



**MAPFRE U.S.A. Corp.**

**Task Force on Climate-related Financial Disclosure  
Report for 2023**

August 30, 2024

MAPFRE S.A. (“MAPFRE” or “the Group”) is organized under the laws of Spain and the parent company of the MAPFRE Group, which carries out international insurance, reinsurance, and other service activities in 38 countries. In 2023, the Group employed over 30,800 people. MAPFRE Internacional S.A. (“MAPFRE Internacional”), is a wholly owned subsidiary of the Group that handles the direct insurance business outside of Spain and Latin America, including the United States. MAPFRE Internacional wholly owns MAPFRE U.S.A. Corp. (“MAPFRE USA”), which carries out the Group’s insurance activities in the United States. MAPFRE USA, through its subsidiaries, conducts business in 11 states and is headquartered in Webster, Massachusetts. MAPFRE USA and its subsidiaries employ more than 2,000 people. Collectively, MAPFRE and MAPFRE USA will be referred to as “The Company.”

## **I. Governance**

*Disclose the organization’s governance around climate-related risks and opportunities.*

MAPFRE’s Board of Directors is the topmost decision-making and supervisory body. The Board is responsible for approving the Corporate Sustainability Policy and the Group’s Sustainability Strategy. During fiscal year 2023, it reviewed key issues related to sustainability and climate change on several occasions. This included a presentation on the progress of the 2022 – 2024 Sustainability Plan, which is a road map for climate change management.

The Risk and Sustainability Committee is a delegate of the Board of Directors to support and advise the Board on the Group’s sustainability strategy and policy, assist in monitoring the company’s performance in terms of sustainability, and to promote the Group’s principles, commitments, and objectives in terms of sustainability.

MAPFRE USA also has multiple governing bodies that review and define processes on climate and sustainability. The Company’s Board of Directors approves the general policies and strategies, and in particular, the policy to identify, manage, and control risks, including progress on the Company’s adherence to the Sustainability Plan. On an annual basis, the Assistant Vice President of Corporate Social Responsibility makes a presentation to the Board on the Sustainability Plan and progress to the goals. Further, the Board of Directors' Audit Committee now oversees the management of climate risks via quarterly reports from the Enterprise Risk Management Department. Additionally, the Security, Crisis, and Resilience Committee of the Company meets quarterly and includes a presentation on environmental risks.

MAPFRE USA has adopted two relevant Corporate Policies: the Environmental Policy and the Corporate Sustainability Policy, which are generally described below:

- Environmental Policy – outlines MAPFRE and MAPFRE USA’s principles of conduct in relation to the environment, including:
  - Integrating environmental criteria into processes used to make business decisions: analysis of risks and opportunities, underwriting, investment,

- mergers and acquisitions, supply chain and provider management, real estate management, and all other processes that could have an impact on natural capital, the circular economy, and climate change.
- Designing and developing products and services intended to create sustainable value, improved management of environmental risk, and a mechanism for reducing greenhouse gas emissions.
  - Measuring the impact of our activities and publicizing results related to the environment and climate change in a transparent and ongoing way.
  - Complying with all applicable laws and regulations as well as other commitments undertaken voluntarily.
  - Rational use of resources to reduce MAPFRE's environmental footprint and impacts on natural capital by:
    - Minimizing resource consumption and establishing green purchasing criteria.
    - Reducing waste while prioritizing recycling.
    - Implementing environmental best practices and eco-efficiency measures, while encouraging consumption of energy from renewable sources.
    - Supporting activities based on design and acquisition of products and services with high energy efficiency, which will contribute to improved energy performance.
  - Promoting a culture of environmental responsibility, knowledge, and awareness among all personnel.
  - Transmitting the principles of conduct that apply to MAPFRE's own activities to the rest of its supply chain, ensuring that suppliers and providers are involved in achieving any objectives applicable to them by incorporating environmental criteria into the processes used for the selection and approval.
- Corporate Sustainability Policy – establishes a framework to develop and strengthen socially responsible behavior, including:
    - Finding a balance between medium and long-term Environmental, Social, and Governance (“ESG”) challenges.
    - Identifying opportunities for sustainable development in order to create shared values with stakeholders and society at large.
    - Ensuring diversity and inclusion among personnel.
    - Commitment to responsible investments.
    - Ensuring providers comply with the principles set forth in ethical and socially responsible processes.

