

**MAPFRE AM**

# Statement of Principal Adverse Impacts of investment decisions on sustainability factors.

MAPFRE ASSET MANAGEMENT

June 2025



## 1. Summary

MAPFRE Asset Management (959800U4W3EMFD0C3R46) (“MAPFRE AM” or the “Management Company”) integrates the consideration of principal adverse impacts (“PAI”) arising from its investment decisions on sustainability factors as an essential part of its investment due diligence processes and procedures.

This statement constitutes the consolidated report on the principal adverse impacts on sustainability factors of MAPFRE Asset Management for the reference period from January 1 to December 31, 2024.

In compliance with regulatory requirements and in accordance with the PAI assessment and management methodology developed by MAPFRE AM, this report has been prepared, to the extent possible, following the guidelines set out in Annex I of Delegated Regulation (EU) 2022/1288 (Regulatory Technical Standards, “RTS”). In this regard, the 18 mandatory indicators of adverse sustainability impacts listed in Table 1 of the RTS on disclosure have been considered. Additionally, two optional indicators have been selected: one environmental indicator from Table 2 of Annex I and one social indicator from Table 3 of the same annex.

During 2024, MAPFRE AM identified these adverse impacts at the Entity level, covering all products managed directly or by delegation, including investment funds, pension funds, EPSVs, and discretionary portfolios for both third parties and the MAPFRE Group.

As MAPFRE AM is part of the MAPFRE Group and manages most of the insurer’s balance sheet investments, it shares the Group’s responsible investment framework as well as its environmental and social commitments. The choice of the optional environmental indicator (Delegated Regulation 2022/1288 Annex I Table 2 PAI 4) was based, among other criteria, on the priorities established in the

MAPFRE Group’s Sustainability Plan, as well as on the policies, frameworks, and commitments derived from it.

MAPFRE is a member of the Net Zero Asset Owner Alliance, which aims to achieve net-zero greenhouse gas emissions by 2050. In 2024, intermediate targets were defined related to emission reductions in the investment portfolio, strengthening engagement activities, and promoting investments that support the transition to a low-carbon economy (<https://www.unepfi.org/net-zero-alliance/resources/member-targets/>).

Therefore, MAPFRE AM has prioritized environmental factors and established specific policies and commitments, both at the Group and Management Company levels, aimed at combating climate change.

MAPFRE AM has identified and monitored issuers with the greatest impact in terms of greenhouse gas (GHG) emissions and carbon footprint, and is currently working on defining an engagement action plan to mitigate such impact.

In the social sphere, the inclusion of people with disabilities is a priority for MAPFRE. In line with this commitment, MAPFRE AM launched a fund in 2019 focused on the inclusion of this group.

Respect for human rights is based on international declarations and standards included in the Group’s Human Rights Policy, thus reflecting the intention to uphold the UN Guiding Principles on Business and Human Rights. In this context, the selection of the optional social indicator (Delegated Regulation 2022/1288 Annex I Table 3 PAI 14) responds to the need to identify adverse impacts in this area.

MAPFRE AM conducts periodic assessment and monitoring of the principal adverse impacts on sustainability factors, adopting necessary mitigation measures. These may include investment exclusion, divestment, or active monitoring through company-specific engagement actions.

For this analysis, the Management Company relies on data provided by MSCI ESG, an external ESG data provider. Additionally, data coverage and quality are assessed, allowing for the determination of indicator representativeness and the definition of actions to be implemented.

During fiscal year 2024, MAPFRE AM has continued to identify issuers that may generate negative impacts on each of the PIAS indicators.

The following section presents the results obtained for each of the PAI indicators at the Entity level

## 2. Description of the Principal Adverse Sustainability Impacts

Principal adverse impacts are understood as those negative, significant, or potentially significant effects that investment decisions may have on sustainability factors.

MAPFRE AM has developed a specific process to identify and periodically monitor the main adverse impacts directly linked to the investment decision-making process. Relevant sustainability factors may be detected in a specific area, industry, sector, or company.

The commitment of the MAPFRE Group and MAPFRE AM to combating climate change and promoting a more just and inclusive society has led to the prioritization of certain environmental and social factors. Consequently, policies and commitments have been defined in these areas at both the Group and Management Company levels. Among the social aspects, the inclusion of people with disabilities stands out as a priority.

Both the Management Company and MAPFRE as a whole actively work on developing measures and controls to ensure compliance with current regulations.

In this context, indicators such as carbon footprint, portfolio exposure to fossil fuels, adherence to United Nations principles on human rights, and workplace accessibility are analyzed. These indicators are part of the commitments undertaken and are continuously reviewed to ensure their alignment with new regulatory requirements.

As issuers and companies in which MAPFRE AM invests provide more complete and detailed information, it will be incorporated into the decision-making process. As a long-term investor, MAPFRE AM aims to develop engagement activities—such as proxy voting and active dialogue—that support the objectives of its specific policies. These activities are essential for identifying potential adverse impacts, understanding how companies manage them, and establishing mechanisms to drive improvement.

The following section will present the results obtained for each of the PIAS indicators at the Entity level, including their definition, the observed impact and the comparison with the previous year, data coverage (as reported by companies and assessed by MSCI according to its methodologies), as well as an Action Plan outlining the planned measures, defined objectives, and relevant comments.

MAPFRE AM reports the average value of the PAI indicators for all products it manages, either directly or by delegation, including investment funds, pension funds, EPSVs, and discretionary portfolios for both third parties and the MAPFRE Group. This information covers investments in fixed income, corporate equity, and sovereign debt, and includes both direct and indirect investments.

