions will be understood to be those carried out between the Company—or its subsidiaries with Company Directors—and shareholders holding 10% or more of the voting rights or represented on the company's Board of Directors, or any other parties who ought to be considered related parties (due to their ability to influence financial and operating policies through control, joint control, or significant influence, or due to their status as key management personnel) in accordance with International Accounting Standards.

However, the following are not considered to be related-party transactions: (i) transactions carried out between the Company and its wholly-owned subsidiaries, directly or indirectly; (ii) the Board of Directors' approval of the terms and conditions of a contract to be signed between the Company and any Director who will perform

executive functions; and (iii) transactions carried out by the Company with its subsidiaries or affiliates, provided that no party related to the Company has interests in said subsidiaries or affiliates.

2. The power to approve related-party transactions whose amount or value is greater than or equal to 10% of the total asset items on the most recent annual balance sheet approved by the Company will correspond to the Annual General Meeting at the Board of Directors' proposal.

The power to approve other related-party transactions will correspond to the Board of Directors.

Any approval by the Annual General Meeting or the Board of Directors of a related-party transaction will be subject to a prior report from the Audit and Compliance Committee.

3. The Board of Directors may approve, without a prior report from the Audit and Compliance Committee, the following related-party transactions:
  - Those carried out between Group companies and that are within the scope of ordinary management and under market conditions.
  - Those concluded through contracts whose standardized conditions are applied en masse to a large number of clients, are carried out at prices or rates generally established by whoever acts as the supplier of the good or service in question, and the amount of which does not exceeds 0.5% of the Company's net turnover.

In case of delegation, the Board of Directors must establish an internal information and periodic control procedure involving the Audit and Compliance Committee. It shall verify the fairness and transparency of said transactions and, where appropriate, comply with the legal criteria applicable to the above exceptions.

4. Related-party transactions will be evaluated for their approval and will be subject to disclosure, where applicable, in accordance with the terms provided for in current legislation.

## **SECTION VI. RELATIONS OF THE BOARD OF DIRECTORS**

### **Article 22. Relations with shareholders**

1. The Board of Directors shall arbitrate the appropriate channels to be aware of the proposals made by the shareholders as regards the Company's management. For this purpose, informative meetings may be held for shareholders residing in Spain and other countries' most important financial centers. Furthermore, while it shall establish appropriate mechanisms for regular information exchange with institutional investors that form part of the Company's shareholding, it may not share any information that could provide certain shareholders with a privileged situation or advantage over the other shareholders.
2. The Board of Directors shall promote the informed participation of shareholders in the Annual General Meeting and shall take any such measures it deems appropriate to enable them to effectively perform their functions in accordance with the Law and the company's Bylaws. In particular:
  - Prior to the Meeting, it shall give shareholders access to any information that may be legally required or, even if not legally required, may be of interest and reasonably provided.
  - It shall respond with the utmost diligence to requests for information made by shareholders prior to the Meeting.
  - It shall give equal diligence to pertinent questions posed to it by the shareholders during the Annual General Meeting in relation to the various items indicated on the agenda.
3. Public requests for proxy voting made by the Board of Directors, or by any of its members, must specify in detail how the proxy will vote if the shareholder does not give instructions and disclose, where appropriate, any conflicts of interest.

### Article 23. Relations with markets

1. The Board of Directors, and where appropriate, those of other Group companies issuing listed securities, shall make public and communicate any insider information and other relevant information to the Spanish National Securities and Exchange Commission (the CNMV) under the terms established in the regulations in force.
2. The Board of Directors shall also adopt the necessary measures to ensure that the interim financial information, and any other information that the duty of prudence requires them to make available to the markets, is prepared in accordance with the

same principles, criteria, and professional practices applied in the Annual Financial Statements, and is as reliable as the latter. To this end, such information shall be reviewed by the Audit and Compliance Committee.

3. To ensure their accuracy and completeness, the Annual Financial Statements submitted to the Board of Directors for their formulation must be certified ahead of time by the most senior manager of the Company or, as the case may be, of the consolidated group, the corresponding Group Chief Internal Audit Officer, and the manager responsible for the preparation of such Financial Statements.
4. The Board of Directors shall prepare and disclose a Corporate Governance Report each year. Its contents must comply with the applicable legal provisions.

#### Article 24. Corporate website

1. In order to adequately comply with the provisions of Articles 21 and 23 above, and without prejudice to other appropriate forms of media, the Company shall have a website to help shareholders to exercise their right to information, to enable an electronic shareholder forum and to disclose insider information and other relevant information required by the securities market legislation, as well as any other information required by the regulations in force or deemed appropriate in the best interests of shareholders and investors.
2. The following information about each of its Directors will be included on the website: (i) professional and biographical profile; (ii) other boards of directors to which they belong, whether or not they are listed companies; (iii) category of Director to which they belong, indicating, in the case of Nominee Directors, the shareholder who proposed their appointment or to whom they are related; (iv) date of their first appointment as Director of the Company, as well as subsequent appointments; and (v) company shares and derivative financial instruments that have the Company's shares as underlying, of which they are the holder.
3. In the event that the Company has, directly or through its subsidiaries, business relations with its parent company or one of its subsidiaries (other than those of the Company) or carries out activities related to those of any of them, the website will clearly and accurately explain:
  - The respective areas of activity and possible business relations between the Company or its subsidiaries on the one hand and the parent company or its subsidiaries on the other.
  - The mechanisms in place to resolve any possible conflicts of interest.

4. It is the responsibility of the Board of Directors to make the necessary arrangements to keep the website up to date.

#### Article 25. Relations with the External Auditor

1. The relationship of the Board of Directors with the external auditor will be channeled through the Audit and Compliance Committee.
2. The Board of Directors shall refrain from hiring any auditing firms that receive or that will receive annual fees from the Group, where the amount for all items exceeds 5% of its total annual revenue; and it shall report, in the annual public documentation, the total fees that the Group paid the external auditor for the various services it provided.
3. The Board of Directors must always draw up the Annual Financial Statements in order to prevent any reservations or provisos on the part of the External Auditor. Nonetheless, when the Board considers that it must maintain its criteria, the Chairman of the Audit and Compliance Committee will publicly explain the content and scope of the discrepancies that may have led to these reservations or provisos.