



Progress Report 2020

Company Name	MAPFRE GROUP
Address	Carretera de Pozuelo, 52. 28222 Majadahonda (Madrid)
Country	SPAIN
Date	June 2020
Membership date	2012
Number of employees	34,324 (year end 2019)
Contact Position	Corporate Security and Environment Area
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MAPFRE is a signatory to the United Nations Principles for Sustainable Insurance (UN PSI), a global sustainability framework and initiative of the UN Environment Program Finance Initiative.

The four main principles (*see below*) describe how corporate responsibility should be incorporated by insurers in their business. By signing the PSI, MAPFRE is committing to address environmental, social and governance (ESG) issues in the way it conducts its business as an insurer and in its relations with all of the industry's stakeholders, including employees, clients, suppliers and government agencies.

See The MAPFRE Group 2019 Integrated Report for an overview of our key figures and activity.



PRINCIPLES FOR SUSTAINABLE INSURANCE	LOCATION IN MAPFRE INTEGRATED REPORT 2019
1. We will embed in our decision-making environmental, social and governance issues relevant to our insurance business	<ul style="list-style-type: none"> ● Letter from the Chairman and CEO ● Business model, strategy and performance ● Corporate Governance <ul style="list-style-type: none"> ○ Corporate governance system ○ Sustainability by conviction ● Risks and opportunities ● Creation of shared value: We are sustainable <ul style="list-style-type: none"> ○ Productive Capital ○ Human Capital ○ Intellectual Capital ○ Natural Capital ○ Social and Relational Capital ● Additional Information <ul style="list-style-type: none"> ○ Materiality ○ Table of Contents GRI
2. We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions	<ul style="list-style-type: none"> ● Business model, strategy and performance ● Corporate Governance <ul style="list-style-type: none"> ○ Corporate governance system ○ Sustainability by conviction ● Risks and opportunities ● Creation of shared value: We are sustainable <ul style="list-style-type: none"> ○ Productive capital ○ Human Capital ○ Intellectual Capital ○ Natural Capital ○ Social and Relational Capital ● Additional Information <ul style="list-style-type: none"> ○ Materiality ○ GRI Content Index
3. We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues	<ul style="list-style-type: none"> ● Business model, strategy and performance ● Corporate Governance <ul style="list-style-type: none"> ○ Corporate governance system ○ Sustainability by conviction ● Risks and opportunities ● Creation of shared value: We are sustainable <ul style="list-style-type: none"> ○ Natural Capital ○ Social and Relational Capital ● Supplementary Information <ul style="list-style-type: none"> ○ GRI Content Index ● www.mapfre.com
4. We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles	<ul style="list-style-type: none"> ● Integrated Report 2019 ● www.mapfre.com



This table of ESG factors has been updated, taking as a reference, among others, the material issues and those of internal and external relevance in the 2019 Materiality Analysis.

Integration of environmental, social and governance(ESG) aspects as risks and opportunities within MAPFRE

An adequate monitoring of environmental, social and governance (ESG) factors allows for additional information on social movements and transformations, and the expectations of stakeholders and the market that affect the organization. This knowledge helps in the identification and assessment of potential risks (ESG) and business opportunities.

At MAPFRE, the integration of these ESG risks, together with the traditional risks of the insurance activity, is carried out naturally in the management and control processes that the Group has established.

MAPFRE uses different risk assessment and analysis systems, which are complementary and allow the integration of ESG risks:

- Own risk and solvency assessment (ORSA), integrated within the risk management system, which has mechanisms to identify, measure, monitor, manage and report any short- or long-term risks identified by the Group throughout the period reflected in the strategic plan, as well as to measure the sufficiency of capital resources based on the understanding of its actual solvency needs.

Annually, the Group Risk Office coordinates the preparation of the ORSA report, which is submitted for approval by the Board of Directors.

- Materiality analysis which analyzes the ESG aspects based on their relevance to participating stakeholders (employees, providers, clients and experts) and the impact these issues have on MAPFRE.

This analysis enables the identification of potential risks to the company, and establishes appropriate prevention and mitigation measures. (See page 131)

- Analysis of reputational risk, which analyzes key ESG topics, especially those related to compliance with international standards such as the 10 principles of the United Nations Global Compact, using the RepRisk methodology, among others.

Moreover, as of 2018, MAPFRE has participated in the United Nations Environment Program Finance Initiative (UNEP FI) pilot project, in order to assess the impact of climate change and to incorporate the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in the insurance industry. As a global insurance company, MAPFRE has jointly pledged to contribute to defining, analyzing and commencing to adopt a standard of technical and financial action for the entire sector that will help the insurance industry manage the risks and opportunities of transitioning to a low-carbon economy, and reduce the impact of climate change for the whole of society. (See page 108 *Natural Dimension*.)



Through these systems, all the significant and potential sources of risk the Group faces are contemplated, and the taking of initiatives for their management and mitigation is facilitated.

(Environmental, social and governance risk and opportunities (page 59))

Additionally, FUNDACIÓN MAPFRE prepared the official Spanish translation of these principles, which is available at: [FUNDACIÓN MAPFRE Web](#).

More information: [MAPFRE Group 2019 annual Social Responsibility Report](#)