The data source used was MSCI ESG, for both corporate and sovereign issuers in direct investments, as well as for funds in indirect investments.

In line with the priorities and objectives of the MAPFRE Group and MAPFRE AM, and as outlined in the previous section, the most relevant PAIs and the actions to be implemented in accordance with the commitments undertaken have been identified. The quality and coverage of the available data per indicator have also

been considered, discarding those that, due to low representativeness, do not allow for active management of adverse impacts. All of this is detailed in the table corresponding to the “Measures Taken” section.

In this regard, the two optional indicators selected—PAI 4 (Table 2 RTS) and PAI 14 (Table 3 RTS)—have been defined based on the previously stated criteria: on one hand, the commitment and objectives of the Management Company, and on the other, the quality and coverage of the available data”.

## Indicators applicable to investments in investees

Sustainability indicator in relation to adverse impacts		Metric	Impact 2024	Impact 2023	Explanation	Actions taken
INDICATORS RELATED TO CLIMATE CHANGE AND OTHER ENVIRONMENT-RELATED INDICATORS						
GHG Emissions	1. GHG Emissions (tCO2e)	Scope 1 GHG emissions	415.340,64	458.363,46	Sum of portfolio companies' Carbon Emissions - Scope 1 (tCO2e) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash.  <i>Indicator coverage: 95,27%</i> <i>Reported: 89,36% Estimated: 5,91%</i>	Action linked to PAI 2. Carbon Footprint
		Scope 2 GHG emissions	108.349,00	112.124,52	Sum of portfolio companies' Carbon Emissions - Scope 2 (tCO2e) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash.  <i>Indicator coverage: 95,27%</i> <i>Reported: 85,00% Estimated: 10,27%</i>	Action linked to PAI 2. Carbon Footprint
		Scope 3 GHG emissions	4.665.135,00	3.717.906,53	Sum of portfolio companies' Scope 3 - Total Emission Estimated (tCO2e) weighted by the portfolio's value of investment in a company and by the company's most recently available enterprise value including cash.	The indicator is calculated assuming an estimate in a relevant percentage, since, up to now, most of the companies are not making Scope 3 public. Therefore, the evolution of the indicator will be monitored, without setting actions or targets for the time being.

			<i>Indicator coverage: 95,26%</i> <i>Reported: 0,00% Estimated: 95,26%</i>	
	Total GHG emissions	5.195.089,82	4.294.768,08	<p>The total annual Scope 1, Scope 2, and estimated Scope 3 GHG emissions associated with the market value of the portfolio. Companies' carbon emissions are apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash).</p> <p>An analysis of the evolution of the indicator will be carried out since Scope 3 is the scope that contributes the most and is currently mainly estimated. Action linked to PAI 2. Reduce Carbon Footprint.</p>
				<i>Indicator coverage: 95,18%</i> <i>Reported: 0,00% Estimated: 95,18%</i>
<b>2. Carbon Footprint</b> (tCO2e/Millones EUR EVIC)	Carbon Footprint	302,65	348,99	<p>MAPFRE has joined the NZAOA in 2023 and set intermediate targets to reduce the carbon footprint (Scope 1 + Scope 2) by 43% by 2030 (base year 2022) of MAPFRE's balance sheet investment portfolio, mostly managed by MAPFRE AM. This target focuses on the corporate fixed income and listed equities segment.</p> <p>The total annual Scope 1, Scope 2, and estimated Scope 3 GHG emissions associated with 1 million EUR invested in the portfolio. Companies' carbon emissions are apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash).</p> <p>Appropriate actions are being taken to reduce the footprint and are also aligned with the objectives set out in MAPFRE's Sustainability Plan for the investment part. This evolution is reported periodically through the NZAOA report as well as in MAPFRE's sustainability report, Consolidated Non-Financial Information Statement (NFIS) and Consolidated Sustainability Report of MAPFRE S.A. and subsidiaries..</p> <p>This is supported by the engagement activity (dialogue and voting) as well as the Environmental Commitments assumed by MAPFRE AM within its sustainability risk integration policy.</p>

				<i>Indicator coverage: 95,18%</i> <i>Reported: 0,00% Estimated: 95,18%</i>	
<b>3. GHG intensity of investee company</b> (tCO2e/Millones EUR ventas)					
	GHG Intensity of investee companies	715,29	787,10		
				<p>The portfolio's weighted average of its holding issuers' GHG Intensity (Scope 1, Scope 2 and estimated Scope 3 GHG emissions/EUR million revenue).</p> <p>The indicator is being monitored, focusing on Scope 1 and Scope 2, reported by the companies, in order to assist in investment decision-making, allowing the portfolio's intensity to be reduced and aligned with the NZAOA's decarbonization objectives. The most intensive companies (Scope 1+2) of the investments managed by MAPFRE AM are identified and monitored through the engagement mechanisms discussed above.</p>	
<i>Indicator coverage: 96,54%</i> <i>Reported: 0,00% Estimated: 96,54%</i>					

**4. Exposure to companies active in the fossil fuel sector (%)**

Share of investments in companies active in the fossil fuel sector

6,68%

7,73%

The percentage of the portfolio's market value exposed to issuers with active fossil fuels related activities, including petroleum, natural gas, and thermal and metallurgical coal.

