

**REPORT OF THE AUDIT AND COMPLIANCE COMMITTEE REGARDING ITS  
COMPOSITION AND FUNCTIONING IN FISCAL YEAR 2024**

Madrid, February 10, 2025

**REPORT OF THE AUDIT AND COMPLIANCE COMMITTEE TO THE BOARD  
OF DIRECTORS OF MAPFRE S.A. REGARDING ITS COMPOSITION  
AND FUNCTIONING IN 2024**

**1. Introduction**

The Audit and Compliance Committee (the “**Committee**”) is the delegate body of the Board of Directors of MAPFRE S.A. (hereinafter, the “**Company**”) for the undertaking, among other things, of supervisory functions relating to the integrity of financial information and the effectiveness of internal control, internal audit, and risk management.

Its regulation is contained in Article 22 of the Bylaws and Article 10 of the Regulations of the Board of Directors, as well as in Royal Legislative Decree 1/2010 of July 2, which approves the revised text of the Companies Act and other applicable legislation. Similarly, in the performance of its duties, the Audit and Compliance Committee takes corporate governance standards and recommendations into account, particularly the Good Governance Code of the Spanish National Securities and Exchange Commission from February 2020 (the “Good Governance Code”) and Technical Guide 1/2024 from the Spanish National Securities and Exchange Commission on Audit Committees of Public Interest Entities.

Likewise, the Company's Audit and Compliance Committee is the body in charge of carrying out the duties envisaged in section 2 of this report, in all matters applicable to unlisted companies, in relation to MAPFRE Group companies that have the status of public interest entities and whose boards of directors have delegated the exercise of such duties to it.

**2. Regulatory justification**

The Audit and Compliance Committee issues this report in compliance with Article 8.3 of the Regulations of the Board of Directors and in accordance with Recommendation 36 of the Good Governance Code, according to which the Board of Directors, in full, must evaluate once a year and adopt, where appropriate, an action plan that corrects the deficiencies detected with regard to, among other aspects, the operation and composition of its Steering Committee and its Committees. According to the aforementioned recommendation, the

assessment of these bodies will be based on the report they submit to the Board of Directors.

### **3. Composition**

In accordance with Article 10.2 of the Regulations of the Board of Directors, the Audit and Compliance Committee must consist of a minimum of three and a maximum of five directors, all of whom are non-executive, at least the majority of whom must be independent directors, and one of whom must be appointed taking into account their knowledge and experience in accounting, auditing, or both. Its Chairperson must be an independent director and must be replaced every four years, with the possibility of being re-elected to the position after a one-year period following their departure. The Secretary of the Committee is the Secretary of the Board of Directors.

As on December 31, 2024, the Audit and Compliance Committee consisted of the following directors:

<b>Name</b>	<b>Position</b>	<b>Category</b>
Mr. Francesco Paolo Vanni d'Archirafi	Chairman	Independent
Ms. Ana Isabel Fernández Álvarez	Member	Independent
Mr. Antonio Gómez Ciria	Member	Independent
Ms. María del Pilar Perales Viscasillas	Member	Independent
Mr. José Luis Perelli Alonso	Member	Independent

### **4. Responsibilities**

The Audit and Compliance Committee is assigned the following responsibilities in accordance with Article 10 of the Regulations of the Board of Directors:

- a) To 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) To supervise the efficiency of the Company's internal control, internal audit, and financial and non-financial risk control and management systems, as well as discuss with the external auditor any significant weaknesses in the internal control system detected when conducting 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) To supervise the process for drawing up and presenting the mandatory financial and non-financial information, and present recommendations or proposals to the Board of Directors with a view to safeguarding its integrity.
- d) To submit to the Board of Directors proposals for the selection, appointment, reappointment, and replacement of the external auditor, overseeing the selection process in accordance with applicable legislation; additionally, define the terms of their engagement, regularly obtain information from the auditor regarding the audit plan and its execution, and ensure their independence in the performance of their duties.
- e) To establish appropriate relations with the external auditor to receive information on any issues that may pose a threat to their independence, for review by the Committee, as well as any other matters related to the audit process; additionally, when applicable, authorize services other than those prohibited under the current audit legislation regarding independence requirements, and ensure compliance with all other communications mandated by audit regulations and standards. In any case, they must receive annual written confirmation from the external auditor of its independence from the company or companies directly or indirectly linked to it, as well as the detailed and individualized information concerning additional services of any type rendered and any 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) To 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 must, in any case, include a reasoned assessment of the provision of each and every additional service referred to in the previous section, both individually and collectively,

excluding statutory auditing, and in relation to the independence framework or the regulations governing the audit profession.

