

An impressionistic painting of a woman in a white dress, possibly by Joaquín Sorolla. The style is characterized by visible brushstrokes and a vibrant, somewhat muted color palette. The woman is the central figure, shown from the waist up, looking slightly to the right. The background is a mix of dark and light tones, suggesting an outdoor setting. The overall mood is one of light and movement.

Fundación **MAPFRE**

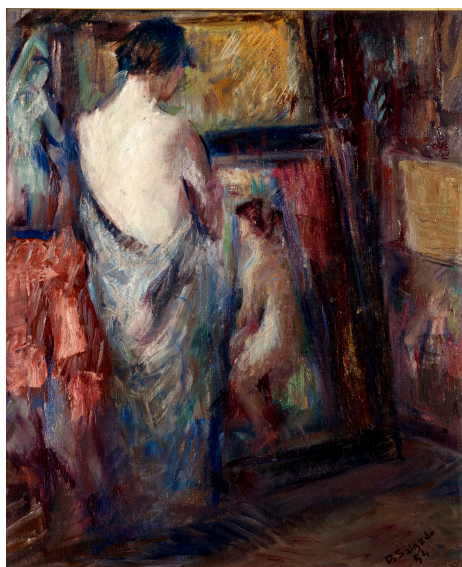
THE SPANISH  
INSURANCE MARKET  
IN 2021

**MAPFRE** Economics

D. Salgado  
54



# **The Spanish Insurance Market in 2021**



Demetrio Salgado Cosme  
*Female Figure* (1954)  
Oil on canvas

This study was produced by MAPFRE Economics.  
Publication rights have been assigned to Fundación MAPFRE.

Partial reproduction of the information contained  
in this study is permitted so long as the source is cited.

Cite as follows:  
MAPFRE Economics (2022), *The Spanish Insurance Market in 2021*, Madrid,  
Fundación MAPFRE.

© Cover image:  
*Female Figure*  
Demetrio Salgado Cosme  
Museo de la Real Academia de Bellas Artes de San Fernando (*Museum of the Royal Academy of Fine Arts of San Fernando*), Madrid.  
Photography: Pablo Linés

© Text:  
MAPFRE Economics - [mapfre.economics@mapfre.com](mailto:mapfre.economics@mapfre.com)  
Spain: Carretera de Pozuelo, 52 - Edificio 1  
28222 Majadahonda, Madrid  
Mexico: Avenida Revolución, 507  
Col. San Pedro de los Pinos  
03800 Benito Juárez, Mexico City

© For this edition:  
2022, Fundación MAPFRE  
Paseo de Recoletos, 23. 28004 Madrid  
[www.fundacionmapfre.org](http://www.fundacionmapfre.org)

July 2022.

# MAPFRE Economics

**Manuel Aguilera Verduzco**

General Manager

[avmanue@mapfre.com](mailto:avmanue@mapfre.com)

**Ricardo González García**

Director of Analysis, Sectorial Research and Regulation

[ggricar@mapfre.com](mailto:ggricar@mapfre.com)

**Gonzalo de Cadenas Santiago**

Director of Macroeconomics and Financial Analysis

[gcaden1@mapfre.com](mailto:gcaden1@mapfre.com)

**José Brito Correia**

[jbrito@mapfre.com](mailto:jbrito@mapfre.com)

**Begoña González García**

[bgonza2@mapfre.com](mailto:bgonza2@mapfre.com)

**Isabel Carrasco Carrascal**

[icarra@mapfre.com](mailto:icarra@mapfre.com)

**Fernando Mateo Calle**

[macafee@mapfre.com](mailto:macafee@mapfre.com)

**Rafael Izquierdo Carrasco**

[rafaizq@mapfre.com](mailto:rafaizq@mapfre.com)

**Eduardo García Castro**

[gcedua1@mapfre.com](mailto:gcedua1@mapfre.com)

**Johannes Ricardo Rojas Díaz**

[jroja1@mapfre.com](mailto:jroja1@mapfre.com)

**Álvaro Guillén Marín**

**Gadea Ibáñez Franco**

**Giovanni Di Plácido Montilla**

**Giorgia Balsamo**

**Marta Seijas Cabezón**



# Contents

<b>Presentation</b> .....	9
<b>Introduction</b> .....	11
<b>Executive summary</b> .....	13
<b>1. Economic and demographic context</b> .....	19
1.1. Economic aspects .....	19
1.2. Demographic aspects .....	30
<b>2. Structure of the insurance industry</b> .....	35
2.1. Market concentration .....	35
2.2. Company ranking .....	35
2.3. Insurance market structure .....	38
2.4. Distribution channels .....	45
<b>3. The insurance market in 2021: an analysis of the main business lines</b> .....	47
3.1. Total market .....	47
3.2. Non-Life insurance lines .....	60
3.3. Life insurance line .....	80
<b>4. Structural trends in the Spanish market</b> .....	85
4.1. Penetration, density, and depth .....	85
4.2. Insurance Protection Gap .....	90
4.3. Medium-term growth forecasts .....	94

<b>5. Comparative analysis of the solvency, shareholders' equity and solvency ratios</b> .....	101
5.1. 2021 Solvency and Financial Condition Report .....	101
5.2. Solvency ratios .....	103
5.3. Life: Comparative SCR analysis and the impact of transitional and adjustment measures .....	105
5.4. Composites: Comparative SCR analysis and the impact of transitional and adjustment measures .....	106
5.5. Non-Life: Comparative SCR analysis .....	106
5.6. Relative weights of the SCR risk modules .....	110
<b>6. Regulatory outlook</b> .....	119
6.1. Global trends .....	119
6.2. European Union and Spanish market .....	120
<b>Index of tables and charts</b> .....	125
<b>References</b> .....	129
<b>Statistical appendix</b> .....	133



# Presentation

Since the COVID-19 pandemic began in 2020, the Spanish insurance industry has had tools at its disposal to take on the pandemic's adverse economic impacts. The sector has not only contributed to the economic recovery, but it also knew how to respond to the needs of citizens, fulfilling contractual obligations, providing insurance coverage and services that meet their needs and putting exceptional measures into place, such as direct charitable donations to society. On one hand, Spanish insurance companies have managed this complex situation with high levels of profitability and solvency, presenting a return on shareholders' equity of 12.3% in 2020, and 10.4% in 2021, and a solvency ratio, amounting to 252% last year, according to the study conducted by MAPFRE Economics.

In addition to having helped weather the impacts of the pandemic, insurance responded to two of the most significant natural disasters to occur in Spain in 2021. First, Storm Filomena, which occurred early in the year, and then, the eruption of the Cumbre Vieja volcano in the island of La Palma, one of the risks covered by the Insurance Compensation Consortium.

Despite its being a developed market, the insurance gap of the Spanish insurance industry, which represents the difference between the insurance coverage that is economically necessary and beneficial to society and the amount of coverage effectively taken out, in 2021 stood at 36.7 billion euros, with Life insurance accounting for 99.6% of this figure, meaning that this segment in Spain remains underdeveloped.

Thus, as the industry has played a significant role in the difficult environment experienced by the Spanish economy and society, Fundación MAPFRE is pleased to present this new edition of the MAPFRE Economics *The Spanish Insurance Market in 2021*. We hope it serves once more to aid in revealing the importance of insurance culture aimed at providing the public sufficient knowledge to make decisions about their finances.

**Fundación MAPFRE**



# Introduction

Starting with a medium-term vision that is both contextual and structural, *The Spanish Insurance Market* report is an analysis prepared by MAPFRE Economics seeking to assess the performance and perspectives of the insurance business in Spain. As in last year's report, this new edition of the report remains marked by the impacts of the COVID-19 pandemic on Spanish society and economy and, by extension, on the insurance industry, although there are also signs that we are gradually overcoming these impacts.

As is usual in this report, the first section presents an overview of the environment and the major economic and demographic trends that have influenced performance of the Spanish insurance business over the past year. The second section reviews the structure and concentration of the insurance market, while the third section provides a detailed analysis of the main lines of business in the sector, based on the behavior of the main parameters defining it: premium growth, technical performance, investments and technical provisions, and results and profitability.

Section four of the report reviews the evolution of structural trends in the insurance market over the decade from 2011 to 2021, considering the behavior of penetration, density and depth, as well as the updated Insurance Protection Gap estimate. Additionally, part five of the report provides an analysis of the evolution of the capital requirements, shareholders' equity, and solvency ratio in 2021 for a representative set of companies operating in the Spanish insurance industry, based on public information from Solvency and Financial Condition Reports. Finally, this report presents a summary of the major regulatory trends related to insurance, in the European Union, Spain, and globally.

We hope this report continues to be a source of information and analysis helping to provide a better understanding of insurance performance and trends in Spain, and thus contributing to the growth and development of this business.

**MAPFRE Economics**



# Executive summary

## The global economic context and performance of the insurance business

Global economic growth in 2021 was 6.1% (-3.1% in 2020), representing a significant recovery that brought the global GDP to above pre-COVID-19 pandemic levels, supported by strong growth in the United States and emerging and developed Asian economies, particularly, China and India. However, despite the strong aggregate behavior, many economies were not able to reach pre-pandemic GDP levels. This was the case in the Eurozone, with 5.3% economic growth in 2021, after the -6.5% plummet in 2020. In Spain, in turn, economic growth in 2021 was 5.0%, versus the significant -10.8% decline of the previous year, especially hit by the effects of travel restrictions on consumption, trade, hospitality, and tourism-related businesses.

Throughout 2021, the central banks and governments of the principal global economies continued to support the application of ultra-accommodative monetary policies and extensive fiscal aid packages with high liquidity and favorable financial conditions for governments, households, and companies, guaranteeing the smooth operation of the financial markets. In addition, significant advances in vaccination over the course of 2021 led to a drastic reduction in the number of hospitalizations and deaths attributed to COVID-19 in many countries, greatly reducing the level of global uncertainty. Nevertheless, the process of reopening the economy with the relaxation of travel restrictions led to a strong recovery in demand (fed by the significant fiscal and monetary stimulus packages that were implemented) of a magnitude that caused a significant rebound in the price of raw materials and energy, while causing severe dis-

ruptions in supply chains, which were not able to meet the sudden increase in demand.

All of these factors led to an inflationary effect that became stronger over the course of the second half of 2021. Some emerging economies began to withdraw monetary stimulus measures, in some cases (as in Brazil and Mexico) rapidly, given the strong increase in inflation and the deterioration of their exchange rates (which, in turn, fed inflation). However, on developed markets, all indicators pointed to a temporary phenomenon that would normalize as companies and international trade began to recover full capacity, and that was the message given throughout 2021 by the central banks of the major developed economies, particularly the United States Federal Reserve and the European Central Bank (ECB), whose postures were in favor of maintaining an accommodative monetary policy so as not to harm employment and economic growth, despite a rebound of inflation they considered temporary. A good portion of the abundant liquidity injected into the system was channeled into the real economy, but this also led to a significant increase in economic operators' savings, which were passed on to asset valuations, especially risk assets, which performed well throughout the year.

This was the context in 2021, in which the global and the Eurozone economy entered 2022, until Russia invaded Ukraine and the war there began on February 24, once again putting pressure on energy, food, and raw material prices in general. China also once again imposed strict travel restrictions to fight the expansion of the omicron variant of the SARS-CoV-2 virus, which again exacerbated the supply chain problems caused by the process of reopening the economy. All of

these factors, both economic and geopolitical, are contributing to an exacerbation of the inflation problem, causing a shift toward hardening central bank monetary policies in the world's major economies, in some cases more quickly (as is the case of the United States Federal Reserve), with a few notable exceptions in cases like China or Japan.

Within this framework, in 2021, the global insurance industry continued to benefit from comprehensive aid packages and insurance markets were dynamic and profitable, although somewhat less so than the previous year, due to the increase in claims arising from the reopening process. Thus, global premium volume grew to 6.9 trillion dollars, representing nominal growth of 9.0% vs. 1% in 2020. The industry's profitability may continue to be negatively impacted throughout 2022 by the effect of significantly higher inflation rates than initially expected, as well as by the difficulties that may arise from passing on increases in the cost of claims and other operating expenses to the price of insurance in an economic context marked by hardening monetary policies in many of the world's major economies, which may slow economic growth, and even increase the risk of entering a recession.

### **The Spanish insurance industry in 2021**

In Spain, the aggregate premium volume in 2021 reached 61.831 billion euros, up 5.0% (-8.2% in 2020), recovering the path of growth, but not reaching pre-pandemic levels. The partial recovery of the Spanish economy and a greater sensitivity to risk as a result of the pandemic helped the development of the insurance business, especially in Health and Multirisk insurance, which drove growth in Non-Life and Life insurance business, although in the latter segment the base effect was significant, as compared to pre-pandemic premiums, it is still far from recovered. After four consecutive years of falling premiums, the Life

insurance business grew 7.9% (-20.7% in 2020), to 23.552 billion euros. In addition, technical provisions (managed savings) in Life Insurance showed a slight jump of 0.8% (-0.3% in 2020), reaching 195.721 billion euros, with a clear boost from "unit-linked" products, which grew 23.5% (representing 10.1% of managed savings). Life Risk premiums performed favorably, growing 3.4% (-0.4% in 2020), influenced by the economic recovery and real estate market activity in 2021.

In turn, Non-Life insurance (which in the aggregate never fell below pre-pandemic levels), also showed positive performance in 2021, with 38.279 billion euros in premium revenues, up 3.3% (1.1% in 2020). The combined ratio for the Non-Life insurance segment was 92.9% in 2021, which is 2.5 percentage points (pp) below the figure recorded for 2020 (90.5%), due to a loss ratio weakened by 2.2 pp, reaching 69.2%. However, the administrative expense ratio remained unchanged at 5.3%, while the acquisition expense ratio was 18.3% (up 0.3 pp).

It should be noted that, with the latest data for May 2022, year-over-year Non-Life premium growth amounted to 5.4% in the aggregate, vs. premiums from the first five months of 2021 (8.4% when compared to 2019). In turn, Life Insurance premiums increased 3.3% year-on-year in the first five months of the year (although this still represents a -18.8% drop when compared to 2019).