MAPFRE AM, in line with the MAPFRE Group, has defined environmental commitments to reduce investment in fossil fuels. <https://www.mapfre.com/media/MAPFRE-COMPROMISOS-AMBIENTALES-EN-INVERSION-Y-SUSCRIPCION.pdf> In the event of exposure through an issuer, the situation will be evaluated by the appropriate governing body, and it will be decided whether it is appropriate to begin a process of involvement with the company or to proceed to its orderly sale. According to MAPFRE's commitments and the thresholds defined in its policy, the percentage of exposure to fossil fuels would be 0.22% (vs. 0.25% in the PIAS 2023 report). The data reported in this report is in line with MSCI methodology, and shows the % of companies related to fossil fuels (without taking into account any type of threshold). The 2023 and 2024 data is shown with the same calculation methodology for comparability.

*Indicator coverage: 96,28%*  
*Reported: 96,28% Estimated: 0,00%*

**5. Share of non-renewable energy consumption and production (%)**

Share of non-renewable energy consumption and production

48,80%

58,55%

The portfolio's weighted average of issuers' energy consumption and/or production from non-renewable sources as a percentage of total energy used and/or generated.

The indicator is monitored in order to help in investment decision making. Although in our portfolio the coverage percentage is around 82,71%, the coverage percentage of this indicator over a total of 10,000 companies is 36,5% (MSCI May 2024 study), still too low to implement action plans on it.

*Indicator coverage: 82,71%*  
*Reported: 82,71% Estimated: 0,00%*



**6. Energy consumption intensity per high impact climate sector**  
(GWh / Millones de EUR ingresos)

NACE Code A (Agriculture, Forestry and Fishing)	1,19	0,39	<p>The portfolio's weighted average of Energy Consumption Intensity (GWh/million EUR revenue) for issuers classified within NACE Code A (Agriculture, Forestry and Fishing)</p> <p><i>Indicator coverage: 89,08%</i> <i>Reported: 89,08% Estimated: 0,00%</i></p>	<p>A reduced investment in high impact climate sectors will be maintained, which will contribute positively to the energy consumption of MAPFRE's investment portfolio.</p> <p>An exercise has been carried out to identify the weight in the investment portfolio of the CPRS (Climate Policy Relevant Sectors) based on EIOPA's NACE methodology.</p>
NACE Code B (Mining and Quarrying)	343,18	1,21	<p>The portfolio's weighted average of Energy Consumption Intensity (GWh/million EUR revenue) for issuers classified within NACE Code B (Mining and Quarrying)</p> <p><i>Indicator coverage: 89,08%</i> <i>Reported: 89,08% Estimated: 0,00%</i></p>	<p>During part of the year, there was an increase in this sector (B) due to the acquisition of an issue that contributes strongly to this indicator, but this was reversed at the end of the year. The 2024 figure reflected in this report remains high due to the annual average.</p>
NACE Code C (Manufacturing)	0,32	0,84	<p>The portfolio's weighted average of Energy Consumption Intensity (GWh/million EUR revenue) for issuers classified within NACE Code C (Manufacturing)</p> <p><i>Indicator coverage: 89,08%</i> <i>Reported: 89,08% Estimated: 0,00%</i></p>	

NACE Code D (Electricity, Gas, Steam and Air Conditioning Supply)	1,35	1,31	<p>The portfolio's weighted average of Energy Consumption Intensity (GwH/million EUR revenue) for issuers classified within NACE Code D (Electricity, Gas, Steam and Air Conditioning Supply)</p> <p><i>Indicator coverage: 89,08%</i> <i>Reported: 89,08% Estimated: 0,00%</i></p>
NACE Code E (Water Supply; Sewerage, Waste Management and Remediation Activities)	1,54	1,81	<p>The portfolio's weighted average of Energy Consumption Intensity (GwH/million EUR revenue) for issuers classified within NACE Code E (Water Supply; Sewerage, Waste Management and Remediation Activities)</p> <p><i>Indicator coverage: 89,08%</i> <i>Reported: 89,08% Estimated: 0,00%</i></p>
NACE Code F (Construction)	0,28	0,17	<p>The portfolio's weighted average of Energy Consumption Intensity (GwH/million EUR revenue) for issuers classified within NACE Code F (Construction)</p> <p><i>Indicator coverage: 89,08%</i> <i>Reported: 89,08% Estimated: 0,00%</i></p>

NACE Code G (Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles)	0,10	0,15	<p>The fund's weighted average of Energy Consumption Intensity (GwH/million EUR revenue) for issuers classified within NACE Code G (Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles)</p> <p><i>Indicator coverage: 89,08%</i> <i>Reported: 89,08% Estimated: 0,00%</i></p>	
NACE Code H (Transportation and Storage)	1,35	1,15	<p>The portfolio's weighted average of Energy Consumption Intensity (GwH/million EUR revenue) for issuers classified within NACE Code H (Transportation and Storage)</p> <p><i>Indicator coverage: 89,08%</i> <i>Reported: 89,08% Estimated: 0,00%</i></p>	
NACE Code L (Real Estate Activities)	0,45	0,41	<p>The portfolio's weighted average of Energy Consumption Intensity (GwH/million EUR revenue) for issuers classified within NACE Code L (Real Estate Activities)</p> <p><i>Indicator coverage: 89,08%</i> <i>Reported: 89,08% Estimated: 0,00%</i></p>	<p>A reduced investment in high impact climate sectors will be maintained, which will contribute positively to the energy consumption of MAPFRE's investment portfolio.</p> <p>An exercise has been carried out to identify the weight in the investment portfolio through the CPRS (Climate Policy Relevant Sectors) based on the EIOPA NACE methodology.</p> <p>In sector L direct investment in real estate is not included.</p>