The Company's Assistant Vice President of Corporate Social Responsibility and the Chief Risk Officer are responsible for compliance with the two Corporate Policies and for the climate-related risks and climate related financial risks.



## II. Strategy

*Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.*

The Company has integrated major concerns about climate change risks into its business strategy from the preparation and launch of the Sustainability Plan 2022-2024. The Plan outlines a responsible way of doing business in both underwriting and investment and is transversally aligned with the development of the Strategic Plan 2022–2024.

In addition to managing climate change risk, the Company is reaffirming its commitment to sustainability across all areas of the organization and reinforcing its position as a business committed to social responsibility, the environment, and society in general. The Company has outlined its climate change plan through the following five activities to be an active partner in this critical and urgent transition to a low-carbon economy:

1. Appropriate modeling, which will help to define premiums and rates for reinsurance companies to address the increase in natural disasters due to climate change.
2. Permanent review of the technical underwriting guidelines, the pricing of risks with exposure to weather events, as well as reinsurance protection or programs.
3. Control of catastrophic exposures and monitoring of accumulations by each of the Group's insurance companies that underwrite them and by MAPFRE RE (i.e., MAPFRE's internal Reinsurer), which provides advice and support in the handling of these risks.
4. Compilation of internal information on claims caused by natural risks (hail, flooding, windstorms, etc.) and the necessary market information for catastrophe risk modeling to adequately assess the climate change risk. Due to the constant, rapid change in profiles, habits, technologies, and services that consumers demand, including those related to aspects of climate change, the Company must also be capable of quickly adapting its range of products and services. The necessary resources must be available to perform advanced data analytics.
5. Implementation of a climate change risk identification procedure to assess its materiality and reporting. Calculation methodologies and tools are also being implemented, together with the geolocation of the individual risk portfolio, to calculate the potential loss under different climate change scenarios and time horizons.

According to the Financial Stability Board's TCFD guidelines, the Company will continue to research and include climate change as a risk and opportunity factor in

financial planning. As a result, MAPFRE, together with other global insurers and reinsurers, serves on the Working Group of the United Nations Environment Program Finance Initiative ("UNEP-FI"). The primary purpose of this group is to investigate scenarios that will allow financial models and indicators to be developed in order to accurately estimate the possible effects of climate change on business.

In addition to addressing climate change risk, the Company is reiterating its commitment to sustainability across all sectors of the company and consolidating its position as a business devoted to social responsibility, the environment, and society in general. The Company addresses and manages the main climate change-related risks it faces, giving viability to its business plan through the following mitigation actions:

- Appropriate modeling, which will aid in defining reinsurance firms' rates and premiums in response to the rise in natural disasters brought on by climate change.
- Continuous evaluation of technical underwriting requirements, weather-related risk pricing, and reinsurance protection or programs.
- Catastrophic exposure control and accumulation monitoring performed by MAPFRE RE, who advises the Group's insurance companies on the treatment of these risks.
- Use of market data and internal data on natural-risk claims (hail, flooding, windstorms, etc.) for the purpose of modeling catastrophic risk and accurately estimating the risk associated with climate change.

### **Investment Philosophy**

MAPFRE's vision is to be "the trusted insurance company" for its investors as well. In this regard, a growing number of investors are basing their investment decisions on ESG criteria in addition to financial factors. The carbon footprint or reducing greenhouse gas emissions may become one of the most important factors in terms of investors' selection criteria in the future.

The objectives of MAPFRE's Sustainability Plan 2022-2024, in terms of investments, are:

- 90% of the investment portfolio globally will be rated with ESG criteria in 2024.
- Reduce the investment portfolio carbon emissions by 10% at the close of 2024 (base year is 2019).
- Expand the portfolio of savings and investment products launched with sustainability criteria by 40%.
- 80% of investment teams with CESGA (ESG Analyst Certification) training.