Auto insurance remained the line of business contributing the highest premium volume in Non-Life Insurance, although its share has been gradually declining over the last two decades, from 46.9% in 2001 to the current 28.7%. The amount of premiums issued in this business segment decreased -0.9% in 2021 compared to the previous year, reaching 10.99 billion euros. While the uncertainty and economic crisis caused by the pandemic influenced this

result, so did the microchip shortage and logistics bottlenecks, both of which hindered the recovery of registrations in 2021, closing the year practically in line with 2020 data. The vehicle fleet ended the year with 35.2 million vehicles, a slight increase of 1.2%, one of the oldest in Europe, where vehicles more than 10 years old exceeded 63% of the total. The premium discounts applied in 2021 due to the reduced loss ratio in 2020 resulting from the drop in mobility must be added to the foregoing. The average premium dropped -2.7%, placing it at 337 euros, the lowest figure in the last decade. On the other hand, it should be noted that the combined ratio in Auto Insurance increased appreciably in 2021, amounting to 94.1% (87.8% in 2020, an atypical year due to travel restrictions; 94.7% in 2019) driven by the increased loss ratio brought on by the reopening process, in a competitive environment that has led to a new drop in the average premium.

Health Insurance, in turn, gradually increased its share of the market, to 25.7% of the Non-Life business, moving ever closer to the Auto line. In 2021, there was another increase in new production due to the population's heightened sensitivity in terms of health, causing the segment to jump 5.0% in issued premium volume, to 9.855 billion euros. In relation to profitability, it must be noted that in 2021, health costs increased significantly, due to non-urgent care policyholders had delayed during the early months of the pandemic, which caused the loss ratio, combined ratio, and technical-financial result to return to levels very similar to those prior to the coronavirus, placing the combined ratio at 93.1% (90.2% in 2020).

Multirisk insurance maintained its position as the third Non-Life line by premium volume, with a 21.2% share in 2021, and revenues of 8.117 billion euros, 4.7% growth in its turnover (3.1% in 2020). The modalities with the highest premium volume, Homeowners with 4.878 billion euros (60%), and

Industrial with 1.548 billion euros (19%) performed very positively, with increases of 4.9% and 5.8%, respectively, and Condominium and Trade premiums increased 3.2% in both cases. The overall combined ratio, however, worsened again, standing at 97.1% (94.5% in 2020). This worsening of the technical result was mainly influenced by Storm Filomena, which occurred at the beginning of the year and had an intense effect on Madrid, Castilla-La Mancha and Castilla-Leon. As it was a snow storm, it was not covered by the Insurance Compensation Consortium. The expense ratio also increased, which can be explained by the post-pandemic measures insurance companies were obligated to take.

In terms of profitability indicators, the Spanish insurance industry result totaled 5.068 billion euros in 2021, a -12.5% drop compared to the previous fiscal year. In relative terms, the sector's profitability also showed negative performance, returning to a kind of downward trend seen in the years before the pandemic. Thus, it saw return on equity (ROE) of 10.4%, 1.9 pp less than in 2020. Likewise, industry profitability, measured in terms of return on assets (ROA), showed a slight decline of -0.2 pp, with 1.42% in 2021 vs. 1.62% in 2020.

Total investment volume by Spanish insurance companies amounted to 332.915 billion euros in 2021, representing a 2.8% decrease compared to the previous year. Analysis of the investment structure shows that the main asset category continues to be fixed income, representing 52.6% of the investment portfolio in 2021 (55% in 2020), with sovereign debt fixed income as the dominant component. Corporate fixed income, in turn, accounted for 18% (18.7% in 2020) of the portfolio (after deducting the effect of the valuation on derivative and structured products). Most industry investments' credit ratings were on the second rung of the ratings map included under Solvency II regulations (equivalent to A), in line with the Spanish sovereign risk rating

at year-end 2021. Variable income, in turn, represented 6.7% (5.7% in 2020).

### Structural trends of insurance in Spain

Regarding the analysis of structural growth trends, in 2021, the Spanish insurance industry again suffered a slight loss of weight in relation to the size of the economy, measured in terms of GDP, resuming the trend that began in 2016, as opposed to what happened in 2020, which was a unique year as a result of the major economic recession caused by the pandemic, and a downturn in the insurance business less than that experienced by the economy that year. Thus, the penetration, density, and depth indexes remain below the average of the 15 major economies of the European Union.

The penetration of Spanish insurance (premiums/GDP) was 5.13% at the end of 2021 (5.26% in 2020). The drop in penetration was caused by the Non-Life insurance segment, with 3.18% penetration, which was 0.13 percentage points lower than the previous year. The Life insurance line's penetration remained practically unchanged in 2021, at 1.95%, breaking the downward trend of the last decade.

Moreover, insurance density in Spain (premiums per capita) reached 1,303.5 euros in 2021, an increase of 60.7 euros vs. the previous year, with increases in both market segments. In the case of Non-Life Insurance, density increased from 781.9 to 807.0 euros between 2020 and 2021, and in the case of Life insurance, the indicator stood at 496.5 euros per capita, versus 460.8 euros in 2020. Thus, the density of the Life Insurance segment increased after four consecutive years of falling, and the Non-Life segment followed the rising trend that started in 2013.

Finally, the depth index (the share of direct Life insurance premiums in relation to the

market's total direct premiums) was 38.1% in 2021. The growth recorded by the Life Insurance line in 2021 raised depth 1.01 pp compared to the previous year, although the gradual decline occurring over the last decade has brought the depth rate to levels well below the 47.7% recorded in 2011. The behavior of this indicator continues to confirm the insufficient level of development of the Life insurance segment within the Spanish market, the impairment of which has been particularly noticeable since 2017.

Meanwhile, the Insurance Protection Gap (IPG) of the Spanish market was 36.7 billion euros in 2021, 4.9 billion euros more than the 2020 measurement. This widening of the insurance gap on the Spanish market essentially follows the impairment of the penetration indicator, which performed more unfavorably than the European benchmark markets as a whole. In structural terms, IPG composition continues to demonstrate room for further development in the Life insurance segment. In 2021, 99.6% of the IPG (36.5 billion euros) corresponded to the Life insurance segment, while the IPG for Non-Life insurance (0.2 billion euros) only represented the remaining 0.4%.

In terms of the gap's structure and competitive dynamics, a certain trend towards concentration in the Spanish insurance sector has continued over the last decade, both due to the decrease in the number of companies in operation and the analysis of the Herfindahl and CR5 indexes, resulting from increased concentration of the Life insurance segment. Nevertheless, it should be noted that concentration levels continue to indicate a high level of competition in the Spanish insurance industry, according to the above-mentioned indicators, especially when it comes to the Non-Life business.



### **Solvency position of the Spanish insurance industry**

In relation to solvency levels in the Spanish market, insurance companies published the sixth Solvency and Financial Condition Report (SFCR) for individual insurance companies in 2022, in accordance with the prudential regulation based on applicable risks in the European Union since January 1, 2016 (Solvency II). An analysis of a sample of companies representing 69.6% of insurance premiums and 76.3% of the market's technical provisions in 2021 shows that the sector's solvency continues to have a sound position.

The total aggregate solvency ratio for the selected sample of insurance companies operating in the Spanish market in 2021 was 252%, 11 pp above the value recorded in 2020 (241%). The ratio of companies mainly operating in the Life insurance line was 257% in 2021 (234% in 2020). For companies operating in both the Life and the Non-Life insurance business (Composites), the total aggregate solvency ratio amounted to 221% (216% in 2020). Finally, the companies analyzed in this report operating solely or mainly in the Non-Life insur-

ance industry had a total aggregate solvency ratio of 273% in 2021, a ratio similar to the previous fiscal year. With regard to shareholders' equity, it should be emphasized that almost all eligible shareholders' equity from the universe of the companies analyzed was of the highest quality (99% Tier 1 in the aggregate for the sample used, a percentage similar to the previous year).

### **Key regulatory aspects**

During 2021 and so far this year, a large number of regulations have been produced on sustainability, progress in the regulatory process to reform the Solvency II framework, and the future harmonized framework developed by the International Association of Insurance Supervisors (IAIS). In addition, International Financial Reporting Standard 17 on Insurance Contracts (IFRS 17) and International Financial Reporting Standard 9 (IFRS 9) on Financial Instruments were published in December 2021, and must be applied to the preparation of listed companies' consolidated financial statements as of January 1, 2023.



# 1. Economic and demographic context

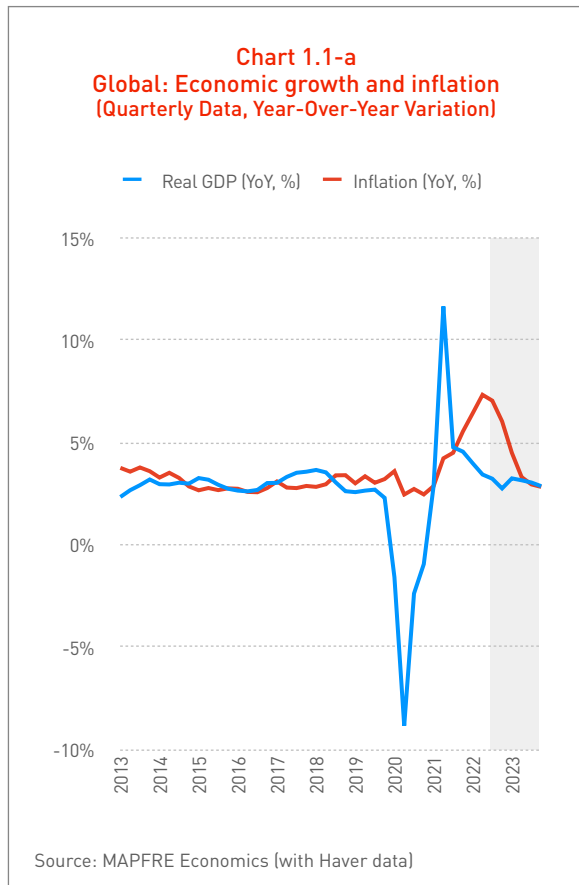
## 1.1. Economic aspects

### Global and European environment

In 2021, global economic growth was 6.1%, after a drop of -3.1% in 2020 (see Chart 1.1-a). This entailed significant recovery bringing the global GDP to pre-pandemic levels, supported by strong growth in the United States and emerging and developed economies in Asia, particularly China and India. Latin America also had positive performance thanks to the recovery of its major economies, notably Brazil, Argentina, Colombia, Peru, and Chile. However, despite the strong behavior in the aggregate, many economies have not been able to reach pre-pandemic GDP levels.

Regarding the impact of the pandemic, significant progress in vaccination throughout 2021 led to a drastic reduction in number of deaths and hospitalizations caused by COVID-19, largely reducing the level of global uncertainty and its impact on economic performance. Furthermore, the process of reopening the economy brought about by the relaxation of travel restrictions led to a strong recovery in demand (fed by the significant fiscal and monetary stimulus packages that were implemented) of a magnitude creating a significant rebound in the price of raw materials and energy, while also causing severe disruptions in supply chains, which were not able to meet the sudden increase in demand. All of these factors caused an inflationary effect that strengthened through the second half of the year (see the above-mentioned Chart 1.1-a), fed by the context of high liquidity arising from the low interest rates and the net asset purchase programs carried out by the central banks of the world's major economies.

At the start of 2022, all signs seemed to indicate that this was a temporary phenomenon that would normalize as companies and international trade began to recover their full capacity; that was the message given throughout 2021 by the central banks of the major developed economies, particularly the United States Federal Reserve and the European Central Bank (ECB), whose monetary policy positions favored maintaining an accommodative monetary policy so as not to jeopardize the economic recovery. However since the end of 2021, certain emerging economies started to withdraw monetary stimulus, in some cases (as in Brazil and Mexico) rapidly, given the strong increase in inflation and the



deterioration of their exchange rates, which, in turn, fed inflation.

In the case of the Eurozone, economic growth was 5.3% in 2021. While this growth was robust, it was not enough to reach the pre-pandemic GDP level after the -6.5% plummet in 2020. The ECB maintained its ultra-accommodative monetary policy for the entire year (despite rising inflation) with short-term interest rates at 0% for the main refinancing operations, and -0.5% for deposit facility, along with extensive unconventional programs of net acquisitions of flexible sovereign and corporate bonds on a country-by-country basis.

This was the context in 2021, in which the global and the Eurozone economy entered 2022, until Russia invaded Ukraine and the war there began on February 24, once again putting pressure on energy, food, and raw material prices in general. China also once again imposed strict travel restrictions to fight the expansion of the omicron variant of the SARS-CoV-2 virus, which again exacerbated the supply chain problems caused by the process of reopening the economy. All of these factors, both economic and geopolitical, are contributing to an exacerbation of the inflation problem, causing a shift toward hardening central bank monetary policies in the world's major economies, in some cases more quickly (as is the case of the United States Federal Reserve), with a few notable exceptions in cases like China or Japan.

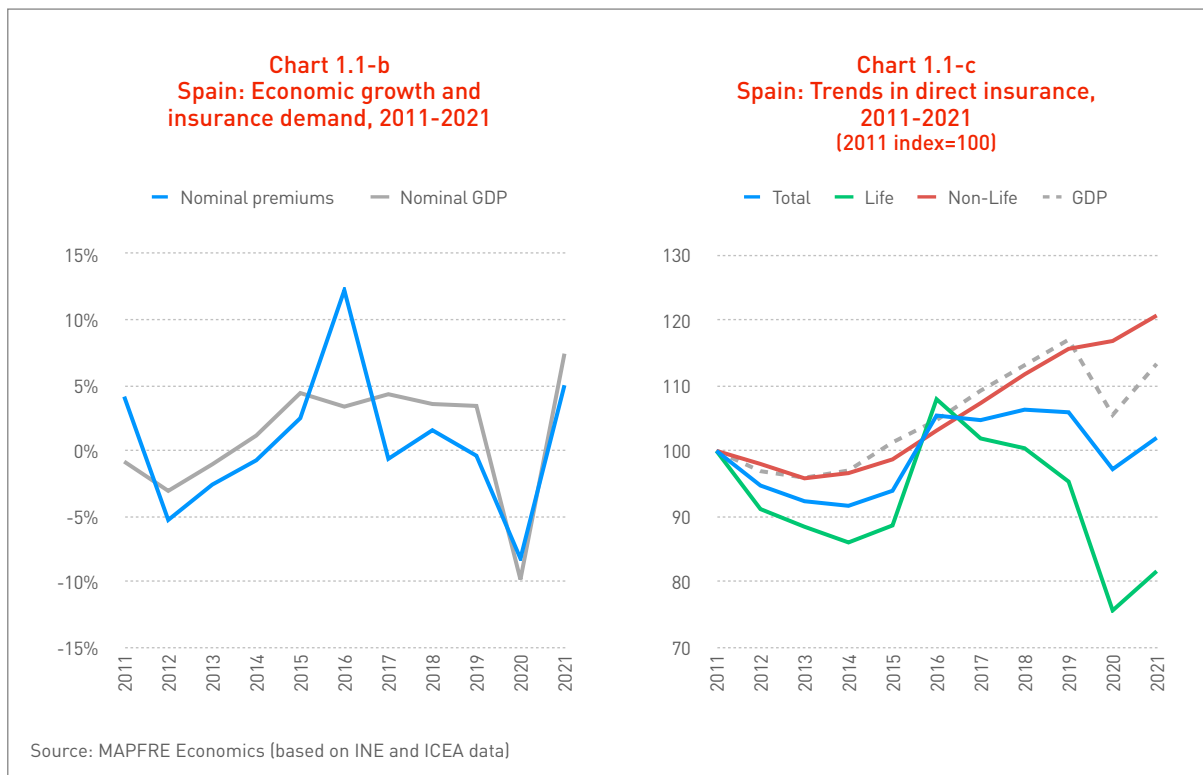
### **The economic environment and insurance demand**

In the aggregate, the Spanish insurance market had a significant increase in total insurance premium volume of 5.0% in 2021, versus the -8.2% drop in business in 2020. By major segment, Life insurance premiums went up 7.9%, still far from recovering pre-pandemic levels after the -20.7% drop in 2020, mainly as a result of the decline in Life Savings insurance premiums (9.1% in 2021, versus -25% in 2020).