<b>Biodiversity</b>	<b>7. Activities negatively affecting biodiversity-sensitive areas</b> (%)	Share of investments in investee companies with sites/operations located in or near to biodiversity sensitive areas where activities of those investee companies negatively affect those areas	7,92%	8,08%	<p>The percentage of the portfolio's market value exposed to issuers' that reported having operations in or near biodiversity sensitive areas and have been implicated in controversies with severe or very severe impacts on the environment</p> <p>MAPFRE has no clear focus on biodiversity, however, the 25% will not be overspent on activities that negatively affect sensitive areas in terms of biodiversity.</p>
					<p><i>Indicator coverage: 96,31%</i> <i>Reported: 0,00% Estimated: 96,31%</i></p>
<b>Water</b>	<b>8. Emissions to water</b> (Toneladas de emisiones de agua / Millón de EUR invertido)	Tonnes of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0,04	0,32	<p>The total annual wastewater discharged (metric tons reported) into surface waters as a result of industrial or manufacturing activities associated with 1 million EUR invested in the portfolio. Companies' water emissions are apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash).</p> <p>The evolution of the indicator is monitored. However, no concrete actions have been established due to the low representativeness of the data. It has been observed that a small number of companies report this information (0,3% according to the MSCI study of May 2024 on a universe of 10,000 companies; and 1% of our portfolio).</p>
					<p><i>Indicator coverage: 9,03% Reported: 9,03% Estimated: 0,00%</i></p>

<b>Waste</b>	<b>9. Hazardous waste ratio</b> (Toneladas de residuos peligrosos y radiactivos / Millón de EUR invertido)	Tonnes of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	2,86	4,76	The total annual hazardous waste (metric tons reported) associated with 1 million EUR invested in the portfolio. Companies' hazardous waste is apportioned across all outstanding shares and bonds (based on the most recently available enterprise value including cash).	The evolution of the indicator is monitored. However, no concrete actions have been established since the data is still not very representative. A small number of companies report this information (18% according to the MSCI study of May 2024 out of a universe of 10,000 companies).
<i>Indicator coverage: 49,78%</i> <i>Reported: 49,78% Estimated: 0,00%</i>						

Sustainability indicator in relation to adverse impacts	Metric	Impact 2024	Impact 2023	Explanation	Actions taken
<b>INDICATORS ON SOCIAL AND LABOUR ISSUES, RESPECT FOR HUMAN RIGHTS AND THE FIGHT TO COMBAT CORRUPTION AND BRIBERY</b>					

<b>Social and labour issues</b>	<b>10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (%)</b>	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0,00%	0,01%	The percentage of the portfolio's market value exposed to issuers with very severe controversies related to the company's operations and/or products.	The indicator is monitored to assist in investment decision making. If the 5% threshold is exceeded, the situation will be evaluated by the appropriate governance body, and a decision will be made to either (1) adjust the portfolio or (2) begin a process of engagement with the company(ies).
<i>Indicator coverage: 96,49%</i> <i>Reported: 0,00% Estimated: 96,49%</i>						

<b>11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises (%)</b>	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	1,18%	0,52%	<p>The percentage of the portfolio's market value exposed to issuers that are not signatories in the UN Global Compact.</p> <p><i>Indicator coverage: 96,28%</i> <i>Reported: 96,28% Estimated: 0,00%</i></p>	<p>The focus of the objective and actions are on PAI 10. However, this indicator is monitored.</p>
<b>12. Unadjusted gender pay gap (%)</b>	Average unadjusted gender pay gap of investee companies	10,83%	14,10%	<p>The portfolio holdings' weighted average of the difference between the average gross hourly earnings of male and female employees, as a percentage of male gross earnings.</p> <p><i>Indicator coverage: 54,88%</i> <i>Reported: 54,88% Estimated: 0,00%</i></p>	<p>The evolution of the indicator is monitored. However, no concrete actions have been established since the data is still not very representative. A small number of companies report this information (7% according to MSCI's May 2024 study on a universe of 10,000 companies).</p>

<b>13. Board gender diversity</b> (%)	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	40,95%	39,85%	The portfolio holdings' weighted average of the ratio of female to male board members.	The indicator is monitored in order to assist in investment decision making. If the average ratio below 30%, the situation will be evaluated by the appropriate governing body, and a decision will be made whether (1) to adjust the portfolio or (2) to begin a process of involvement with the company/s.
				Indicator coverage: 90,12% Reported: 90,12% Estimated: 0,00%	
<b>14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)</b> (%)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0,00%	0,01%	The percentage of the portfolio's market value exposed to issuers with an industry tie to landmines, cluster munitions, chemical weapons or biological weapons. Note: Industry ties includes ownership, manufacturing and investments. Ties to landmines do not include related safety products.	The indicator is monitored to assist in investment decision making. In the event of exceeding 1%, the situation will be evaluated by the appropriate governing body, and a decision will be made whether to (1) adjust the portfolio or (2) begin a process of engagement with the company/s.
				Indicator coverage: 96,97% Reported: 96,97% Estimated: 0,00%	