In relation to investment processes, since 2017, MAPFRE has adhered to the UN Principles for Responsible Investment (“PRI”) and has a global framework in place for action pertaining to responsible investment, updated in 2023, which is conditioned by the PRI.

Socially Responsible Investing (“SRI”) principles coexist within the Group's role as custodian of customers' savings and investments, as well as the strength of their own balance sheet. As a result, prudent investment standards are followed, with the goal of creating long-term value through the use of social and environmental factors combined with traditional analytics.

MAPFRE has its own ESG analysis methodology, which is reviewed on a regular basis to include best practices in this field. It also has a competent SRI working group and an Investment Risk Committee that evaluates portfolio composition, ESG evaluation, and any problematic issues that may emerge. The investment team engages in the following actions as part of the scope of SRI:

- ESG reports are regularly issued and examined by the SRI team before being presented to the Risk Committee.
- Performs constant monitoring in order to alert on any controversies or risks in the ESG field that may arise during the normal course of operations, and to inform the Risk Committee.
- The investment team is responsible for implementing MAPFRE-approved exclusion criteria.

In terms of management delegation, the organization in charge of the portfolios must be notified so that exclusions may be applied within the timeframe agreed upon by both parties. MAPFRE's Corporate Investment Area is in charge of ensuring that the organization follows established responsible investment guidelines and submits an annual report to the Sustainability Committee.

MAPFRE applies the philosophy of SRI to the Group's entire balance sheet. For instance, the Group has chosen not to invest in mining companies that obtain 30 percent or more of their revenue from the mining or production of more than 20 million tons of thermal coal per year. In addition, MAPFRE will not invest in companies that obtain 20% or more of their revenue from thermal coal-produced energy.

The Group reaffirmed its goal to become a net zero company by 2050 and stepped up its environmental obligations in the investment sector in 2022, contributing to the shift to a low-carbon economy. By participating in this program, MAPFRE committed to defining specific goals for emissions associated with its investment portfolio and to providing monthly updates on the company's progress. The Board of Directors has given its approval to these commitments.

In response to this commitment, MAPFRE undertook its first climate impact measurement in the investment portfolio in order to create decarbonization targets and drive decision making. MAPFRE used its own approach based on the Partnership for Carbon Accounting Financials (PCAF) methodology to quantify the carbon footprint of

its investment portfolio, evaluating the emissions of the portfolio's shares, corporate debt, and government fixed income. Using this approach, the company analyzes the risks and opportunities that its investments may entail in terms of the business's long-term development.

The Corporate Investment Area is the guarantor of compliance with the established responsible investment principles within the organization and must report annually on their fulfillment to the Sustainability Operating Committee.

### **Underwriting Philosophy**

Regarding underwriting, MAPFRE companies must fulfil the commitments assumed by the Corporate Sustainability Committee and approved by the Board of Directors at MAPFRE S.A., in relation to insurance and reinsurance operations related to the Coal and Oil & gas industry. In 2022, the company reinforced and modified its environmental commitments, making progress in its action in favor of the transition toward a low carbon economy, accompanying customers in their decarbonization and energy transition processes. These commitments are applicable to all Group entities starting in 2023, and the Underwriting Policy Committee will monitor compliance with said commitments. MAPFRE will not insure coal, gas and oil companies that do not commit to an energy transition plan that allows global warming to be maintained at approximately 1.5°C.

- MAPFRE will not insure the construction of new coal-fired electric plants or the operation of new coal mines.
- MAPFRE will not insure the construction of new infrastructure that exclusively service the construction and/or operation of thermal coal mines or thermal coal power plants.
- MAPFRE will not insure companies that derive 20 percent or more of their revenues and/or power generation from thermal coal-produced energy.
- MAPFRE will not insure companies with thermal coal-based energy expansion plans of more than 300 MW.
- MAPFRE will not insure new mining companies that obtain 20 percent or more of their revenues from annual thermal coal extraction and/or production of more than 20 million tons.
- MAPFRE will not insure companies that derive 30 percent of their revenues from transporting thermal coal.