Life Risk premiums, in turn, grew 3.4% (-0.4% in 2020). The Non-Life business performed well in 2021, in line with the performance of the Spanish economy, with a 3.3% increase in turnover (1.1% in 2020), despite the slight -0.9% decline in the Auto insurance business (on top of the -2.0% in 2020).

Charts 1.1-b and 1.1-c provide a medium-term analysis (2011-2021) of the close relationship between the pace of economic growth and insurance demand. This relationship is especially significant in the Non-Life business. Although it diverted from the GDP variation path suddenly in 2020, breaking this trend with an abrupt drop in GDP that did not fully transfer to this business, the business recovered again in 2021, ending the year with 20.7% growth in Non-Life premiums over the decade, compared to nominal GDP growth of 13.3% in the same period (Chart 1.1-c). The Life insurance business, in turn, was marked not just by the nominal GDP performance, but also by the persistently low interest rate environment throughout 2021, experiencing a decline of -18.4% in the last decade.

The resilience shown by the Non-Life business in 2020 was aided by the implementation of unprecedented monetary and fiscal policy measures, especially when compared to those adopted in previous economic crises. The ECB kept interest rates for the main refinancing operations at zero and deposit facility negative (-0.5%), and deployed expansive quantitative easing measures through bond purchase programs (Pandemic Emergency Purchase Program, PEPP) totaling 1.85 billion euros, flexible country-by-country in addition to those already in place, allowing governments, households, and companies to continue financing themselves at reduced costs. This intervention, along with the fiscal aid packages for workers (through temporary labor force adjustment plans) and companies, led to a smaller drop in Non-Life business than in other economic crises.



According to the latest data for the first five months of 2022, the growth of Non-Life premiums in Spain is recovering in year-on-year terms, growing by around 5.4%, and Life Insurance premiums are up 3.3%, with Life Savings growing by 4.2% and Life Risk by 0.65%.

### Real estate sector

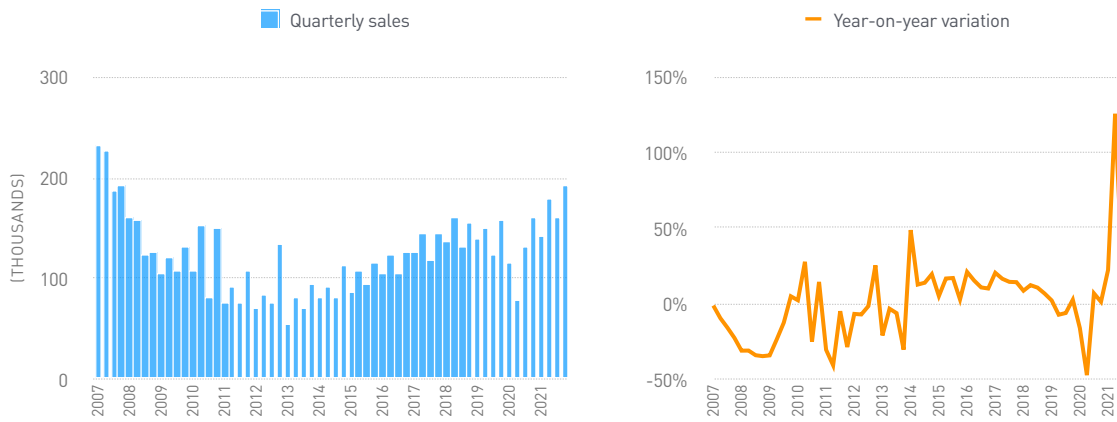
Due to its characteristics, real estate is one of the sectors that has the greatest influence on insurance demand behavior. Operations conducted with the real estate market (Multirisk and Life Risk insurance) hold a prominent position in the Spanish insurance market. In 2021, there was a significant recovery of the number of real estate transactions, following the abrupt drop of the previous year as a result of the pandemic (see Chart 1.1-d). With respect to new homes, in these last two years, residential investment was affected first, in 2020, with a reduction in housing starts, and then, in 2021, mainly with the delay in the volume of construction work executed. However, at the end of 2021, the elements

that had been negatively impacting construction, such as a labor shortage, construction material supply problems, and, and, consequently, an increase in final costs, began to turn around.

Despite all this, data published by the Ministry of Transport, Mobility, and Urban Agenda through the Housing and Land Observatory show that the total cumulative volume of real estate transactions carried out in 2020 (487,354 units), was practically surpassed by figures accumulated up to Q3 2021 (481,148 units), and more broadly with definitive data for Q4 2021 (193,101 units), bringing the total for 2021 to 674,249 units, representing a year-on-year rate of 38.3%.

A medium-term analysis shows that the Spanish real estate sector has experienced numerous changes (Chart 1.1-d). The years following the economic crisis of 2007-2009 stand out in particular in this regard, as the mortgage market was severely affected and the number of real estate transactions fell sharply. The 2011-2012 interval is also notable, in the midst of the sovereign debt

**Chart 1.1-d**  
**Spain: Sale of homes, 2007-2021**  
 (number of transactions, thousands; year-on-year variation, %)



Source: MAPFRE Economics (based on data from the Ministry of Transportation, Mobility, and Urban Agenda)

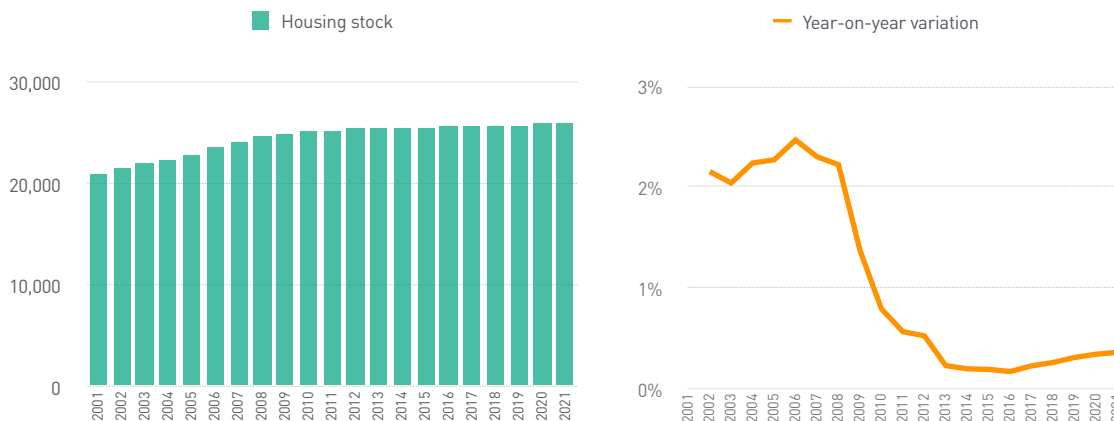
crisis, when the number of transactions fell more than 25% for several consecutive quarters.

It is not only factors outside of the Spanish economy that have affected the real estate market; domestic regulatory changes to the tax system have also affected the decisions of economic operators in real estate transactions. In this regard, the VAT hike in 2010, the elimination of the primary residence tax deduction 2012, and the elimination of the inflation correction and abatement coefficients in the calculation of capi-

tal gains for personal income tax in 2014, are all worth noting; all of these measures involved a change in the volume of activity in the corresponding quarter.

Other more recent factors that have significantly impacted this economic activity include the lockdown prohibiting citizens from leaving their homes in 2020 due to the COVID-19 pandemic, with -16.1% and -47.2% year-over-year drops in Q1 and Q2 respectively, and the successive epidemic waves of the virus; all of this substantially reduced economic activity and the number

**Chart 1.1-e**  
**Spain: Housing stock, 2001-2021**  
 (number of homes, thousands, year-on-year variation, %)



Source: MAPFRE Economics (based on data from the Ministry of Transportation, Mobility, and Urban Agenda)

of real estate transactions, which, nevertheless, began to recover slightly in Q3 (+6.8%) and Q4 (+1.2%) 2020. On the contrary, in 2021, as a rebound effect, year-over-year growth rates in all quarters soared with values above 20%, reaching 125.5% in the second quarter, coinciding with the strict lockdown that was in place during the same period of 2020.

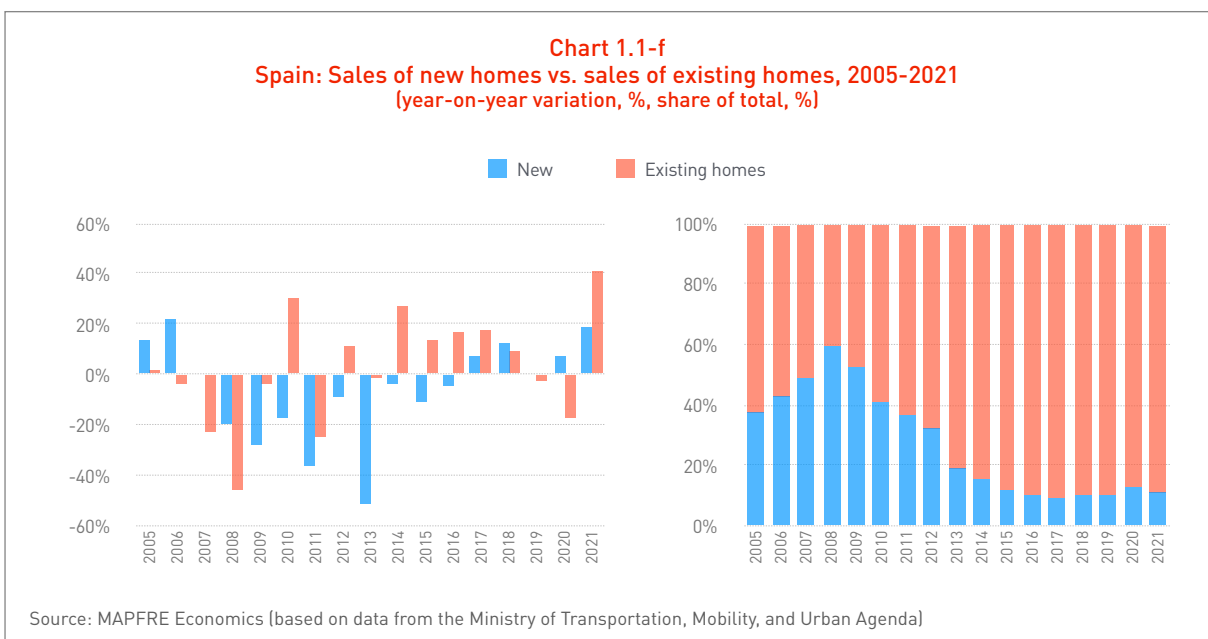
The housing stock estimated by the Ministry of Transport, Mobility, and Urban Agenda with provisional data for 2021 stands at 25,976,305 units. The increase resulting from comparing the evolution since 2001 for the last 20 years was 23.5%, as shown in Chart 1.1-e. Although in 2021 the year-on-year growth of the housing stock is 0.36% (in 2020 it was 0.35%), which is higher than in the previous seven years, it is much lower than before the economic crisis of 2008, when the growth rate was over 2%.

While in 2020 new home transactions experienced significant growth of 7.3% and home resale transactions significantly dropped by 16.9%, in 2021 both categories experienced significant growth. Growth in the new construction segment was 18.8%, although the highest volume was in home resale transactions, where the variation

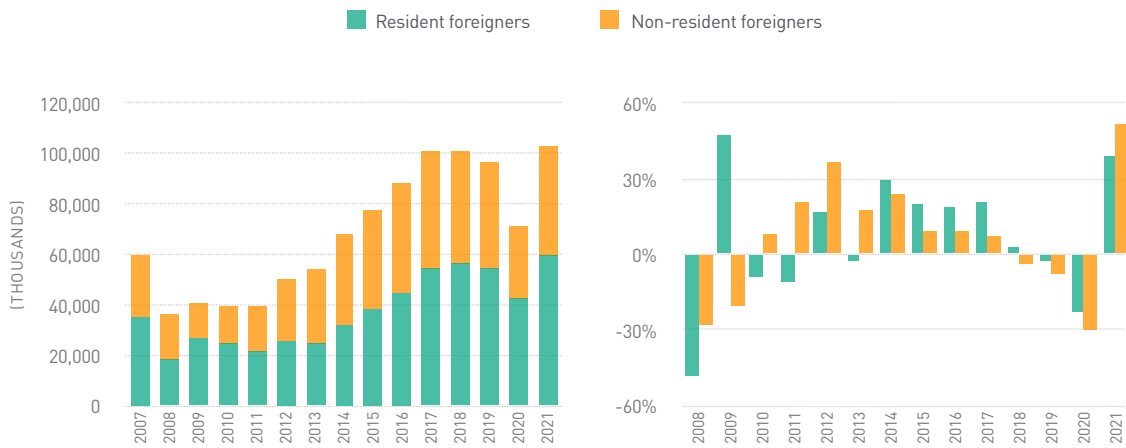
was 41.1%, the highest in the last 16 years (see Chart 1.1-f). There are several explanations for the excellent housing demand performance in 2021: an improved economic situation, a financing context that is still very favorable for households with more savings than in previous periods, which allowed them to make home purchases put on hold during the pandemic, and the interest in moving to a home with more living space the outdoor spaces they wished they had during the lockdown.