**Indicators applicable to investments in sovereign and supranational entities**

Sustainability indicator in relation to adverse impacts	Metric	Impact 2024	Impact 2023	Explanation	Actions taken
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Environmental	15. GHG Intensity(Tco2 / Mil millones PIB)	GHG intensity of investee countries	191,39	234,66	The portfolio's weighted average of sovereign issuers' GHG Emissions Intensity (Scope 1, 2 and 3 emissions/EUR M GDP)	The indicator is monitored (Scope 1+ Scope 2) in order to assist in investment decision-making, but no specific action plans will be established beyond the establishment of a carbon footprint reduction path (scope 1+2) for the corporate fixed income and listed equity portfolio, aligned with the commitments of the NZAOA and MAPFRE's Sustainability Plan.The transition to a sustainable and decarbonized economic model is one of the greatest global challenges. This transition process is a source of risks and opportunities for governments. To manage this PIA MAPFRE AM integrates variables such as the ESG quality of the states in its investment decision-making processes based on an internal methodology and/or data from leading international ESG providers.
Social	16. Investee countries subject to social violations (% y N°)	Number of investee countries subject to social violations (absolute number), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	4,00	5,00	The portfolio's number of unique sovereign issuers with European External Action Service (EEAS) restrictive measures (sanctions) on imports and exports	The indicator will be tracked in order to assist in investment decision making. The focus will be on the relative metric, explained below. For this indicator in this statement, the result obtained (4) corresponds exclusively to indirect positions, where no specific objective has been set.



Indicator coverage: 94,81%  
Reported: 0,00% Estimated: 94,81%

Number of investee countries subject to social violations (relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law	4,76%	5,62%	The portfolio's percentage of unique sovereign issuers with European External Action Service (EEAS) restrictive measures (sanctions) on imports and exports	The indicator is monitored and if the 1% threshold is exceeded, the situation will be evaluated and the appropriate governing body will decide whether to (1) adjust the portfolio or (2) begin a process of engagement with the company(ies). For this indicator in this statement, the result corresponds exclusively to indirect positions.
Indicator coverage: 94,81% Reported: 0,00% Estimated: 94,81%				

Indicators which apply to investments in property assets

Sustainability indicator in relation to adverse impacts	Metric	Impact 2024	Impact 2023	Explanation	Actions taken
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Fossil Fuels	17. Exposure to fossil fuels through real estate assets	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	N/A	N/A	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	Not applicable.
Energy efficiency	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	N/A	N/A	Share of investments in energy-inefficient real estate assets	Not applicable.

Other indicators of the main adverse impacts on the sustainability factors

Indicators applicable to investments in investees

Sustainability indicator in relation to adverse impacts	Metric	Impact 2024	Impact 2023	Explanation	Actions taken
INDICATORS RELATED TO CLIMATE CHANGE AND OTHER ADDITIONAL ENVIRONMENT-RELATED INDICATORS					

Emissions	4. Investments in companies without carbon emission reduction initiatives (%)	Share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement	30,57%	37,62%	The percentage of the portfolio's market value exposed to issuers without a carbon emissions reduction target aligned with the Paris Agreement	MAPFRE AM, in line with the MAPFRE Group, has defined environmental commitments to reduce investment in companies that are not committed to an energy transition plan that will that would maintain global warming at around 1.5°C.
						<a href="https://www.mapfre.com/media/MAPFRE-COMPROMISOS-AMBIENTALES-EN-INVERSION-Y-SUSCRIPCION.pdf">https://www.mapfre.com/media/MAPFRE-COMPROMISOS-AMBIENTALES-EN-INVERSION-Y-SUSCRIPCION.pdf</a>
						In the event of exposure through an issuer, the situation will be assessed by the appropriate governing body, and a decision will be made as to whether it is appropriate to begin an engagement process with the company(ies) or proceed with their restructuring. This indicator complements the management of the other PIA indicators related to climate change and is supported by the remaining environmental commitments made at the group and management entity levels.
						According to MAPFRE AM's methodology for evaluating emissions reduction initiatives in coal, gas, and oil companies, the percentage of exposure to companies without initiatives would be 0% (vs. 1.5% in the 2023 PIAS report). The data reported in this report is in line with the MSCI methodology and shows the percentage of companies without carbon emissions reduction initiatives aimed at aligning with the Paris Agreement (ITR) according to MSCI's own methodology. The data for 2023 and 2024 are shown using the same calculation methodology for comparability.
						Indicator coverage: 95,32% Reported: 0,00% Estimated: 95,32%

**ADDITIONAL INDICATORS ON SOCIAL AND LABOUR ISSUES, RESPECT FOR HUMAN RIGHTS, AND THE FIGHT TO COMBAT CORRUPTION AND BRIBERY**

Human Rights	14. Number of identified cases of severe human rights issues and incidents (N°)	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis	0,00	0,00	The total number of severe and very severe human rights concerns controversies in the last three years associated with EUR 1 million invested in the fund. It is calculated as the weighted average of Number of Severe and Very Severe Human Rights Concerns Controversies per company divided by the company's most recently available enterprise value including cash (EVIC).	The Management Company intends not to invest in companies involved in controversies rated as very severe (red flag by MSCI). In the event of a very severe controversy, the investment team will be informed in order to proceed with the sale or, if necessary, authorization will be requested from the relevant governing body, subject to the presentation of a justified proposal by the investment management.
Indicator coverage: 95,16% Reported: 0.00% Estimated: 95.16%						

### 3. Description of policies to identify and prioritise the impact of Principal Adverse Impacts on Sustainability

A specific process has been established to identify and periodically monitor the principal adverse impacts directly related to the investment decision-making process. Within this framework, continuous monitoring of the previously mentioned indicators is carried out with the aim of detecting, mitigating, and justifying the main adverse sustainability impacts.

