

Annual report on the main intermediaries and the quality of  
executions

Report on the 2020 financial year

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## 1. INTRODUCTION

Pursuant to MiFID II, MAPFRE Asset Management, SGIIC, S.A. (hereinafter "MAPFRE AM" or "the Company") hereby publishes this annual report. The content and format of the information comply with the provisions of Delegated Regulation (EU) 2017/576 of the Commission, dated June 8, 2016, complemented by Directive 2014/65/EU of the European Parliament and of the Council on technical regulatory standards for the annual publication by investment firms of information relating to the identity of execution centers and the quality of execution.

Below, MAPFRE AM provides information on the five main financial intermediaries in terms of trading volume to which it has sent orders during the 2020 financial year for investment decisions arising from the discretionary portfolio service.

## 2. THE MAIN INTERMEDIARIES USED FOR ORDER EXECUTION

### 2.1. Equities

Categoría de instrumento	RENTA VARIABLE				
Ejecución por término medio de menos de una orden al día en 2020	NO				
Cinco principales intermediarios	Proporción del volumen negociado en el total de esta categoría (%)	Proporción de las órdenes ejecutadas en el total de esta categoría (%)	Porcentaje de órdenes pasivas ( *)	Porcentaje de órdenes agresivas ( *)	Porcentaje de órdenes dirigidas ( *)
JP MORGAN Código LEI: K6Q0W1PS1L104IQL9C32	20,3%	20,8%			
BofA Securities Europe SA Código LEI: 549300FH0WJAPEHTIQ77	10,8%	5,3%			
KEPLER-CHEUVREUX Código LEI: 9695005EOZG9X8IRJD84	10,5%	11,9%			
SANTANDER INVESTMENT Código LEI: 959800PF0SJV8TSAB140	8,3%	10,3%			
Morgan Stanley Europe SE Código LEI: 54930056FHWP7GIWYY08	7,8%	12,2%			

(\*) Not applicable

## 2.2. Fixed Income

Categoría de instrumento	RENTA FIJA				
Ejecución por término medio de menos de una orden al día en 2020	NO				
Cinco principales intermediarios	Proporción del volumen negociado en el total de esta categoría (%)	Proporción de las órdenes ejecutadas en el total de esta categoría (%)	Porcentaje de órdenes pasivas ( *)	Porcentaje de órdenes agresivas ( *)	Porcentaje de órdenes dirigidas ( *)
BBVA Código LEI: K8MS7FD7N5Z2WQ51AZ71	11,9%	9,5%			
B. SANTANDER SA Código LEI: 5493006QMFDDMYWIAM13	10,3%	6,7%			
JP MORGAN Código LEI: K6Q0W1PS1L1O4IQL9C32	10,2%	8,6%			
BNP PARIBAS Código LEI: ROMUWSFPU8MPRO8K5P83	8,8%	7,7%			
HSBC Código LEI: 213800WAVVOPS85N2205	8,6%	6,0%			

(\*) Not applicable

## 2.3. Future Derivatives and Interest Rate Options

Categoría de instrumento	Derivados sobre tipos de Interés				
Ejecución por término medio de menos de una orden al día en 2020	SI				
Cinco principales intermediarios	Proporción del volumen negociado en el total de esta categoría (%)	Proporción de las órdenes ejecutadas en el total de esta categoría (%)	Porcentaje de órdenes pasivas ( *)	Porcentaje de órdenes agresivas ( *)	Porcentaje de órdenes dirigidas ( *)
BNP PARIBAS Código LEI:95980020140005022740	100,0%	100,0%			

(\*) Not applicable

## 2.4. Interest rate swaps

Instrument category	Interest rate derivatives — SWAPS				
Execution of less than one order on average in 2020	YES				
Five main intermediaries	Proportion of trading volume in the whole of this category (%)	Proportion of orders executed in the whole of this category (%)	Percentage of passive orders (*)	Percentage of aggressive orders (*)	Percentage of directed orders (*)
BBVA LEI Code: K8MS7FD7N5Z2WQ51AZ71	33.6%	28.2%			
B. SANTANDER SA LEI Code: 5493006QMFDDMYWIAM13	28.3%	26.6%			
CAIXABANK SA LEI Code: 7CUNS533WID6K7DGF187	26.7%	36.3%			
BANKIA LEI Code: 549300685QG7DJS55M76	10.6%	6.3%			
CECA BANK LEI Code: 549300CQ9NLEHMRCU505	5.5%	5.5%			