An analysis of housing real estate transactions in 2021 by autonomous community, shows, unlike the previous year, positive year-on-year rates in all the communities, notably: Balearic Islands, with 52.9%; Canary Islands, 43.7%; Andalusia, 43.6%; Valencia, 42.0%; Catalonia, 39.5%; and Madrid, with 35.7%. The Balearic Islands have the highest percentage of transactions by province over the national total, followed by Castellón with 52.1%, Malaga with 51.3%, and Tarragona with 48.3%. The remaining provinces also saw significant increases, in most cases over 30%, Ceuta and Alava, with 7.0% and 15.8%, respectively, recording the lowest growth rates.

While real estate transactions carried out by foreigners (residents and non-residents)



**Chart 1.1-g**  
**Spain: Real estate transactions involving foreigners, 2007-2021**  
 (number of real estate transactions; year-on-year variation, %)



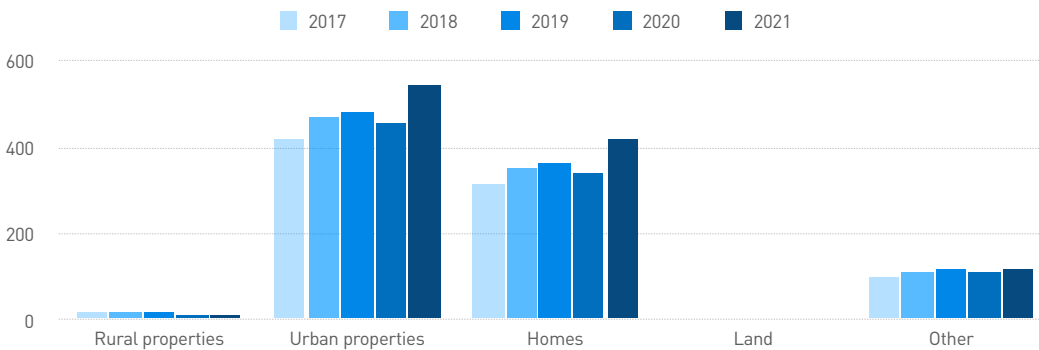
Source: MAPFRE Economics (based on data from the Ministry of Transportation, Mobility, and Urban Agenda)

accounted for 14.7% as a definitive figure of the national total in 2020, in 2021 that percentage increased to 15.3%. At the provincial level, coastal areas remained those preferred by foreigners over the total of their transactions (Alicante, 19.4%; Malaga, 12.6%; Barcelona, 8.0%; Canary Islands, 7.3%; and Balearic Islands, 6.8%), with the exception of Madrid (7.1%). In contrast to 2020, which saw a very significant drop in year-over-year change in transactions by foreigners, in 2021 both categories soared, with 38.8% going to transactions by resident foreigners and 51.1% for non-resident foreigners (see Chart 1.1-g)<sup>1</sup>. Finally,

according to data extracted from the Housing and Land Observatory, the most notable nationalities of foreign buyers are citizens of the following countries, in this order: United Kingdom, with 12.4%; Germany, 10.9%; France, 7.5%; and Morocco, with 5.7%.

During 2021, new home loan transactions for home purchases remained high, with interest rates for bank loans at historic lows, but with a tightening of the criteria for approval of new borrowing conditions. According to the Bank of Spain's annual report<sup>2</sup>, the equivalent of at least 33.4% of

**Chart 1.1-h**  
**Spain: Trends in number of mortgages, 2017-2021**  
 (number of mortgages, thousands)



Source: MAPFRE Economics (based on INE data)



household disposable income before deductions would be needed to purchase a home.

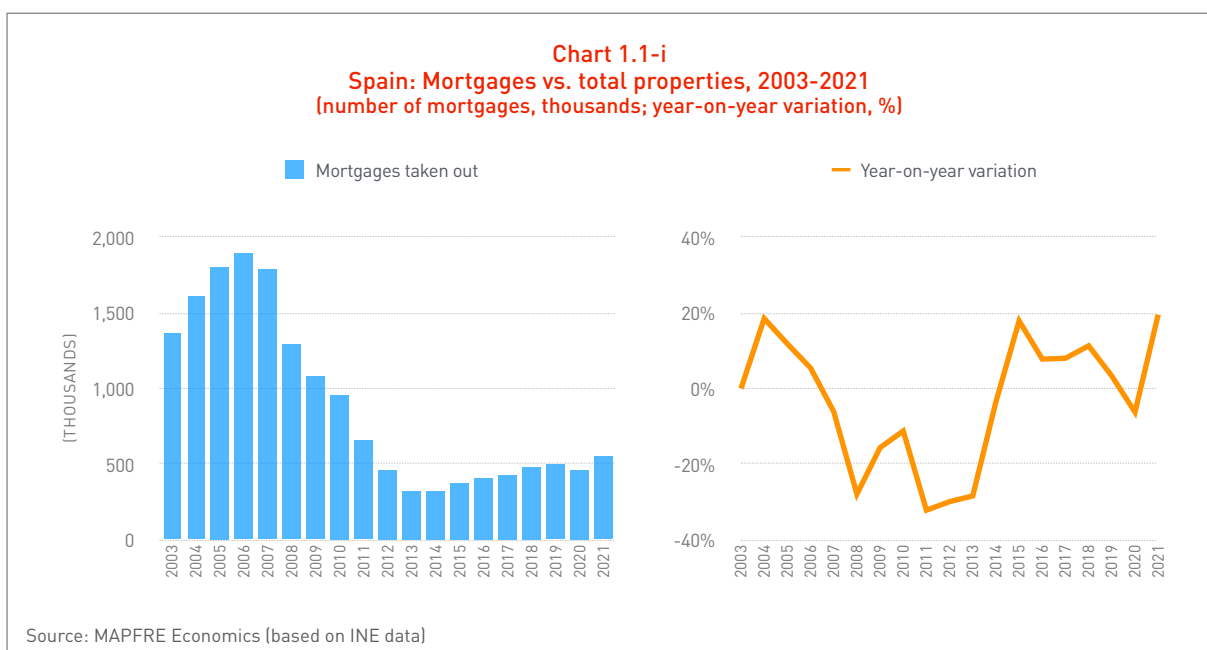
In this sense, if we analyze the mortgages taken out in the 2017-2021 period (see Chart 1.1-h), we see that mortgages issued in 2021 for both rural and urban properties for both categories (homes and lots) went up vs. 2020, although the number of mortgages for lots far exceeded the figures from the last four years. According to provisional data published by the National Statistics Institute (INE), mortgages issued in 2021 for home purchases accounted for 74.95% of all mortgage loans, a percentage increase over the last seven years, whose average sits at 70.2%. Likewise, while the year-over-year variation of the total of mortgages for all types of properties in 2020 fell -6.3%, in 2021 it soared to 19.5% (provisional data), the highest recorded in the last 18 years (see Chart 1.1-i).

As published by the INE, the number of mortgage loans for home purchases climbed in Q4 2021 to a total of 105,374, a year-on-year increase of 25.1%, the highest in the last five years. There were 5,106 home foreclosures recorded in the Property Registries in Q4 2021, 11.1% fewer than

those carried out in the same period the previous year.

The Bank of Spain's 2021 annual report points out the desirability of reducing inequality in housing access, which has worsened in recent years for both homeownership and rental housing, especially for lower-income households and young people. Although the Right to Housing Bill attempts to reduce these difficulties, including rent control, this could have limited or even adverse effects, due to the lack of specific actions such as effective legal certainty for owners of rental housing. It also points to the need to review certain regulations that do not facilitate the construction of new housing or that restrict residential use of real estate, in order to reduce real estate price pressures on local markets where there is insufficient supply.

Another element that could help real estate investment in the future, according to the Bank of Spain, is NextGenerationEU, through the implementation of the Urban Rehabilitation and Regeneration Plan within the framework of the Recovery, Transformation and Resilience Plan (PRTR). This temporary instrument will boost the residential sector, with building renovations



and the construction of affordable housing, always based on minimum energy efficiency requirements.

Moreover, the INE has indicated that the General Housing Price Index (HPI) recorded year-on-year variation of 1.2% for Q4 2021, a slightly lower level than the same figure published for the same period of 2020, 1.5%. The new housing HPI for 2021 ended the year at a 6.4% increase compared to 8.2% in 2020, while the home resale HPI in 2021 was 6.4% compared to 0.4% in 2020.

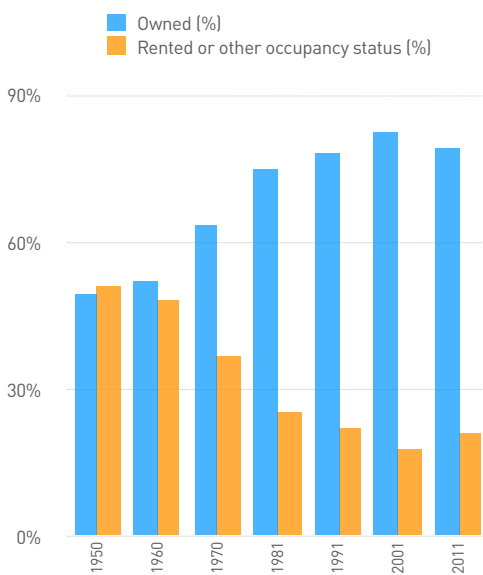
As indicated in previous editions of this report, the evolution of residential rentals published by the Housing and Land Observatory shows the continuous reduction of home ownership to the benefit of rentals through 2001, although the trend reversed in 2011 (the last 10-year data published), at which point the number of rentals increased (see Chart 1.1-j).

With the most recent data provided by the INE's Living Conditions Survey, from 2007 to 2020 (latest data available as at June 2022) confirmed the decrease in the percentage of households with home ownership at 75.2% in 2020, down from 75.9% in 2019. It is revealing that in 2020, unlike the previous five years, the weight of households with market-rate rental contracts decreased to 14.7% in 2020 (15.1% in 2019), while those households with below-market-rate rents rose from 2.7% to 3.3% in 2020. Finally, another increase of note is the one in the number of leased homes, which reached 6.8% in 2020, up from 6.0% in 2019 (see Chart 1.1-k).

### Auto sector

The auto sector is another of the areas of economic activity with a substantial impact on insurance demand behavior in Spain. In this sense, the country's vehicle fleet totaled 35.2 million in 2021, 1.2% more than the previous year<sup>3</sup>. The motorcycle seg-

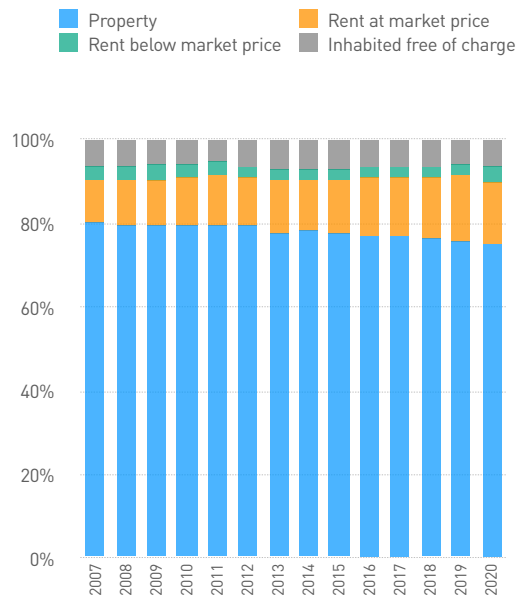
**Chart 1.1-j**  
Spain: Trends in ownership of homes, rentals and occupancy free of charge, 1950-2011\* (%)



Source: MAPFRE Economics (based on data from the Ministry of Transportation, Mobility and Urban Agenda)

\* Latest data available

**Chart 1.1-k**  
Spain: Breakdown of homes by type of occupancy, 2007-2020\* (%)



Source: MAPFRE Economics (based on INE data)

\* Latest data available

ment once again showed the greatest growth of 3.5%, while private cars represented 71% the total, rising barely 0.9% to 24.9 million (see Chart 1.1-l).

Although the registration data for 2021 is positive, with a 3.3% increase over the previous year, the economic crisis and the shortage of microchips is delaying the expected recovery in vehicle sales, reaching a figure much lower than before the pandemic: 1.3 million versus 1.8 million in 2019. All vehicle types contributed to this growth, with the exception of buses, which decreased -7.8%. Private automobiles, which represent 71.9% of registrations, increased barely 1.5% reaching a total of 953,589 units. In turn, the percentage of vehicles more than 10 years old versus the total fleet decreased slightly, from 63.6% in 2020 to 63.3% in 2021.

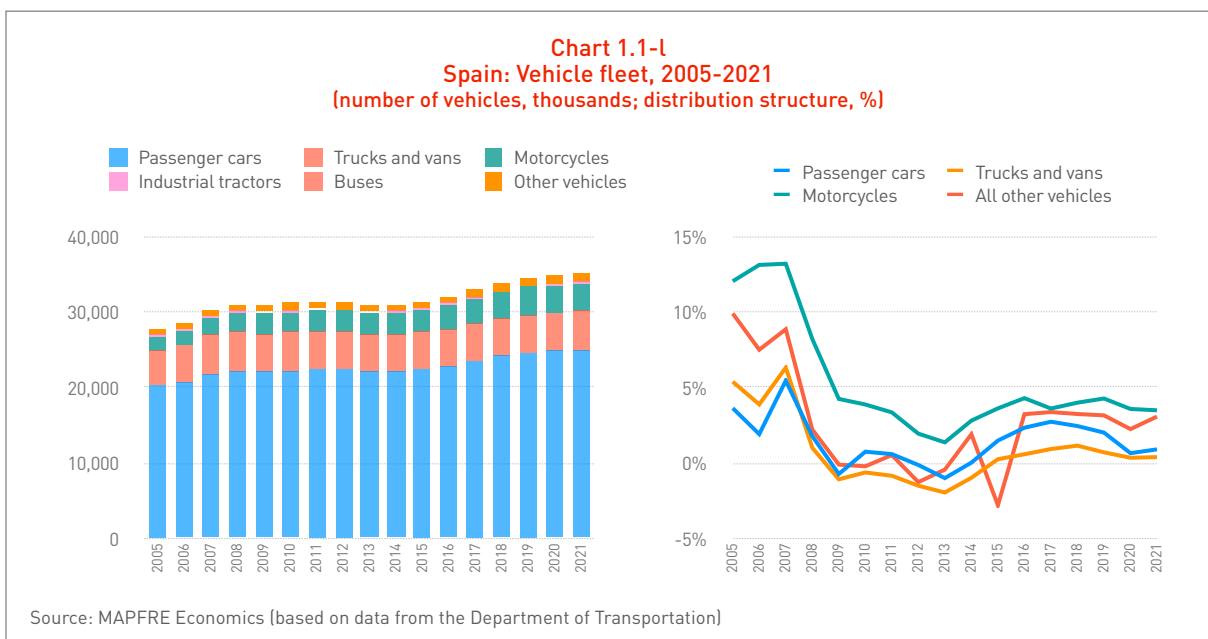
According to data from the Directorate General of Traffic, 393.7 million long-distance road trips were recorded in 2021, 23% more than in 2020 and 8% less than those made in 2019 (427.1 million). The year began with less travel, because the state of alarm that went into effect at the end of October 2020 to contain the spread of COVID-19 was extended until May 9, 2021, during which movement was re-

stricted. After that date, travel began to recover, and increases were observed starting in September.