These indicators make it possible to assess which companies are generating adverse impacts and in relation to which variables, facilitating the individualized analysis of each case and, where appropriate, the adoption of corresponding measures. For this purpose, it is especially relevant to consider (1) the weight of the exposure to the issuer and (2) whether it concerns one of the indicators for which a clear course of action has been defined—mainly focused on emission reduction, exposure to companies active in the fossil fuel sector, or violations of international standards related to human rights or workplace accessibility.

The commitment of the MAPFRE Group and MAPFRE AM to combating climate change and promoting a more just and equal society has led to the prioritization of certain environmental and social factors. Consequently, policies and commitments have been defined in these areas at both the Group and Management Company levels, forming the core of actions addressing principal adverse impacts.

In this context, MAPFRE AM acknowledges that certain investment activities may generate adverse sustainability impacts. Therefore, it strives to minimize such effects whenever possible through the application of environmental, social, and governance (ESG) integration strategies, as outlined in [MAPFRE](#)

[AM's policies available on the website](#), as well as in the corresponding internal procedures.

In its investment analysis and management processes, MAPFRE AM considers various policies and regulatory frameworks, either developed internally or adopted by the MAPFRE Group. These policies form a control framework that helps anticipate, prevent, or mitigate potential events that could result in adverse impacts on sustainability factors:

- [MAPFRE Group Responsible Investment Framework](#) (October-2023)
- [Environmental Commitments for the Investment Area](#) (January-2023)
- [MAPFRE AM Sustainability Risk Integration Policy](#) (December-2023)
- [MAPFRE AM Engagement Policy](#) (July-2023)
- [MAPFRE AM Voting Policy](#) (July-2020)

As a long-term investor, MAPFRE AM aims to develop engagement activities—such as exercising voting rights and active dialogue—that support the objectives defined in its specific policies. These activities are essential for identifying potential adverse impacts, understanding how companies manage them, and establishing mechanisms that drive continuous improvement.

In this regard, MAPFRE AM has an Engagement Policy and a Sustainability Risk Integration Policy focused on detecting and prioritizing principal adverse impacts (PAIs) on sustainability factors. Each of these policies clearly defines the allocation of responsibilities for their implementation within the entity's organizational strategies and procedures.

As an additional measure to strengthen PAI monitoring, the Management Company has established a dedicated engagement working group. Among its functions is the identification of significant adverse impacts, which may lead to the initiation of engagement activities—either individually, collectively, or through providers and/or third parties. As previously mentioned, the detection of adverse impacts may also result in decisions such as divestment, limiting

exposure, or placing the issuer on a watchlist, accompanied, where appropriate, by engagement actions.

All mentioned policies are kept permanently up to date. They are reviewed at least once a year, or more frequently if deemed necessary, and are subject to approval by the relevant governing bodies.

Regarding data representativeness, and as already indicated, in some indicators the lack of coverage or quality prevents active management of certain adverse impacts. MAPFRE AM works, to the extent possible, to improve data coverage and quality in order to achieve greater reliability in future assessments.

For this reason, in cases where indicator coverage is insufficient, no specific measures have been adopted. A minimum coverage threshold of 80% has been established to reduce the margin of error in decision-making.

As issuers and companies in which MAPFRE AM invests provide more complete and detailed information, it will be incorporated into the investment decision-making process.

To comply with the obligation to select two additional indicators—one environmental and one social—from Tables 2 and 3 of Annex I of the RTS, MAPFRE AM has conducted a thorough analysis of all available additional indicators.

This analysis has taken into account several key aspects, as mentioned in previous sections, to ensure a selection consistent with the entity's strategic commitments and the quality and coverage of the available data for each indicator:

- ✓ The importance of the optional indicators in line with the commitments and objectives of both the Management Company and the MAPFRE Group.

- ✓ Availability and coverage of the indicator data by the data provider.

Thus, the two selected optional indicators are:

- PAI 4- Investments in companies without carbon emission reduction initiatives (Environmental): In line with the MAPFRE Group's sustainability strategy, of which MAPFRE AM is a part.

According to the Sustainability Risk Integration Policy, MAPFRE AM will not invest in coal, gas, and oil companies that are not committed to an energy transition plan and that may pose a material risk to achieving portfolio objectives. In addition to this general restriction, MAPFRE AM commits to:

(1) not investing in companies where 20% or more of their revenue and/or generation comes from coal-based energy;(2) not investing in companies with coal-based energy expansion plans exceeding 300 MW;(3) not investing in companies that derive 20% or more of their revenue from the extraction and/or annual production of thermal coal exceeding 20 million tons;(4) not investing in companies where more than 15% of their revenue is directly or indirectly linked to oil sands activities.

- PAI 14- Number of identified cases of severe human rights issues and incidents (Social): Aligned with the MAPFRE Group's responsible investment framework and MAPFRE AM's integration policy.

Both selected indicators have broad coverage, making them representative and suitable for effectively identifying and managing adverse impacts.

The data source used was MSCI ESG, both for direct investments—through corporate and sovereign issuers—and for indirect investments made through funds.

## 4. Engagement policies

MAPFRE AM considers effective and sustainable shareholder engagement to be a fundamental pillar of the corporate governance model, key to ensuring long-term sustainable performance. In this regard, increased engagement is viewed as a strategic tool to enhance both financial and non-financial performance.

To this end, MAPFRE AM has developed and published a Long-Term Shareholder Engagement Policy, which outlines how voting and engagement activities are carried out and how they are integrated into investment decisions through fund and portfolio managers.

As previously mentioned, this policy applies to all vehicles and portfolios managed by the Management Company, except in exceptional cases where the cliente has chosen to retain voting rights and engagement activities are retained internally.