In the case of reinsurance, these commitments will apply to the facultative business and to all reinsurance contracts with entities controlled by the Group. From 2024, MAPFRE RE will establish specific coal exposure thresholds for non-group contracts in the Property & Casualty, Engineering, Accident, Credit and Surety and Marine cargo lines of business.

### III. Risk Management

*Disclose how the organization identifies, assesses, and manages climate-related risks.*

The Company's capacity to address global sustainability issues, manage ESG risks and opportunities, and create insurance products that benefit customers and society are evident in MAPFRE's business model and strategy. ESG risk management facilitates decision-making in several areas, including underwriting, investment, product and service innovation, and service delivery. Risk management and organizational compliance are essential and active throughout the Company. Internal controls and an effective risk management system that complies with local laws are in place, including emerging risk identification, training, and information sharing mechanisms.

MAPFRE is built on companies that have a high degree of managerial autonomy. The Group's governing and management bodies authorize risk management activities and continuously reviews their local risk exposure using indicators and ratios. The Group Risk Office oversees all key elements of risk management, issuing guidelines and reference standards to be followed by the Enterprise Risk Management Department within each country, with local adjustments applied as appropriate.

Natural catastrophes due to climate change and the associated climate-related financial risks are a primary material risk at MAPFRE USA. Mitigation of the risk is tracked closely by the Enterprise Risk Management Department and reported on annually in the Own Risk Solvency Assessment report. MAPFRE USA also monitors compliance and achievement to the Sustainability Plan via the Corporate Social Responsibility and Enterprise Risk Management Departments. Results are provided via quarterly updates from the responsible business areas to these departments, which are then shared with the Group. Additionally, these results are shared with the Security, Crisis, and Resilience Committee and the Audit Committee on a quarterly basis and with the MAPFRE USA Board of Directors on an annual basis. Further, the Enterprise Risk Management Department is developing a documented handbook of all internal controls for all sustainability and climate change initiatives. This will include an annual review and confirmation for all control owners.

Another aspect of climate risk monitored by the Enterprise Risk Department at MAPFRE USA is the prospect of an extraordinary concentration of catastrophic claims due to extreme weather occurrences. Catastrophes might place a burden on the resources and capacities required for claim handling. This risk is addressed through technical rigor in the Underwriting Department (highlighting risk selection, accumulation control, rate adequacy, and an effective policy for risk dispersion via reinsurance). To address this risk, MAPFRE RE oversees advising on and placing reinsurance coverage, as well as ensuring proper exposure control and catastrophic risk management for the Group as a whole. It is common practice to use reinsurance contracts to mitigate the insurance risk. This helps to guarantee the Group's ability to sustain losses derived from catastrophic events, ensuring that catastrophic events do not compromise MAPFRE's solvency or liquidity. It is also necessary to supervise and manage the credit risk that the Group is exposed to through reinsurance placements, as well as the liquidity risk to which it could be exposed. MAPFRE RE recognizes that each country is unique and relies on the local



input and analysis to make responsible reinsurance decisions. Further, MAPFRE USA has specialized analyses of catastrophic risk exposure. This is conducted by independent experts who estimate the extent of the losses in the event of a regional catastrophic event. Stress tests are performed periodically to analyze scenarios which produce likely outcomes if the event materialized. Additionally, the Company uses the ExpoCat tool, which was implemented at the corporate level in 2021. This tool is used for the reporting and geo-referencing of MAPFRE companies' catastrophic exposures and damage portfolios, including dashboards to streamline information management. The coded data includes characteristics of the exposures that can make them more resilient to the impact of catastrophic risks, such as the year and type of construction or its height, among others. Likewise, the ExpoCat tool will allow MAPFRE USA to formulate loss scenarios with precise maps, identifying potentially affected exposures and allowing more agile decision-making.

MAPFRE USA has a business continuity plan in case there is a catastrophic event, allowing the Company to fulfill its obligations to continuous serving of customers and clients as well as the personal safety of employees and collaborators. For these reasons, the business continuity plans are continuously tested, updated and certified.