There were 921 fatal accidents major high-ways in 2021 (120 more than in 2020), in which 1,004 people died at the time of the accident or in the next 24 hours, and another 3,728 were seriously injured, representing a 14.9% increase in the number of fatalities and 7% in the number of people hospitalized. However, if this data is compared to 2019, this represents a decrease in the number of accidents (-9%) deaths (-9%), and hospitalizations (-16%). The number of fatalities increased in all autonomous communities, with the exception of Aragon, La Rioja, and the autonomous cities of Ceuta and Melilla, and the highest increases were recorded in Catalonia (+27), Andalusia (+24) and the Community of Madrid (+21).

### Corporate sector

As at January 1, 2021, Spain had 3,366,570 operating enterprises, 1.1% less than on the same date the previous year, according to data from the Central Business Register (DIRCE). According to this information, the Other Services sector, with 2,043,693 operating enterprises, once again had the most



weight in the structure of the company population, representing 60.7% of the total. This sector encompasses everything from hospitality to financial services and insurance, as well as health, administrative, and educational activities. The sector with the second highest weight was Commerce, with 21.2%, including wholesale and retail sales activity. Finally, the Construction and Industry sectors represent, respectively, 12.4% and 5.7% of enterprises.

The Spanish business community is characterized by having a smaller number of salaried employees and highly dynamic longevity. Thus, 83.1% of all companies employed two or fewer workers and 55% had no salaried employees. Some 39.7% of companies without employees were in their first to fourth year of existence, while 33.6% of companies with 20 or more employees are veteran companies operating for 20 years. The highest percentage of small businesses are found in the Construction and Other Services sectors, and the majority of large companies are concentrated in the Industrial sector, where 8.1% of the total employed 20 or more employees.

The DIRCE registered 1,879,120 companies represented by an individual, of which 36.5% were represented by a woman. The presence of businesswomen is notable in the Education, Health, and Social Services sector, with 56.1%, while the presence of men in the Construction and Transport sector was 90.5%. By autonomous community, Catalonia is the top community for number of active companies, with 18.5% of the total. More than 50% of operating Spanish enterprises are concentrated in three autonomous communities: Catalonia (18.5%), Madrid (16.2%), and Andalusia (15.8%).

Taking into account the trend of the last year, 321,749 companies began conducting economic activities during 2020, and 366,548 ceased all activity. The sectors with the most companies created in net terms

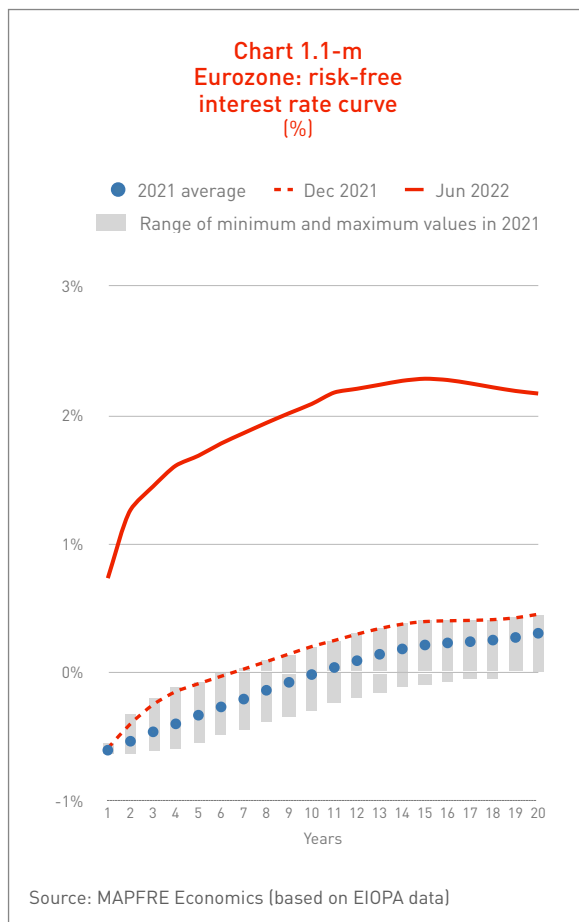
in 2020 were Postal Activities and Mail (7,023) and Advertising and Market Research (1,384). In turn, the sectors with the most companies winding down were Food and Beverage Services (-9,892) and Retail Commerce, except motor vehicles (-9,742).

According to INE statistics on commercial companies, 101,139 companies were created in 2021, 27.7% more than in 2020, a year marked by the economic impact of the COVID-19 pandemic. The number of companies that dissolved that year also increased (23,784), 17.1% more than in 2020. In addition, 29,204 commercial companies increased their capital in 2021, 15.8% more than in 2020, and subscribed capital went up 40.8%. 20.9% of commercial companies in the Commerce sector and 17.9% in the Construction sector were dissolved. 20.5% of companies created were in the Commerce sector and 16.7% were in Real Estate. Finally, the communities with the most commercial companies created in 2020 as a whole were Madrid (17,964) and Catalonia (15,020), while the communities with the greatest number of dissolutions were Madrid (6,715) and Andalusia (3,032).

### Interest rate environment

The persistence of the low interest rate environment continued to have an adverse effect on the Life Savings segment and traditional life annuities in 2021. As a result, and despite the strong economic recovery, premiums are still far from pre-crisis levels. In this sense, Chart 1.1-m shows the minimum, average, and maximum levels interest rates reached in 2021, as well as the latest risk-free yield curves for the euro published by the European Insurance and Occupational Pensions Authority (EIOPA) corresponding to the end of December 2021 and June 2022.

In 2021, the insurance market faced a recovery period in a context of benign inflationary pressures in the first half of the year and one with rising pressures in the second half of the year. Vaccination



progress allowed for travel restrictions to be lifted, favoring consumption, while monetary policies continued to be broadly accommodative and favorable. In 2021, monetary policy interest rates continued to be anchored at low levels (0% for the main refinancing operations and -0.5% for deposit facility) and the massive resource of unconventional monetary policy measures to provide liquidity to the bond markets, both sovereign and corporate, with the 1.85 trillion euro Pandemic Emergency Purchase Program (PEPP), activated until March 2022, the termination of which has been cushioned by an increase in purchases under the conventional asset purchase program (APP) in the amount of 40 billion euros in April, 30 billion in May, and 20 billion in June. Furthermore, the ECB decided to extend the term of financial sector financing operations (TLTRO III) until January 2023, ensuring that their maturities

did not hinder the fluid transmission of its monetary policy.

Although this set of measures helped to moderate the serious problems that could have been caused by the lack of liquidity in Eurozone markets, the improvement in expectations was reflected in the yield curve over the course of 2021, with a generalized upturn in risk-free interest rates, translated into pending earnings and, more actively, from upturns in inflation which, although expected to be temporary, led to the first signs of a change in direction toward positive rates in the medium term.

Looking ahead to 2022, it is a year marked by a more complex environment, initially limited in terms of activity by the Omicron variant, the persistence of inflation beyond what was initially expected and above the monetary policy targets of the central banks, and, more recently, by the worsening of problems that had been accumulating in the global economy as a result of the Russia-Ukraine conflict. All in all, the outlook for the insurance industry's activity, business development, and profitability is shifting towards an impairment scenario in 2022. In this new environment, another sharp increase in market risk-free interest rates can be seen in all tranches. These reach substantially higher levels than the maximums registered in 2021, with positive interest rates as of maturities over one year (when they remained in negative territory up to six years at the end of the previous year). On the other hand, the Euro Stoxx 50 index—and in general, the major stock markets worldwide—have seen increased volatility due to greater uncertainty complicating the outlook for Life insurance products in which the policyholder assumes the investment risk. Such products will have to be adapted for an environment marked by greater volatility in equities, with fixed income offering higher interest rates and risk premiums more in line with the credit risk of the issues, once the cen-

tral banks start to withdraw their net asset purchase programs.

## 1.2. Demographic aspects

### Demographic trends

The COVID-19 pandemic is a catastrophic event that has struck elderly cohorts more intensely. By its nature, it could have significantly altered the demographic trends being observed worldwide in recent decades: a general reduction in mortality rates and the corresponding positive effect on life expectancy, combined with a drastic drop in the fertility rate. These factors have come to sustain a transitional dynamic toward more elderly populations, a process affecting all countries and regions of the world without exception, albeit more immediately and markedly so in developed countries, and particularly in Spain.

There is still some uncertainty about the potential consequences of the pandemic on demographic trends, considering its indirect effects on health, especially in patients who require intensive care or people who didn't seek a diagnosis for other potential illnesses during lockdown or postponed seeking treatment for a serious existing ailment. So far no updates have been published for the projections made by the major international organizations that provide models in this regard. The latest United Nations (UN) forecasts are from July 2022 and those from Eurostat for the European Union are from 2019. The latter organization does not expect its next update until 2023<sup>4</sup>, although it has made an estimate on the effects on the life expectancy in 2020 and 2021 in the different European Union countries during the pandemic, which affected a vast majority of its members in 2020 and about half of them in 2021.

In the case of Spain, there was a partial recovery of 0.9 years<sup>5</sup> in life expectancy in 2021, after a significant drop in 2020 of -1.6 years<sup>6</sup> (0.7 and -1.2, according to 2022 UN estimates), the largest drop in life ex-

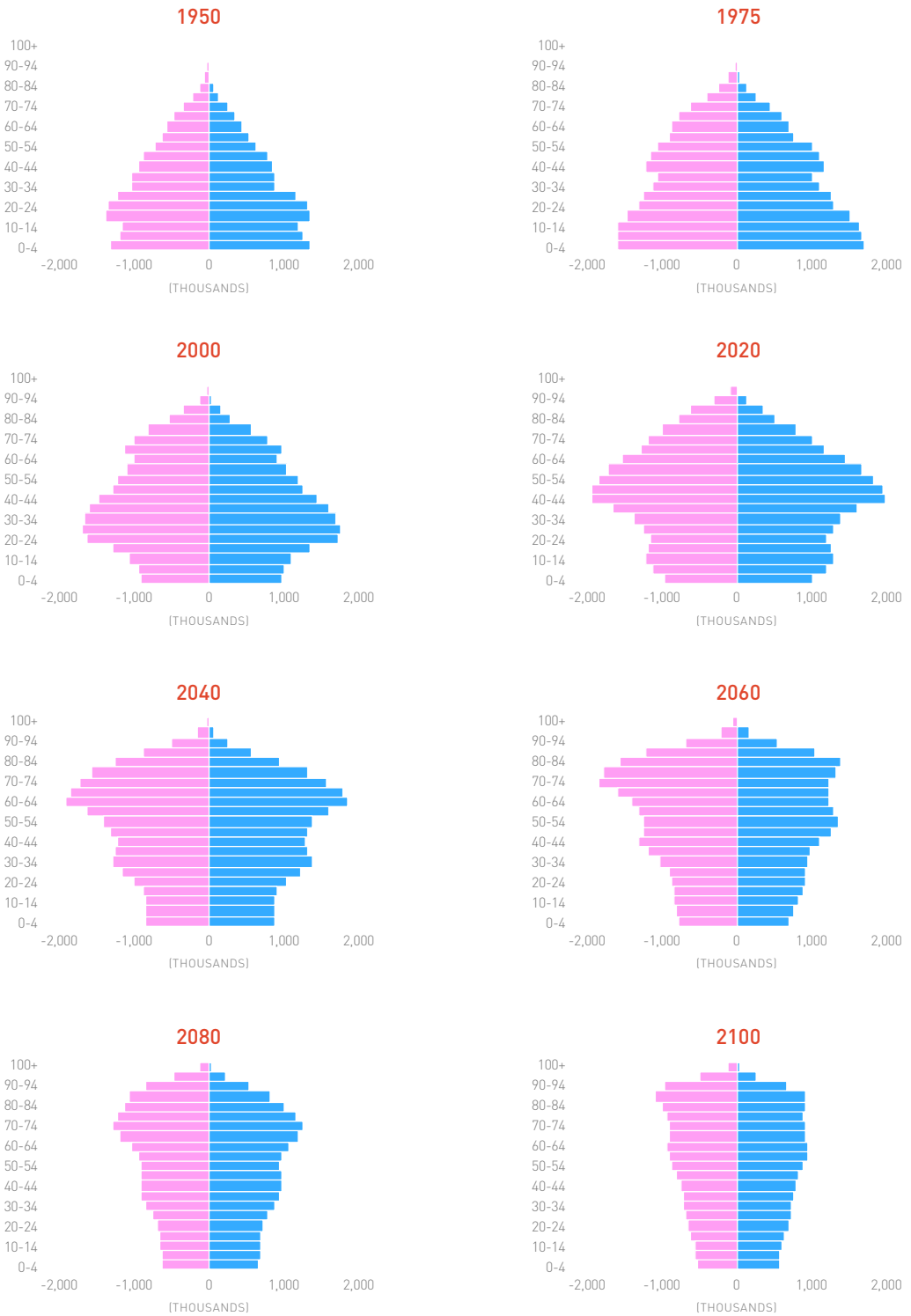
pectancy in all European Union countries, according to Eurostat estimates. The behavior of life expectancy in Spain is in line with projections made by the Independent Authority for Fiscal Responsibility (AIReF) in 2020, which predicted significant, but temporary, drops in this indicator<sup>7</sup>. In the same sense, the excess mortality calculated by MAPFRE Economics<sup>8</sup> evolved positively in 2021, which is becoming even more evident in the early months of 2022. Thus, the excess mortality in Spain resulting from comparing mortality per 100,000 residents in 2020 and 2021, with the 2016-2019 pre-pandemic annual average, clearly improved in 2021, with 7.2% versus 17.6% in 2020 (the worst data shown for this indicator was in Q2 2020, when mortality reached 26.2% above Q2 2016-2019, with a peak in April of 75.9%). In the first quarter of 2022, the mortality situation continued to improve substantially, and excess mortality versus the average of Q1 2016-2019 was 0.1%, with some excesses of 5.4%, 2.9%, and -8.9% in January, February, and March, respectively.