In line with the commitments of the MAPFRE Group and the Management Company, MAPFRE AM incorporates socially responsible investment criteria into its investment management, based on principles of sustainability, transparency, and consideration of identified principal adverse impacts. The integration of ESG (environmental, social, and governance) factors into management can positively contribute to long-term financial results and economic and social progress.

Through dialogue with companies, MAPFRE AM seeks to understand their business models, risks, and opportunities, as well as to promote improvements in their ESG strategy, management, and performance—especially in material aspects. This approach helps identify and mitigate adverse impacts. MAPFRE AM also collaborates with other market participants—such as associations, regulators, and other investors—to promote socially responsible investment.

As already mentioned in the 2023 report, during that year, an Engagement Working Group was established to coordinate all activities in this area at the Management Company level. To date, dialogue priorities have focused on the environmental commitments of MAPFRE AM and the MAPFRE Group.

Additionally, MAPFRE AM exercises its voting rights at general shareholders' meetings. The Voting Policy sets out the general principles governing this process, aligning with the Management Company's and the Group's vision on responsible investment and governance. Its objective is to positively influence corporate policies, especially in areas where ESG deficiencies are identified.

To support this process, MAPFRE AM relies on a specialized proxy advisor, which provides recommendations with a sustainability focus in a small number of companies. However, the final decision on how to vote lies exclusively with the Management Company.

As a result, MAPFRE AM will exercise its voting rights considering environmental, social, and governance criteria, always acting in the best interest of its participants and clients.

The identification of adverse impacts among issuers in the investment portfolio may be one of the factors that trigger the start of a dialogue process with companies.

In developing this active approach, the following are established: (1) The objectives of the dialogue and conditions for applying an escalation strategy; (2) An inventory of issues to be addressed; (3) Governance guidelines for the engagement process, including identifying relevant stakeholders, communicating the objectives pursued, covering all topics in meetings, and collecting responses for analysis and follow-up; and (4) The possibility of

redefining and adjusting dialogue objectives throughout the process, if necessary.

If the dialogue does not yield the expected results, the Management Company may take additional measures to alert the company to its sustainability risks, such as holding further meetings with management, divesting positions, or placing the company on exclusion lists. MAPFRE AM may also engage external engagement service providers with extensive international experience when deemed appropriate.

Finally, potential conflicts of interest will be assessed. MAPFRE AM has a specific policy that establishes a general framework for managing such conflicts, complemented by internal regulations that safeguard, among other aspects, the interests of its clients.

The Engagement and Voting Policies are available on the Management Company's website (<https://www.mapfre.am/en/policies/>).

These policies are kept permanently up to date. They are reviewed periodically—at least once a year or more frequently if necessary—and are subject to approval by the relevant governing bodies.

## 5. Referens to international standards

Since the majority of the investments managed by MAPFRE AM belong to the MAPFRE Group, the initiatives and commitments undertaken by the Group are an integral part of the commitments adopted by the Management Company. Consequently, MAPFRE AM's policies and procedures are based on the Group's Responsible Investment Framework.

MAPFRE has been a signatory of the United Nations Principles for Responsible Investment (UNPRI) since 2017 and has been a member of the Net Zero Asset Owner Alliance (NZAOA) since January 2023.

Below is a detailed list of MAPFRE's voluntary adherence to key international and local reference initiatives ([Internacional commitments](#)), in which the company actively participates.

### Related to environmental issues

The subjects and commitments outlined in these statements are directly related to several of the principal adverse impact (PAI) indicators applicable to environmental matters. Specifically, they are linked to indicators 1, 2, 3, 4, 6, and 15 from Table 1, as well as indicator 4 from Table 2 of Annex I of the RTS.

MAPFRE AM supports the achievement of the objectives of the:

- Paris Agreement through its support to the Task Force on Climate-related Financial Disclosures (TCFD).
- Climate Disclosure Project (CDP)
- Paris Pledge for Action
- United Nations Environment Programme Finance Initiative (UNEPFI).Net Zero Asset Owner Alliance (NZAOA).
- Net Zero Asset Owner Alliance (NZAOA).

### Related to social issues

The subjects and commitments outlined in these statements are directly related to various principal adverse impact (PAI) indicators linked to social and labor issues. Specifically, they correspond to indicators 10, 11, 13, 14, and 16 from Table 1, as well as indicator 14 from Table 2 of Annex I of the RTS.

MAPFRE actively participates in the following initiatives:



- UN standards of conduct for companies in favor of LGBTBI people.
- UN Women Principles.
- ILO Global Business and Disability Network (GBDN).

## Related to other sustainability initiatives

The subjects and commitments outlined in these statements are related to all of the Principal Adverse Impact (PAI) indicators.

- United Nations Global Compact.
- Agenda 2030 and the Sustainable Development Goals (SDGs).
- Principles for Responsible Investment (PRI)
- Principles for Sustainability in Insurance (PSI)

## Climate scenarios

During the current reporting period, no forward-looking climate scenarios have been used in the management of the Principal Adverse Impact (PAI) indicators. However, an assessment is planned to evaluate the potential implementation of such scenarios in future disclosures.

## 6. Historical comparison

A comparative assessment is presented below with respect to the results obtained during the 2023 reporting period, based on the following criteria:

- 1) Indicators of Principal Adverse Impacts (PAIs) for which a measure or action was defined during 2023 will be analyzed, in line with the priorities established by the Management Company.
- 2) Indicators that have shown significant variations will be examined.
- 3) No assessment will be conducted for indicators with very limited coverage (below 80%).