- g) To ensure that, as far as possible, the external auditor of the Group assumes responsibility for the audits of all the companies that comprise it.
- h) To ensure the independence and efficacy of the Internal Audit function; propose the selection, appointment, reelection, and removal of its most senior manager, as well as its annual budget, and the annual internal audit work plan; receive regular information on its activities; and check that the C-Suite takes the conclusions and recommendations of its reports into account.
- i) To 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) To inform the Board of Directors in advance on all matters provided in the law, the Corporate Bylaws, and the Regulations of the Board of Directors, and particularly regarding:
  - Financial and non-financial information that the Company must publish periodically.
  - 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) To 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 complainant and the accused party.
- l) To ensure in general that the policies and systems established in terms of internal control are effectively applied in practice.

- m) To monitor the application of the rules of good governance established at all times.
- n) To monitor compliance with internal and external regulations, especially with internal codes of conduct, standards, and procedures for the prevention of money laundering and financing of terrorism, as well as make proposals for their improvement.
- o) To supervise the adoption of actions and measures resulting from reports or inspection actions by administrative supervisory and control authorities.

## **5. Operation**

As established in the Regulations of the Board of Directors, the Audit and Compliance Committee typically meets on a quarterly basis, as often as necessary, whether on a regular or extraordinary basis. For these purposes, the Group Chief Internal Audit Officer shall be in attendance.

In 2024, the Committee held 11 meetings, which, as a whole, were attended by 98.18% of Committee members.

The main issues discussed at the Committee meetings held in 2024 are indicated below:

- **Information for the Annual General Meeting:**

The Chairman of the Audit and Compliance Committee, as well as the other members of the Committee, attended the Annual General Meeting held on March 15, 2024. The shareholders did not raise questions about matters under its responsibility.

- **Financial and non-financial information**

In accordance with its assigned responsibilities, the Audit and Compliance Committee of MAPFRE reviewed the following documentation in 2024 prior to its submission to the Board of Directors:

- Management Report and Individual and Consolidated Annual Accounts of MAPFRE S.A. and its subsidiaries for 2023.

- Report on the Financial and Solvency Position in 2023 of the MAPFRE Group and the subsidiaries with registered offices in Spain, that carry out insurance and reinsurance activities.
- Integrated Report 2023, a document that follows the guidelines and recommendations of the International Integrated Reporting Framework and includes the non-financial information statement for that fiscal year.
- Report on the limited review of consolidated interim summary financial statements of MAPFRE S.A. corresponding to the interim period ending on June 30, 2024.

Additionally, the Audit and Compliance Committee favorably reported to the Board of Directors on the information provided to the Spanish National Securities and Exchange Commission for the first half of 2024, which includes: (i) the activity report with data as on June 30, 2024 and (ii) the consolidated interim summary financial statements of MAPFRE for the six-month period ending on June 30, 2024.

- **Internal Audit Supervision**

The Audit and Compliance Committee approved the Annual Internal Audit Plan for fiscal year 2025 for MAPFRE and its subsidiaries, which includes a summary of the plan, the objectives for the year, and the structure, budget, and distribution of activities of the Internal Audit Unit. It also reported on the activities carried out by this unit in fiscal year 2023.

Likewise, the Audit and Compliance Committee received and reviewed the activity reports of the Internal Audit Unit, which are issued quarterly by the Corporate Internal Audit Area and which place special emphasis on the relevant aspects that occurred in the quarter related to internal audit work and internal control. These reports also include: (i) monitoring compliance with audit plan objectives and implementation of recommendations, (ii) information on the training of internal auditors, and (iii) collaboration with the external auditor and with other areas of the company. Detailed information on the monitoring and progress of the recommendations was submitted to the Committee on a regular basis.