(\*) Not applicable

## 2.5. Future Derivatives and Equity Options

Categoría de instrumento	Derivados sobre Renta Variable				
Ejecución por término medio de menos de una orden al día en 2020	SI				
Cinco principales intermediarios	Proporción del volumen negociado en el total de esta categoría (%)	Proporción de las órdenes ejecutadas en el total de esta categoría (%)	Porcentaje de órdenes pasivas ( *)	Porcentaje de órdenes agresivas ( *)	Porcentaje de órdenes dirigidas ( *)
BNP PARIBAS Código LEI:95980020140005022740	100,0%	100,0%			

(\*) Not applicable

### 3. REPORT ON THE QUALITY OF EXECUTION OBTAINED FROM THE FINANCIAL INTERMEDIARIES THROUGH WHICH THE ORDERS HAVE BEEN SENT.

Details of the analysis and conclusions of the monitoring carried out at the Company on the quality of execution obtained through the aforementioned financial intermediaries and/or counterparties in which client's orders have been executed, under the framework of the provision of the discretionary portfolio management service during the 2020 financial year and pursuant to the paragraphs required by MiFID II, are included below.

Please note that, as a general rule, pursuant to MAPFRE AM's internal policies, operations are carried out through a set of counterparties or financial intermediaries that have been previously analyzed and authorized, depending on elements such as their solvency, capacity to execute, markets to which it gives access and the liquidity it offers or its prestige. Intermediaries are reviewed regularly.

**3.1. Relative importance given to prices, costs, speed, probability of execution or any other factor, including qualitative factors, when assessing the quality of execution.**

When evaluating the quality of execution of the various different intermediaries or counterparties used, the Company considers, among other factors, the following: price, costs, speed, volume and nature of the order and probability of execution. Under normal conditions, the determining factors are the price and costs understood as "total payment" (i.e., the explicit execution and settlement costs and implicit costs, e.g. differences between purchase and sales prices) for the client, and liquidity, understood as the ability to access to markets or execution centers with greater depth at any time.

However, due to the nature of the order to be executed (volume, asset type, urgency of execution), factors other than those stated above have been considered at certain times in order to obtain the best result for the client.

**3.2. Description of possible close ties, conflicts of interest and common holdings with regard to any execution center used to execute orders.**

The Company generally uses unrelated financial intermediaries or counterparties for its operations, so there are no conflicts of interest. The only link with some intermediaries is determined by the intermediary belonging to the group of the depositary company of the pension funds that are managed. In these cases, there is a Related-Party Operations procedure under which it is ensured that, during transactions with these intermediaries, the transactions are made under market conditions and in the exclusive interest of mutual funds, vehicles or managed portfolios.

**3.3. Description of any specific agreement with intermediaries regarding payments made or received, discounts, reductions or non-monetary benefits received.**

MAPFRE AM has no specific agreements with intermediaries regarding payments made or received since no payments are made between the two parties.

**3.4. Explanation of the factors that led to a modification of the list of intermediaries included in the company's execution policy, in the event that such a change occurred.**

There were no significant changes to the selected list of intermediaries in 2020.

**3.5. Explanation of how order execution differs depending on the various different client categorization and how it may affect order execution modalities.**

Not applicable. All clients to whom the Company provides a discretionary portfolio management service are professionals and, as such, no differentiated treatment is established for the execution of orders depending on the client's categorization.

**3.6. Explanation of the way in which the company has used any data or instrument relating to the quality of the execution, including all data published pursuant to Delegated Regulation (EU) 217/575 and, where appropriate, an explanation of how the investment firm has used information from an established provider of consolidated information pursuant to Article 65 of Directive 2014/65/EU.**

Given the operations carried out by the Company and the lack of direct access to execution centers, data relating to the quality of the executions at said centers have not been analyzed. Since the Company currently has no consolidated information provider, this has not been used for preparing this report.