Therefore, despite unknowns about the long-term impact of the COVID-19 pandemic on life expectancy, the current data and the most widespread opinions indicate that this is a temporary interruption and that the trend of improved global life expectancy is beginning to recover, with a slowdown in the rate of improvement that was already characteristic before the outbreak of the pandemic (unless some mutation of the virus appears with transmissibility and fatality rates capable of altering this trend).

This dynamic continues to reveal the need to find savings formulas to complement pensions and bear the higher expenses for healthcare and situations of dependency as the population ages. For example, in the case of pensions, pressure will continue increasing on the sustainability of public systems in which pay-as-you-go components have a greater weight, as the relative weight of the labor force compared to peo-

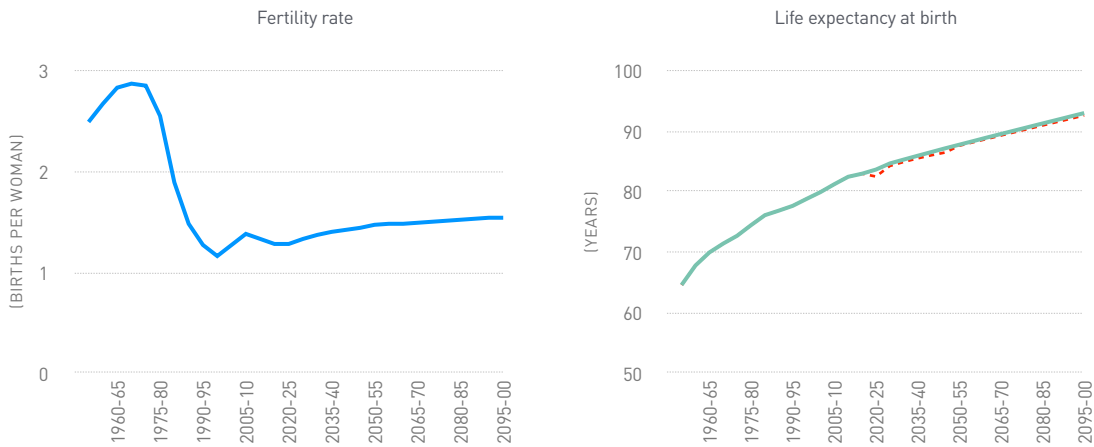
**Chart 1.2-a**  
**Spain: Changes in the population pyramid, 1950-2100**

Women Men



Source: MAPFRE Economics (updated based on UN data)

**Chart 1.2-b**  
Spain: Fertility rate and life expectancy at birth, 1950-2100



Source: MAPFRE Economics (updated based on UN data; life expectancy, AIREF estimates 2020)

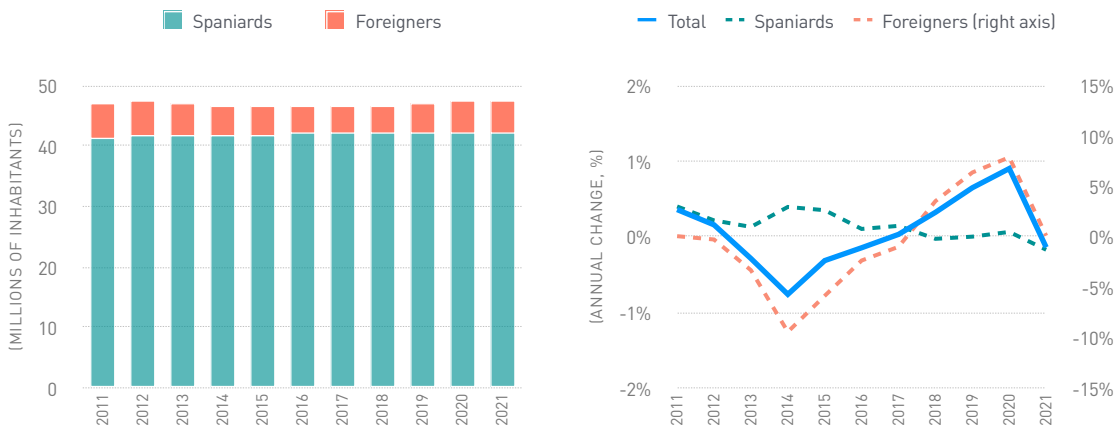
ple who reach retirement age is progressively and markedly decreasing.

low mortality rates, and increased life expectancy.

The population pyramids created based on updated July 2022 United Nations (UN) data and forecasts, the latest data available, continue to reflect the widespread issue of aging among the Spanish population (see Chart 1.2-a), due to the combination of high birth rates in the 1950s and 1960s, the subsequent fall in the birth rate,

According to these UN forecasts, during the 2020-2025 period, life expectancy at birth in Spain was 83.6 years (Eurostat estimates considering the effects of the pandemic place it at 83.3 years in 2021), while in 2000 it was 79.4 years (a four-year increase in a 20-year period). According to UN forecasts, life expectancy at birth of the

**Chart 1.2-c**  
Spain: Population change, 2011-2021  
(distribution, millions; annual variation, %)



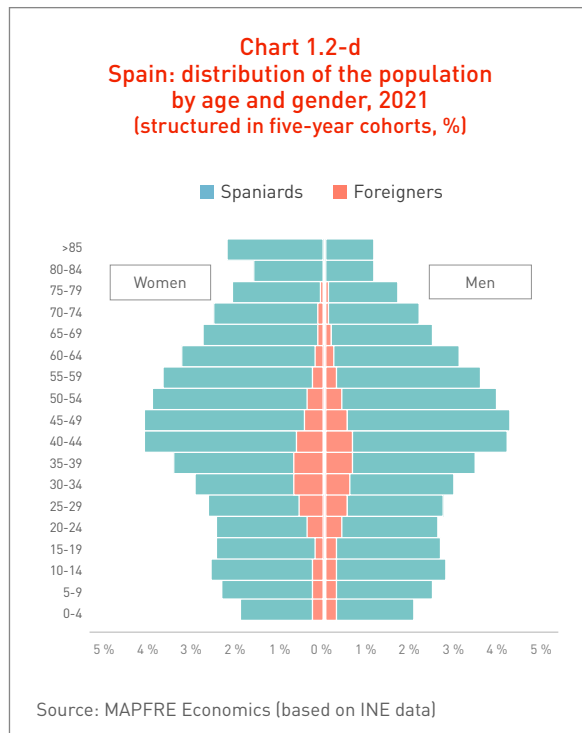
Source: MAPFRE Economics (based on INE data)



Spanish population will reach 87.5 by 2050 and around 93.3 in 2100 (see Chart 1.2-b).

In terms of the demographic situation according to the preview published by the INE containing provisional data as at January 2021 (the latest data available at the date of this report), the Spanish population has reached 47.4 million inhabitants, of which 88.5% were Spanish and 11.5% foreign. As shown in Chart 1.2-c, the net number of Spaniards dropped by 71,683 (-0.17%) in 2020, while the number of foreigners increased by 5,995 (0.11%). Additionally, the average age of the population registered in the Municipal Census was 44.1; the average age of Spaniards was 45, and 37.1 for foreigners. Finally, Chart 1.2-d presents the breakdown of the population by age and gender, distinguishing between Spaniards and foreigners, based on definitive data published by the INE as at January 2021.

In summary, as noted in prior versions of this report<sup>9</sup>, despite the effects of the pandemic, the issue of the aging population in Spain has continued to worsen, giving rise to a constrictive type of population pyramid, with no expectations of this trend reversing (creating a stationary type of popu-



lation pyramid) until the end of the century. Based on these population patterns and dynamics, a gradual increase in the aging population is expected over the next few years, with consequent fiscal pressures on the government as the so-called *baby boomers* approach retirement age.



## 2. Structure of the insurance industry

### 2.1. Market concentration

In relation to the concentration levels of the Spanish insurance industry, analysis of the Herfindahl and CR5 indices, as well as the evolution of the number of companies operating on the Spanish insurance market, show a certain trend towards market concentration, although this remains within limits indicating a high level of competition, especially in the Non-Life segment. Chart 2.1 shows that the Herfindahl Index stood at 496 points in 2011, while in 2021 this indicator rose to 616 points, with a 48-point increase compared to 2020. However, this index remains below the theoretical threshold (1,000 points), signaling the beginning of industry concentration levels.

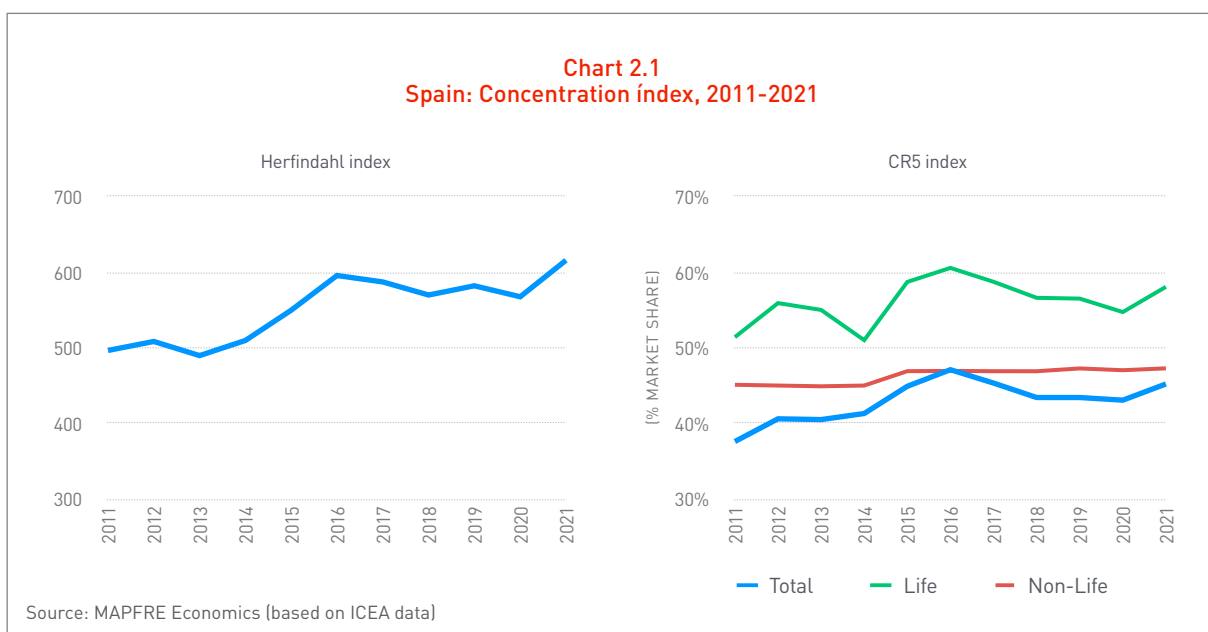
The behavior of the CR5 index shows the upward trend in concentration over the course of the 2011-2021 period, from 37.6% to 45.2%, with a period of decline from 2017 to 2020, greatly influenced by the behavior of the Life insurance line. Chart 2.1 shows that in 2021 the share of the five groups with

the largest participation in Life increased again, from 54.7% in 2020 to 58.1%, which also led to an increase in total concentration. In turn, the top five Non-Life groups have had very stable behavior, with small variations throughout the decade, reaching a share of 47.3% in 2021, up 2.2 percentage point (pp) over 2011.

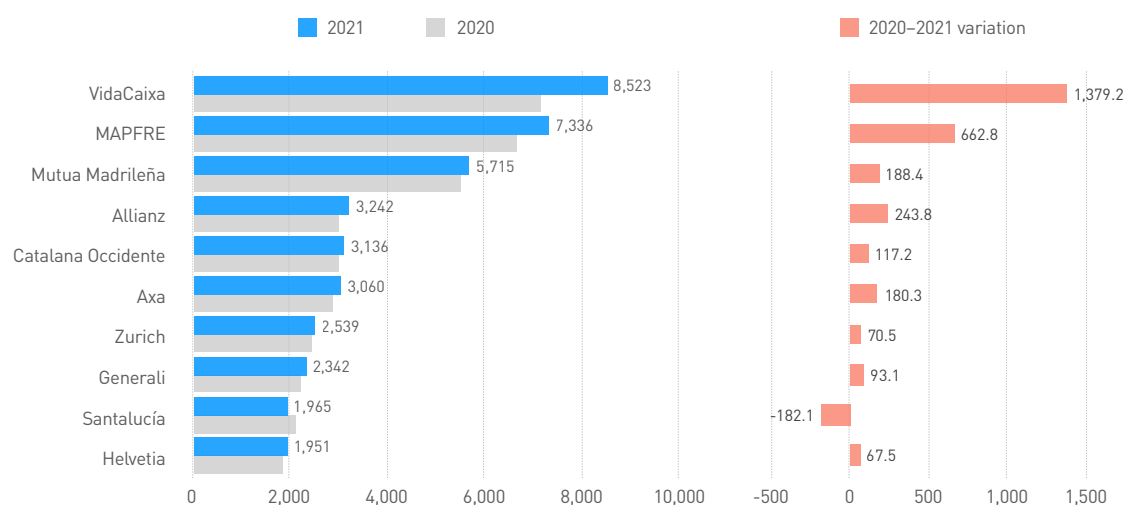
### 2.2. Ranking of companies

#### Total market

With a 13.8% share, VidaCaixa continued to top the ranking of the ten largest insurance groups in the Spanish market by premium volume in 2021, with revenues of 8.523 billion euros, 19.3% higher than the year before, thanks to the performance of “unit-linked” products, which captured 39% more in premiums (see Chart 2.2-a). MAPFRE is next, with 9.8% premium growth, driven by the Life insurance line (31.1%) and, within the Non-Life lines, by Health (9.9%) and Multirisk (5.8%). Mutua Madrileña, which lost 0.2 pp of its share, dropping to 9.2% de-



**Chart 2.2-a**  
**Spain: Overall ranking of insurance groups by premium volume, 2020-2021**  
 (millions of euros)



Source: MAPFRE Economics (based on ICEA data)

spite a 3.4% increase in premiums, remains in third place. In the Auto line, this company had premium revenues of 1.554 billion euros in 2021, 1.5% less than the previous year. Fourth and fifth place switched positions from the 2020 ranking. Thanks to a boost from its bancassurance joint venture with BBVA and the launch in Spain of its digital insurance sales company, Allianz Direct moved up one place and pushed Catalana Occidente to fifth. The ranking remained unchanged in the rest of the positions.