Furthermore, the Committee was informed of the various different appointments for the Services and Internal Audit Units during 2024.

Furthermore, the Committee approved the update of the Internal Audit Charter for MAPFRE in order to adapt it to the Global Internal Audit Standards of the international Institute of Internal Auditors that came into force in January 2025.

- **Internal control and risk management**

The assessment reports on the internal control system of the Spanish insurance and reinsurance companies in the MAPFRE Group, corresponding to fiscal year 2023 and prepared by the Corporate Internal Audit Area, were submitted to the Audit and Compliance Committee.

Regarding the Financial Information Control System (SCIIF - Sistema de Control de la Información Financiera), the Audit and Compliance Committee received from the external auditor, KPMG, its report titled “Information on the Internal Control System on Financial Reporting” for the 2023 fiscal year. This report summarizes the internal control procedures established by MAPFRE S.A. in relation to annual financial information.

The Committee was also presented with the MAPFRE Group’s Own Risk and Solvency Assessment (ORSA) report, the Solvency and Financial Condition Report (SFCR), and the annual Quantitative Reporting Templates (QRTs), all corresponding to fiscal year 2023.

Additionally, regarding risk management review, the Committee was informed of the key activities carried out by Internal Audit as part of its oversight functions of the risk management system. These include, among others, audits related to internal control supervision, assessments of the system, and the risk-based audit plan.

- **External audit**

The Audit and Compliance Committee was informed of the budget for the external audit of the Individual and Consolidated Annual Accounts of MAPFRE S.A. and its subsidiaries for fiscal year 2024 and approved the payment of extraordinary fees to KPMG as a result of the hours required to audit the annual accounts for fiscal year 2023 corresponding to a number of MAPFRE companies. Similarly, the Committee authorized additional services to be provided by KPMG in different MAPFRE companies and the amount of the fees to be received for them.



KPMG submitted to the Audit and Compliance Committee the audit plan for fiscal year 2024, which includes the work schedule, the scope of the Group's audit, the composition of the work team, the preliminary risk assessment, and the accounting and regulatory changes affecting the review period. Furthermore, given that KPMG is responsible for verifying the sustainability information corresponding to fiscal year 2024 contained in the MAPFRE Consolidated Management Report, the aforementioned audit plan contained a calendar for reviewing the information on sustainability and the implications of the European Directive on Corporate Sustainability Reporting in the review process for fiscal year 2024.

Furthermore, KPMG submitted the preliminary memorandum of the audit of the annual accounts and the review of the sustainability information for fiscal year 2024 to the Committee.

Furthermore, and with the aim of guaranteeing the independence of the external auditor, the Audit and Compliance Committee undertook quarterly monitoring of the fees invoiced by the main audit company for services other than auditing annual accounts and supervised the relation between the fees paid to the audit firm and the total revenue of the latter, which according to the Regulations for MAPFRE S.A. Board of Directors should not exceed 5%.

The external auditor, KPMG, attended the items on the Audit and Compliance Committee meetings where matters related to the following were discussed: (i) the audit of the annual accounts, (ii) the reports of the limited review as of June 30, 2024, (iii) the preliminary reports for the annual accounts audit, and (iv) the reasonable review process of the Financial and Solvency Position Report of the MAPFRE Group and its subsidiaries engaged in insurance and reinsurance activities based in Spain.

Likewise, in order to verify the information and contribute to the principle of transparency in sustainability matters, the external auditor, KPMG, was responsible for verifying the non-financial information in MAPFRE's Integrated Report for fiscal year 2023, which was reviewed by the Committee. Similarly, the Committee was informed of the fees proposed by KPMG for issuing the 2024 sustainability status verification report, which will form part of the MAPFRE S.A. Consolidated Management Report corresponding to that fiscal year.

- **Related-party transactions**

The Audit and Compliance Committee prepared a report on related-party transactions carried out during fiscal year 2023 for presentation to shareholders at the Annual General Meeting.

