

Sustainable Finance Disclosure Regulation (SFDR)

On the 10 March 2021, the Sustainable Finance Disclosure Regulation (SFDR) came into effect within the European Union (EU). The SFDR introduces various sustainability-related disclosure requirements at an entity level and a product level to provide more transparency on sustainability. As MAPFRE MSV Life plc (MAPFRE MSV) is Financial Market Participant (FMP) domiciled within the EU, its investments will be subject to the SFDR.

Integration of Sustainability Risks in investment decisions

MAPFRE MSV is committed to stable and resilient social, environmental and economic outcomes and believe that sustainable investments are central to successful long-term investor outcomes.

MAPFRE MSV's investments are generally performed via external, independent and duly qualified investment managers who are authorized to manage the respective mandates on a discretionary basis within the applicable investment policies. Where relevant, MAPFRE MSV expects its active managers to fully integrate sustainability approach into their processes.

In its due diligence process of selecting and monitoring its investment managers MAPFRE MSV engages independent consultants for provision of sustainability metrics and ratings where possible. These sustainability evaluations are amongst the considerations when selecting and engaging a manager and on-going monitoring of the engaged managers. In addition to considering independent opinions of its consultants MAPFRE MSV also requires its managers to demonstrate directly to MAPFRE MSV their sustainability policies, their adoption and implementation in their investment decision making and investment processes where applicable.

Adverse impacts on Sustainability factors

MAPFRE MSV invests in a number of different asset types across numerous sectors. Due to the varying nature of its investment allocation, the adverse impacts on sustainability factors of MAPFRE MSV's investment activity may take a variety of forms, the analysis and measurement and management of which is an evolving effort. Regulatory and industry standardization is still developing and is likely to crystalize in the coming years. MAPFRE MSV will continue working to implement and improve its assessment of adverse impacts of its investments on sustainability factors and undertake efforts to mitigate these impacts in a manner leading to satisfactory sustainable outcomes.