Finally, as previously noted in the Strategy section, MAPFRE has participated in the UNEP FI pilot project. This project assesses the impact of climate change and how to incorporate the recommendations of the TCFD in the insurance industry. As a global insurer, MAPFRE has jointly pledged with other insurance companies to contribute to defining, analyzing, and initiating a standard of technical and financial action for the entire sector. Adopting these guidelines will assist the insurance industry in managing the risks and opportunities associated with transitioning to a low-carbon economy.

#### **IV. Metrics and Targets**

*Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.*

MAPFRE recently approved the Corporate Environmental Footprint Plan 2021-2030, a follow-up to the Corporate Plan for Energy Efficiency and Climate Change 2014-2020, to assess the Group's global environmental impact and establish goals for reducing emissions and achieving carbon neutrality. MAPFRE's revised Environmental Footprint Plan defines additional goals for the year 2030. These include the following:

- 50 percent reduction in carbon footprint (TonCO<sub>2</sub>e).
- Group commitment to carbon neutrality for all remaining regions by 2030.
- 40 percent reduction in energy consumption (kWh).
- Consumption of 100 percent of electricity from renewable sources.
- 20 percent reduction in business trips (plane, train, car) and implementation of 100 percent electric vehicle fleet.
- 25 percent reduction in paper consumption (kg).

- 25 percent reduction in water consumption (m3).
- Recovery of 90 percent of the waste generated (kg).
- Sustainable Certification in 50 percent of the surface of the main office buildings owned.
- Integration of the climate change variable within the business. Currently incorporating the recommendations of the TCFD with a goal to have them fully integrated as of 2024, as well as the inclusion of ESG criteria both in investment and in the underwriting and definition of low-carbon products.
- Promotion of the circular economy. Minimizing the generation of waste in our activity and being positioned as an agent of change in the transition to the circular economy by promoting related products and services and supporting companies specializing in the sector.
- Biodiversity preservation. Raising awareness of and supporting initiatives for the protection of ecosystems that are most sensitive to the effects of climate change.
- Preferred Network of tow operators and repairs shops trained in repairable parts and repair methods.

A summary of action taken in support of the 2021-2030 Corporate Environmental Footprint Plan include:

- Making the Carbon Footprint part of SIGMAYEc<sup>3</sup> (Integrated Environmental, Energy and Carbon Footprint Management System): Developing a corporate carbon footprint reporting and calculation model in the countries where MAPFRE operates.
- Expanding the SIGMAYEc<sup>3</sup> Corporate Model: Gradually implementing ISO 50001, ISO 14001 and ISO 14064 standards across all buildings and countries in which MAPFRE operates. Managing consumption and optimizing resources. Renovating and upgrading facilities and improving operational control.
- Green procurement: incorporating energy efficiency and climate change criteria into the process when selecting services that will have the greatest positive impact on MAPFRE's carbon footprint, such as contracts with electric and gas utilities, shuttle services, supply of paper and office equipment and vehicle fleets.
- Conservation policies for office equipment: Implementing energy management systems to shut down employees' computers remotely.
- Eco-efficient offices: Implementing solutions to improve the energy performance of the direct and delegated offices of MAPFRE's commercial network.
- Developing and launching employee awareness campaigns, such as the "Cool Biz" campaign to get employees to dress accordingly based on the temperature outdoors.
- Sustainable mobility: providing employees with sustainable mobility services and options as viable alternatives to using their own car: shuttle service linking the main connection points for employees working at certain main offices, or the "Carpooling" initiative.
- Telecommunications: developing teleworking while encouraging and enabling the use of telephone and videoconferencing to reduce employee travel.

## 2023 Environment-related Certification Status

Corporate Environmental Footprint Plan 2021-2023: Sustainable Buildings						
Certification of Buildings	Baseline (2019)	Performance 2021	Performance 2022	Performance 2023	Goal 2024	Goal 2030
Pct. M <sup>2</sup> in sustainable buildings	15%	35%	36%	46%	39%	50%

There are now 16 headquarters facilities around the world that hold sustainable building certification, which represents 46% of the surface area of MAPFRE's main buildings.