In fiscal year 2024, the Company did not carry out any related-party transactions that had to be analyzed in advance by the Committee in compliance with current legislation.

- **Regulatory compliance**

The report on regulatory compliance actions for fiscal year 2023 was presented to the Committee. It contains information on (i) management of noncompliance risk, regulatory change, and policies, (ii) training on compliance, and (iii) the resources and media dedicated to these activities.

The Committee also approved the verification plan for fiscal year 2024.

Similarly, the Committee was informed of the degree of compliance by the MAPFRE Group with the Corporate Policies and the policies adopted as a result of the guidelines framework established by Solvency II.

- **Supervision of a mechanism for notifying wrongdoing**

The Audit and Compliance Committee was informed of the activities carried out in 2023 by the Code of Ethics and Conduct Channel and by the Financial and Accounting Complaints Channel.

The Board of Directors, at its meeting held on December 18, 2024, agreed to establish a single Internal Information System (the "IIS") that integrates all existing channels for receiving and resolving any complaints (including the Code of Ethics and Conduct Channel and the Financial and Accounting Complaints Channel). In this regard, the Audit and Compliance Committee, at its meeting held on December 17, 2024, agreed to approve the Internal Information System Policy of MAPFRE, S.A. and the Information Management Procedure of MAPFRE, S.A., which govern the operation of the IIS and remove the previous regulation of the Ethical Complaints Channel and the Financial and Accounting Complaints Channel. The Audit and Compliance Committee also agreed to approve the modification of the following internal policies and regulations, which needed to be updated as a

result of the implementation of the IIS: the Code of Ethics and Conduct, the Anti-Corruption Policy, the Environment Policy, and the Human Rights Policy.

- **Other matters**

In addition to the aforementioned, the Audit and Compliance Committee addressed the following matters during the 2024 fiscal year:

- Fiscal policies followed in 2023, in compliance with the recommendations contained in the Code of Best Taxation Practices.
- Main issues addressed and agreements adopted by the Audit Committees of the MAPFRE subsidiaries.
- Evaluation of the composition and functioning of the Committee during fiscal year 2023.
- Information on accounting criteria regarding the preparation of mandatory financial information.
- Review of MAPFRE financial information prepared in accordance with IFRS criteria.
- Information on inspections carried out by supervisory bodies at MAPFRE Group companies.
- Approval of the calendar of meetings of the Audit and Compliance Committee for fiscal year 2025.
- It has agreed to issue a favorable opinion on the proposed update of the following MAPFRE policies, approved in compliance with the Solvency II requirements. Compliance Policy and Audit Policy.
- Authorization to hire the account auditor of certain MAPFRE Group subsidiaries.
- Review of financial-accounting complaints received through the financial-accounting complaints channel.

## **6. 2024 Assessment**

The assessment was conducted based on the review of the corporate information and the self-assessment questionnaires completed by each board director. In these questionnaires, Committee members were asked about: (i) their size and whether they consider it necessary to include a member with specific knowledge and experience on any particular subject, (ii) the capacities of the Committee members to undertake the functions entrusted to them, (iii) the number and duration of its meetings, (iv) the organization and preparation of meetings (*i.e.*, clarity of the agenda, reminder of the power of delegation, documentation of meetings and advance notice provided), (v) the organization of the debates by the Chairman of the Committee and their development, (vi) the activity of the Committee in relation to several issues within its scope of responsibility (*e.g.*, the supervision of the effectiveness of internal control, internal audit and risk management systems; the relationships established by the Committee with the external auditor; the supervision of the independence and effectiveness of the Internal Audit function; and the supervision of good governance standards and compliance with external and internal regulations), and (vii) in general terms, the quality and effectiveness of the operation of the Committee during the fiscal year.

The result of the Audit and Compliance Committee's assessment on its composition and functioning in 2024 was very positive and did not give rise to any observations or suggestions for improvement from its members.

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Therefore, the Audit and Compliance Committee has unanimously agreed to submit this report so that, based on it, the Board of Directors of MAPFRE, S.A. may evaluate the Committee's performance during 2024.