### Non-Life market

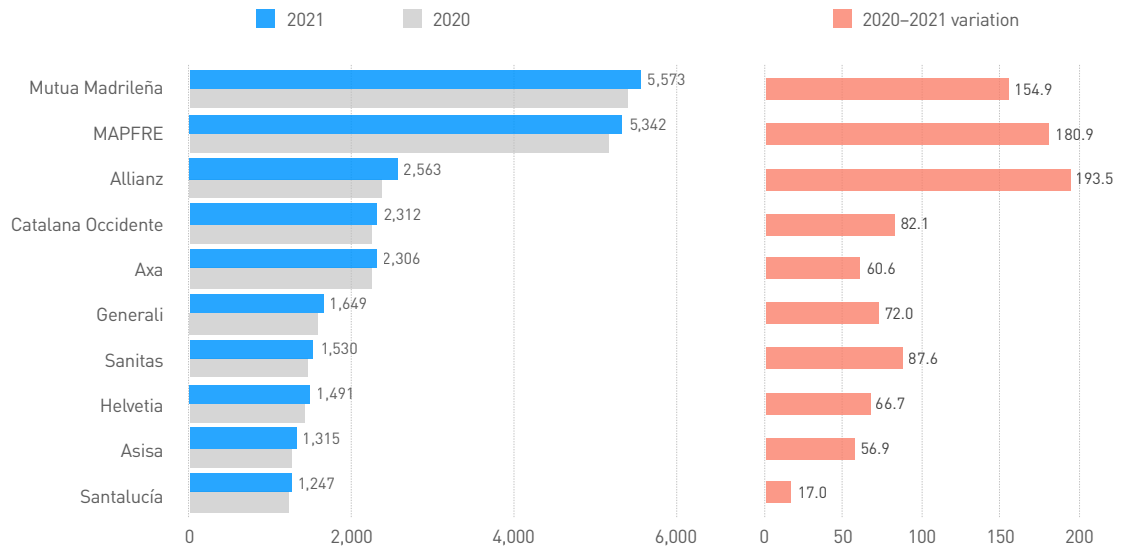
The Non-Life segment showed 3.3% premium growth in 2021, with a slight decline of 0.9% in Auto and positive performance in all other lines as a whole. As shown in Chart 2.2-b, all groups in the Non-Life ranking had premium growth in 2021. Mutua Madrileña continued to lead the ranking with a market share of 14.6% and a 2.9% increase in premiums, thanks to the boost from its affiliate SegurCaixa Adeslas. With an above market Non-Life premium increase (3.5%), MAPFRE took second place with a share of 14.0%. Allianz is the group in this ranking with the highest pre-

mium growth, at 8.2%, which increased its market share 0.3 pp. Nevertheless, the company remains in third place. The fourth position in this ranking went to Catalana Occidente, which climbed one spot over its ranking from the year before, and overtook Axa, which moved down to fifth place, both with the same market share (6.0%). There were no other changes in ranking positions for the rest of the groups with respect to 2020 data.

### Life market

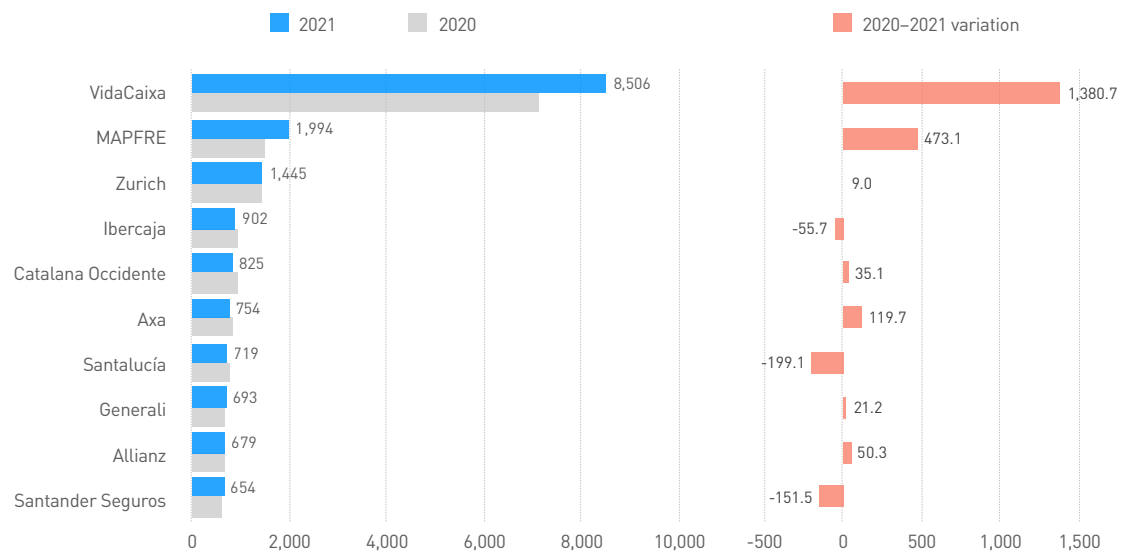
As shown in Chart 2.2-c, the performance of the different groups in the Life Insurance ranking was more disparate than in the Non-Life segment, with some groups showing significant premium increases and others showing drops. The increases in the top two rankings are notable, VidaCaixa (19.4%) and MAPFRE (31.1%), resulting in market share increases of 3.5 and 1.5 pp, respectively, and together totaling 44.6% of Life premiums (36.1% for VidaCaixa and 8.5% for MAPFRE). VidaCaixa's unit-linked products captured 39% more in premiums, due to the maintenance of low interest rates and the increase in inflation, which made products that make savings prof-

**Chart 2.2-b**  
 Spain: Overall ranking of Non-Life insurance groups by premium volume, 2020-2021  
 (millions of euros)



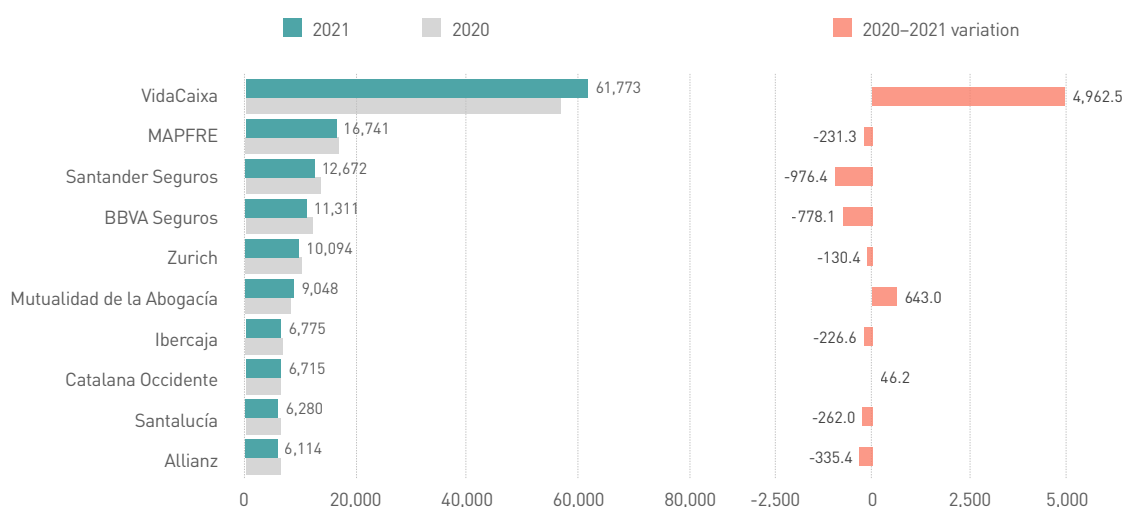
Source: MAPFRE Economics (based on ICEA data)

**Chart 2.2-c**  
 Spain: Overall ranking of Life insurance groups by premium volume, 2020-2021  
 (millions of euros)



Source: MAPFRE Economics (based on ICEA data)

**Chart 2.2-d**  
**Spain: overall ranking of insurance groups Life technical provisions 2020-2021**  
 (millions of euros)



Source: MAPFRE Economics (based on ICEA data)

itable through asset-linked portfolios with a variable income component more appealing. Zurich and Ibercaja, in turn, stayed in the third and fourth place, respectively, while Catalana Occidente climbed to fifth place, up from seventh in 2020. Axa is another group that moved up, going from tenth to sixth place, while Santalucia and Santander Seguros dropped two and four positions, respectively. Finally, Generali remained in eighth place, and BBVA Seguros, which was in ninth place last year, failed to make the top ten, with Allianz taking over its spot.

### Managed savings

Managed savings in Spain increased 0.8% in 2021, and technical provisions sat at 195.721 billion at year end. This slight increase in provisions is reflected in the performance of the groups in the ranking of the top ten insurers with the highest volume of managed savings in 2021 (by their business in Spain), with all of them falling, except VidaCaixa, Mutualidad de la Abogacía, and Catalana Occidente. VidaCaixa remained at the top, with 61.773 billion euros in Life technical provisions and a 31.6% share. MAPFRE followed with 16.741 billion

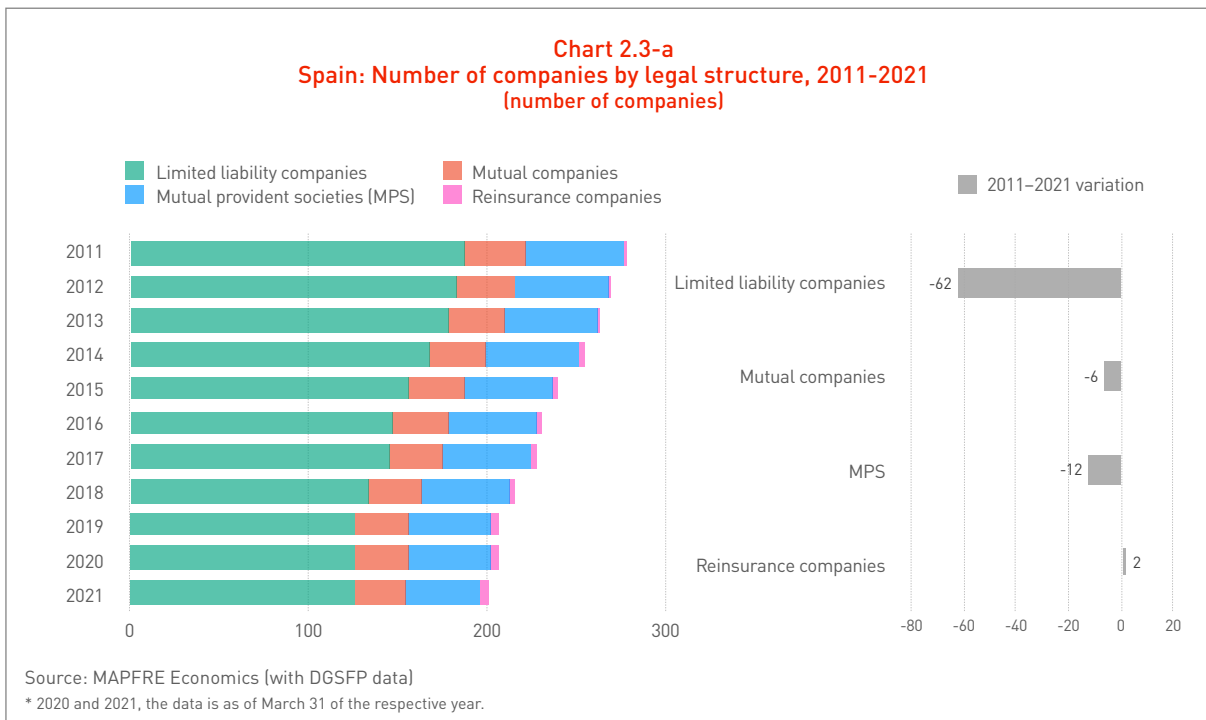
euros in provisions and an 8.6% share. It should be noted that the ranking of all groups has not changed since the previous year's ranking (see Chart 2.2 d).

## 2.3 Insurance market structure

### Insurance companies

The number of insurance companies on the Spanish market continues to decline. As shown in Chart 2.3-a, in March 2021, there were 78 fewer companies than in 2011. Factors that have influenced this process include the reorganization of bancassurance agreements made by some banks following mergers with other credit institutions, as well as the entry into force of Solvency II, with insurance companies seeking a more appropriate size to deal with the quantitative and qualitative requirements of the new regulation.

At the end of March 2021, the Registro Administrativo de Entidades Aseguradoras (RAEA — Administrative Register of Insurance Companies) reported the existence of 201 insurance companies in the Spanish market, 6 fewer than in March 2020. Its legal structure can be broken down as fol-



lowers: 126 limited liability companies, 28 mutual companies, and 43 mutual provident societies (under the control of the General Directorate for Insurance and Pension Funds), as well as 4 specialized reinsurance companies.

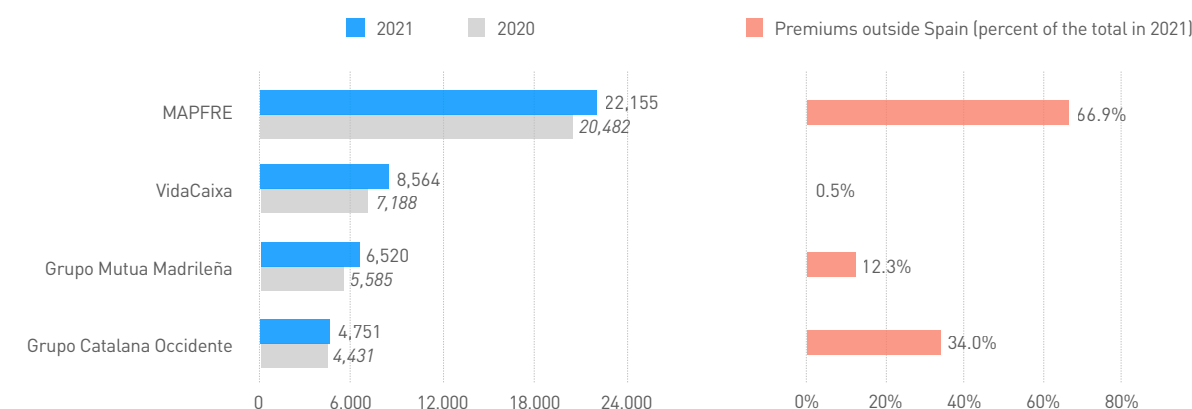
The most relevant different mergers and acquisitions occurring in 2021, as well as other business news are discussed below. First, in March 2021, Bankinter announced that it had obtained authorization from the European Central Bank (ECB) to move forward with the Línea Directa IPO, an operation announced in December 2019, but which was postponed until 2021 due to the unprecedented situation caused by the COVID-19 pandemic. The IPO took place through a listing, which is a procedure whereby the company is already listed on the market with a shareholding, as the bank delivers the entire issue premium (1.184 billion euros) to its shareholders in shares of Línea Directa, representing 82.6% of its capital stock, while Bankinter retains the remaining 17.4%.