Tabla Variaciones

Applicable to	Thematic	Indicator PAI	Impact 2024	Impact 2023	Explanation
Indicators applicable to investments in investees	Issues related to climate change and other environmental indicators	1. Emisiones de gases de efecto invernadero			
		Scope 1 GHG emissions	415.340,64	458.363,46	
		Scope 2 GHG emissions	108.349,00	112.124,52	In line with the measures adopted in PAI 2, and therefore with the explanation included below.
		Scope 3 GHG emissions	4.665.135,00	3.717.906,53	-
		Total GHG Emissions (Scope 1, 2 and 3)	5.195.089,82	4.294.768,08	In line with the measures adopted in PAI 2, and therefore with the explanation included below.
		2. Carbon footprint	302,65	348,99	The reduction is a consequence of the progressive decarbonization (scope 1 + scope 2) of the investment portfolio managed by MAPFRE AM, in line with the environmental commitments acquired at Group and Management Company level, mainly alignment with the objectives set in the NZAOA and compliance with established frameworks and policies. Likewise, the most emission-intensive companies have been identified and a process of dialogue with them has gradually begun.
		3. GHG intensity of investee companies	715,29	787,10	

<b>4. Exposure to companies active in the fossil fuels sector</b>	6,68%	7,73%	Reduction of investment in companies active in fossil fuels in line with the environmental commitments assumed in terms of investment in relation to gas, coal and oil. <a href="https://www.mapfre.com/media/MAPFRE-ENVIRONMENTAL-COMMITMENTS-IN-INVESTMENT-AND-UNDERWRITING.pdf">https://www.mapfre.com/media/MAPFRE-ENVIRONMENTAL-COMMITMENTS-IN-INVESTMENT-AND-UNDERWRITING.pdf</a> According to MAPFRE's commitments and the thresholds defined in its policy, the percentage of exposure to fossil fuels is 0.22% (vs. 0.25% in the PASI 2023 report), and has been reduced accordingly.
<b>5. Proportion of non-renewable energy production and consumption</b>	48,80%	58,55%	-
<b>6. Energy consumption intensity by sector of high climate impact.</b>			
Sector A (Agriculture, Forestry and Fishing)	1,19	0,39	Investment in high-impact climate sectors remains low. However, there are not significant variations since 2022.
Sector B (Mining and Quarrying)	343,18	1,21	During part of the year, there was an increase in this sector due to the acquisition of an issue, but this was reversed at the end of the year. The figure reflected in this report is still high because it shows the average for the year.
Sector C (Manufacturing)	0,32	0,84	
Sector D (Electricity, Gas, Steam and Air Conditioning)	1,35	1,31	
Sector E (Water Supply; Sewerage, Waste management and Remediation Activities)	1,54	1,81	
Sector F (Construction)	0,28	0,17	
Sector G (Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles)	0,10	0,15	

	Sector H (Transportation and Storage)	1,35	1,15	
	Sector L (Real Estate Activities)	0,45	0,41	
	<b>7. Activities that adversely affect sensitive areas in terms of biodiversity</b>	7,92%	8,08%	-
	<b>8. Emissions to water</b>	0,04	0,32	-
	<b>9. Ratio of hazardous waste to radioactive waste.</b>	2,86	4,76	-
<b>Social and labor issues</b>	<b>10. Violations of the principles of the United Nations Global Compact and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.</b>	0,00%	0,01%	
	<b>11. Lack of compliance processes and mechanisms to monitor compliance with the principles of the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.</b>	1,18%	0,52%	
	<b>12. Unadjusted gender pay gap.</b>	10,83%	14,10%	-
	<b>13. Gender diversity of the board of directors</b>	40,95%	39,85%	-
	<b>14. Exposure to controversial weapons (landmines, cluster bombs, chemical weapons and biological weapons).</b>	0,00%	0,01%	-
<b>Indicators applicable to investments in sovereign and supranational entities</b>	<b>Issues related to climate change and other environmental indicators</b>	<b>15. GHG intensity</b>	191,39	234,66
				-
	<b>Social and labor issues</b>	<b>16. Countries receiving the investment subject to social infractions</b>		
		Number of countries receiving investment subject to social infractions (absolute number)	4,00	5
		Number of host countries subject to social infractions (relative number, divided by all host countries)	4,76%	5,62%

Indicators applicable to investments in real estate assets	Fossil fuels	17. Exposure to fossil fuels through real estate assets.	N/A	N/A	-
	Energy Efficiency	18. Exposure to energy inefficient real estate assets	N/A	N/A	-
Other indicators of significant adverse impacts on sustainability factors applicable to investments in investee companies	Climate change issues	4. Investments in companies without carbon emission reduction initiatives.	1,50%	4,20%	Reduction of investment in companies without carbon emissions reduction initiatives in line with environmental investment commitments <a href="https://www.mapfre.com/media/MAPFRE-ENVIRONMENTAL-COMMITMENTS-IN-INVESTMENT-AND-UNDERWRITING.pdf">https://www.mapfre.com/media/MAPFRE-ENVIRONMENTAL-COMMITMENTS-IN-INVESTMENT-AND-UNDERWRITING.pdf</a> , thus MAPFRE AM will not invest in coal, gas and oil companies that are not committed to an energy transition plan to maintain global warming. Monitoring is carried out according to the MAPFRE AM methodology, with 0% exposure to companies without initiatives, a decrease observed since the previous year.
	Social and labor issues	14. Number of detected cases of serious human rights problems and incidents.	0,00	0,00	-