## Energy Efficiency Indicators

In 2023, MAPFRE reduced energy consumption by 33.29GWh compared to 2019, a 22% decrease, exceeding the forecast 11% reduction target established for 2023. The most important actions taken this year towards energy efficiency, as well as their impact on the associated indicators, are shown below:

- In 2023, MAPFRE reduced electricity acquired from the grid by 36.7% compared to 2019 in the Majadahonda Office building complex thanks to the photovoltaic energy production of the 4,700 state-of-the-art photovoltaic panels put in service in mid-2022. This facility generated 1.62 kWh in 2023 and prevented 437 tCO<sub>2</sub>e from being released into the atmosphere.
- Total photovoltaic generation in 2023 represented 3.52 kWh through the contribution of the aforementioned panels at the Majadahonda Office (Madrid, Spain) and the other facilities with this type of equipment: Alcalá de Henares Data Center (Madrid, Spain), Valencia (Spain), Sant Cugat (Spain), CESVIMAP (Ávila, Spain), SI24 headquarters (Ávila, Spain) Valladolid (Spain), Mallorca (Spain) Tower C at Maria Tubau (Spain), Mexico headquarters, Dominican Republic headquarters and MAWDY building in Italy and new headquarters in Peru. All this electricity production for self-consumption accounted for a saving of 9.3% in the electricity purchased by the MAPFRE Group for these properties.
- In 2023, the awareness campaigns on heating and air conditioning in buildings continued with the aim of adapting room temperatures to improve energy efficiency: the Warm Biz Campaign in Spain and Mexico (for energy savings from heating in winter) and the Cool Biz Campaign in Spain, Argentina, Paraguay and Mexico (for energy savings from air conditioning in summer). The objective of both campaigns is to adjust the room temperature by 1°C, which translates into an estimated 7% savings in energy consumption.
- In 2023, the MAPFRE headquarters in Brazil earned MAPFRE's SIGMAYEC3 Energy Management certifications, and the company now has a total of 24 certified buildings (located in Spain, Puerto Rico, Mexico and Brazil).

- Other relevant actions aimed at improving energy efficiency during 2023 include replacement of conventional lights with LEDs in the headquarters in Mallorca, Las Palmas, Dr. Esquerdo, Valladolid and Majadahonda in Spain as well as the headquarters facilities in Italy, Mexico and Turkey, with estimated savings of 194,161 kWh a year; improvements in the air conditioning systems of the headquarters buildings in Mallorca (Spain), Mexico, Puerto Rico and the USA, with an estimated saving of 308,947 kWh a year.

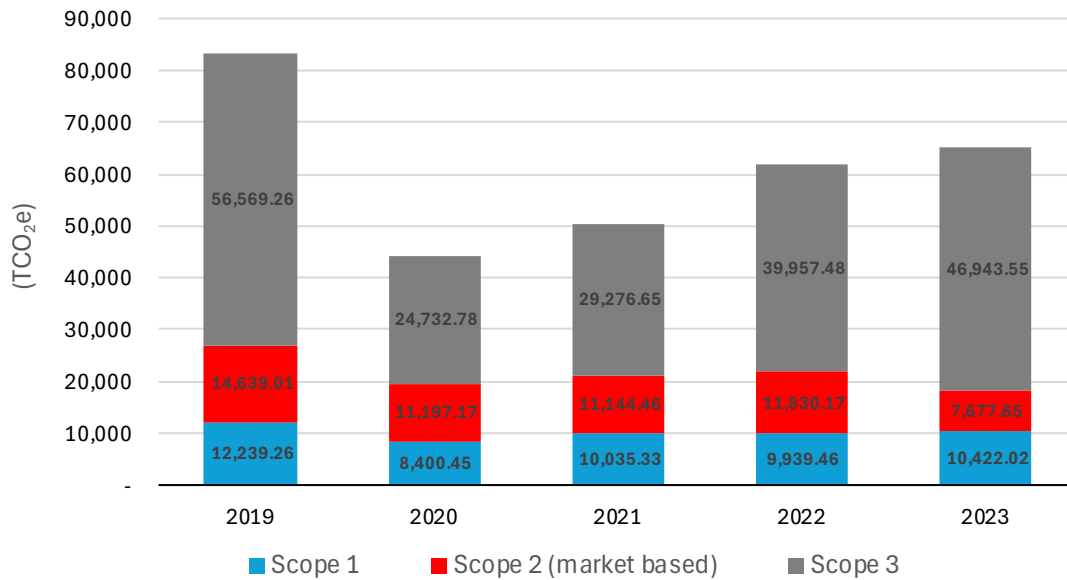
Operationally, MAPFRE has set the objective of slashing GHG emissions 50 percent by 2030 (compared to 2019 emissions). To do so, it has planned a series of actions included in the Corporate Environmental Footprint Plan 2021–2030. In 2023, due to the Company's commitment to becoming a net-zero company in 2050, within the framework of Net Zero Asset Owner Alliance (NZAOA), the scope of the carbon footprint of the investment portfolio (equity and corporate debt and government fixed income) was expanded. The calculation methodology used to calculate emissions from the asset portfolio has also been revised. The new calculation methodology for the carbon footprint used by MAPFRE is based on that developed by the Partnership for Carbon Accounting Financials (PCAF) initiative.

	2023	2022 (baseline)
Total Carbon Footprint	4,113,456.43	4,127,326.63
Equity + Corporate fixed income (tCO <sub>2</sub> e)	775,663.29	902,048.74
Fixed Income (Sovereign + Supra + Agencies) (tCO <sub>2</sub> e)	2,629,508.89	2,441,555.61
Other (tCO <sub>2</sub> e)	708,284.25	783,722.28
Carbon Footprint per €M invested (tCO <sub>2</sub> e/€million)	103.13	113.97
Equity + Corporate fixed income (tCO <sub>2</sub> e/€million)	65.71	81.53
Fixed Income (Sovereign+Supra+Agencies) (tCO <sub>2</sub> e/€million)	114.91	122.30
Other (tCO <sub>2</sub> e/€million)	157.66	219.51

The following chart shows the evolution of MAPFRE Group's carbon footprint since 2019, broken down by scope:



## MAPFRE CARBON FOOTPRINT (TCO<sub>2</sub>e)



## MAPFRE USA Environmental Initiatives and Achievements

MAPFRE USA plays a role in assisting the Group to achieve its Corporate Environmental Footprint Plan. In 2023, MAPFRE USA established the following environmental initiatives:

1. **Green Electricity** – MAPFRE USA converted to green electricity in Q4 2023 and will consume 100% green electricity in 2024 and beyond in all Massachusetts owned facilities. This achievement will reduce our carbon footprint by 36%.
2. **Fleet Vehicles and Employee Commuting** – Began purchasing hybrid vehicles that will replace current gasoline-powered vehicles. The existing fleet vehicles will be replaced with a hybrid as each vehicle reaches end-of-life. This conversion will occur over multiple years but started in 2024 with the purchase of 37 vehicles, which is 15% of the fleet. MAPFRE USA also promotes environmentally friendly commuting.
3. **HVAC Efficiency** – MAPFRE USA made an intensive capital investment into more energy efficient HVAC solutions. The headquarters has been updated with new high efficiency cooling towers for air conditioning. Additionally, the building has been retrofitted with a more efficient heating system and building controls. Likewise, two high efficiency HVAC unit upgrades have been approved for two buildings at the Gore Road campus. MAPFRE USA is also completing an analysis of solar photovoltaic panel arrays.
4. **Space Consolidation** – The office building in Arizona was sold. This will reduce MAPFRE USA's overall electricity consumption by 21% and reduce water

consumption by 50% annually.

5. **Carbon Offsets** – Natural gas carbon footprint will be offset by carbon credits purchased from our utility provider in 2024. The fleet vehicle carbon footprint will be offset by carbon credits as well, although the cost and timing is to be determined.
6. **ISO Certifications** – Obtained ISO Certification 14001 & 14064. Currently in process of recertification. MAPFRE USA is also in process of obtaining ISO Certification 50001.
7. **Recycling** – Provides cell phone/battery recycling program in Massachusetts offices. Reduced paper usage by reducing the number of individual printers. Repurposed obsolete inventory vs. discarding. Further, MAPFRE USA participates in dual-stream recycling and single stream (all item) recycling.