In May 2021, Axa España received approval from the regulatory authorities to formalize

the legal acquisition of the Igualatorio Group. The operation encompasses all companies belonging to the group, such as the insurance company Igualatorio Médico-Quirúrgico Colegial, Clínica Mompía, the Escuela en Ciencias de la Salud, and a majority share of Xplora. In addition, on November 14, 2021, the General Directorate for Insurance and Pension Funds (DGSFP) authorized the merger by absorption of Santalucía Vida y Pensiones by Santalucía, and on November 26 it authorized the merger by absorption of Popular Vida 2020 by Santander Vida Seguros y Reaseguros.

On December 29, 2021, MAPFRE and CaixaBank signed a resolution for their bancassurance agreement, once the process of integrating Bankia into CaixaBank is approved. The agreement means that MAPFRE will receive 571 million euros, corresponding to the valuation of 51% of Bankia Vida and agrees to sell Non-Life insurance. Likewise, in 2021 the German group Allianz launched its digital insurance sales company, Allianz Direct, in Spain, the fourth country in which the company will operate, selling auto policies on the platform it created for Europe. Fénix Directo

**Chart 2.3-b**  
**Ranking of the major Spanish insurance groups internationally**  
**assets by premium volume, 2021**  
**(millions of euros)**



Source: MAPFRE Economics (with data from the annual reports of the listed groups and ICEA)

joined Allianz Direct in October 2021. In December 2020, BBVA Allianz Seguros, the new company arising from the bancassurance joint venture between Allianz and BBVA, began operations. The transaction includes the transfer of half plus one share of the company BBVA Seguros Generales from BBVA Seguros to Allianz. The new company is called BBVA Allianz Seguros and will exclusively serve the bank's Non-Life customers in Spain (excluding Health insurance) for the next 15 years.

### International presence of Spanish insurance companies

Table 2.3 and Chart 2.3-b show the ranking of the four largest internationally active Spanish insurance groups in terms of global premium volume. This information illustrates the extent of internationalization of Spanish insurance groups. The data refers to 2020 and 2021, and compares domestic business and total business (including international business).

**Table 2.3**  
**Ranking of the major Spanish insurance groups internationally**  
**assets by total insurance premiums globally, 2021**  
**(millions of euros)**

Insurance group	2020					2021				
	Global premiums	[millions of euros]		[structure, %]		Global premiums	[millions of euros]		[structure, %]	
		Premiums in Spain	Premiums outside Spain	Premiums in Spain	Premiums outside Spain		Premiums in Spain	Premiums outside Spain	Premiums in Spain	Premiums outside Spain
MAPFRE	20,482	6,673	13,809	32.6%	67.4%	22,155	7,336	14,819	33.1%	66.9%
VidaCaixa	7,188	7,144	44	99.4%	0.6%	8,564	8,523	41	99.5%	0.5%
Mutua Madrileña Group	5,585	5,526	59	99.0%	1.0%	6,520	5,715	805	87.7%	12.3%
Catalana Occidente Group	4,431	3,019	1,412	68.1%	31.9%	4,751	3,136	1,615	66.0%	34.0%

Source: MAPFRE Economics (with data from the annual reports of the listed groups and ICEA)



According to this information, the MAPFRE Group continues to lead the ranking of total premiums in 2021, with 22.155 billion euros in premiums (66.9% of which were located outside of Spain) and remains the top Spanish insurance group internationally. This performance in 2021 represents an 8.2% increase over the previous year and is based on the favorable evolution of the insurance business in the Iberia region, in Latin America (where practically all countries are growing), and in the reinsurance business.

It is followed in the ranking by VidaCaixa with 8.564 billion euros in direct insurance and accepted reinsurance premiums in 2021 (with only 0.5% of these outside Spain), which is 19.1% more than in 2020. VidaCaixa is part of CaixaBank and also possesses 49.92% of SegurCaixa Adeslas, as well as the full share capital of the Portuguese company BPI Vida e Pensões, which it acquired in 2017.

The third group in this ranking, Mutua Madrileña, reached 6.52 billion euros in direct insurance and accepted reinsurance premiums written in 2021 (with 12.3% of these outside Spain), representing an increase of 16.7% over the previous year. This performance was influenced by the global integration of BCI Seguros in Chile, which includes BCI Seguros Generales, BCI Seguros Vida, and Zenit Seguros. Since October 2020, Mutua Madrileña has had a 45% share in the Colombian insurance companies Seguros del Estado and Seguros de Vida del Estado. The agreement reached with the private company Seguros del Estado includes an option for Mutua to expand its stake in the share capital of these companies, until it achieves a majority position within four years.

The Catalana Occidente Group, which holds fourth place in this ranking, is an insurance multinational operating in more than 50 countries. The total premium volume earned from direct insurance and accepted

reinsurance during fiscal year 2021 amounted to 4.751 billion euros (34.0% of which was located outside of Spain), which is a 7.2% increase over 2020. In the traditional business, positive performance of Various, Multirisk, and Life is notable, while the Credit insurance grew 13.2%.

With respect to other Spanish groups with a presence abroad, Santalucía has an international development model looking to open new markets, although it conducts business mainly in Spain. In Burial insurance, Santalucía currently has a presence in Portugal (through a partnership with Fidelidade), Argentina (where Burial insurance is distributed through Santalucía Argentina), Colombia (through an agreement with the Fundación Social group to distribute Burial and Health insurance through Colmena), and in Chile (where it sells Burial Insurance through BICE Vida). The premiums earned from international business amounted to 10 million euros in 2021, vs. 10.3 million the previous year.

The Asisa Group conducted business mainly in Spain, where its insurance and healthcare business operates in practically the entire territory. In 2021, it continued its internationalization strategy, although the process was slowed by the progress of the pandemic, which hindered the development of new projects abroad. Its international presence extends to several countries in Europe, Latin America, and the Middle East, mainly in healthcare. This group has a presence in the Portuguese insurance market, where it operates under the freedom of establishment through its Asisa Vida and Asisa Asistencia Sanitaria branches which, in 2021, achieved a premium volume close to seven million euros.

Banco Santander's insurance business issued gross premiums totaling 8.6 billion euros, with 4% year-on-year growth. This increase was underpinned by the protection business, which rose 12%. Thanks to its digital strategy, it recorded strong

growth in policy sales through digital channels, which doubled and now represent 17% of the total sales volume.

In 2021, the premiums issued by BBVA Seguros in Spain reached a total of 851 million euros, -23.7% less than the previous fiscal year, influenced by the contribution of the Non-Life business to the new company BBVA Allianz Seguros, and the ongoing context of low interest rates for the savings business. Outside of Spain, BBVA operates in the insurance business in Mexico, Argentina, Colombia, Venezuela, and Turkey. In Mexico, its principal foreign market, in 2021 its subsidiaries earned 57.697 billion pesos in premiums (2.406 billion euros), an 8.1% increase.

CESCE is the leader of a group of companies offering commercial credit management solutions and issuing surety insurance and guarantees in part of Europe and Latin America. With headquarters in Spain, it is present in Portugal, and has subsidiaries in Brazil, Chile, Colombia, Mexico, and Peru through the Consorcio Internacional de Aseguradores de Crédito (CIAC), in which CESCE is the majority shareholder. In 2021, domestic credit insurance premiums amounted to 107.6 million euros (+31.5%), premiums linked to export risk credit stood at 43.5 million euros (+28.1%), direct insurance revenues from the Portugal branch amounted to 11.3 million euros, while surety premiums earned totaled 10.5 million euros. The surety line contributed 61% of the premiums generated annually by the international business conducted in Latin America.

Finally, AMA Seguros, a Spanish company specialized in offering insurance to health-care professionals, has been operating in Ecuador for six years as AMA América. The insurance company closed 2021 with a premium volume of 2.8 million dollars in Ecuador.

## Spanish companies active in the European Economic Area

According to the latest information available from the DGSFP, as at December 31, 2020, there were 46 branches (47 in 2019) operating under the freedom of establishment system in the countries of the European Economic Area (EEA) corresponding to 14 Spanish insurance companies. The country with the largest number of branches was Portugal (11), followed by Italy (5) and the United Kingdom (4).

There were 55 Spanish companies operating under the freedom to provide services regime in the EEA at the end of 2020, two more than in 2019, with Portugal and the United Kingdom still leading with the most companies, followed by Germany and France. Moreover, direct insurance and accepted reinsurance gross premiums arising resulting from these operations amounted to 3.619 billion euros in 2020 (latest data available), with 87% corresponding to Spanish branches in the EEA mainly in the Non-Life business (2.628 billion euros). The companies operating under the freedom to provide services regime earned 472 million euros. The largest markets in terms of total business were the United Kingdom, France, Italy (including San Marino), and Portugal, in that order.

## Foreign capital in the Spanish insurance industry

According to the latest DGSFP data, 22 companies in Spain had foreign capital in 2020, one more than the previous year. The amount of subscribed capital from foreign investors totaled 1.487 billion euros (compared to 1.169 billion in 2019), representing 16.8% of the sector's total capital (12.9% in 2019). It is worth noting that the ranking of companies operating in Spain, shown in part 2.2 of this section of the report, provides an indication of the importance of the

presence of large international insurance groups in Spain.

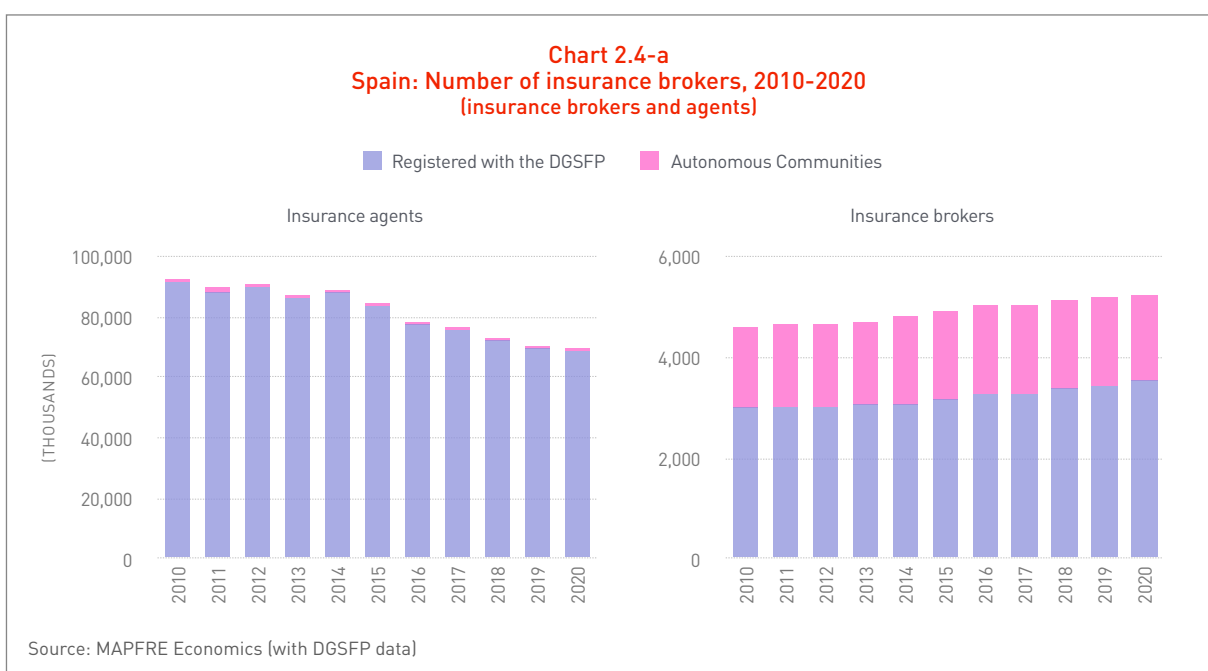
In turn, as at December 31, 2020 (latest available information), 69 branches of EEA companies and 2 branches from third-party countries were operating in Spain. With respect to companies authorized to operate in Spain under the freedom to provide services regime, at the end of 2019 (latest available information) there were 873 authorized companies, although not all of them were active in the country. The premium volume of direct insurance and accepted reinsurance totaled 6.489 billion euros in 2019 (latest data available), 21% more than the previous year, while the premiums issued in companies operating both under the freedom to provide services regime and under the right of establishment went up 28.7% and 17% respectively.

It should be taken into account that the United Kingdom's exit from the European Union affects the activity of British insurance companies that had hitherto operated in Spain under the right of establishment or the freedom to provide services. As of January 1, 2021, British insurance companies that wanted to continue operating in Spain had to do so according to the third-

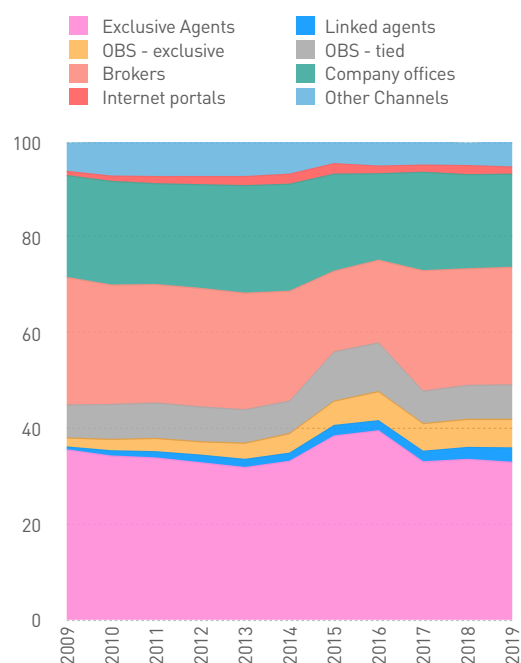
party country regulations. Pursuant to the provisions of RDL 38/2020, the companies taking the actions necessary to carry out the orderly termination or assignment of contracts signed prior to January 1, 2021, will remain active in the registry on a temporary basis, their administrative authorization having been extended through June 30, 2021. The authorizations for companies whose assumed commitments ended prior to June 30, 2021 have also been extended. In those cases in which the finalization of activities is delayed beyond June 30, 2021, the above-mentioned legislation provides the possibility of obtaining an extension of up to two years, as of January 1, 2021, which may not extend beyond December 31, 2022 in any case.

### Mutual provident societies

Mutual provident societies are non-profit private insurance companies that offer a voluntary insurance category, complementary to the compulsory social security system, and can also act as alternatives to the social security regime for self-employed workers. In this sector, 215 mutual provident societies pertaining to all professional sectors participate, directly or through their autonomous federations, in the Con-

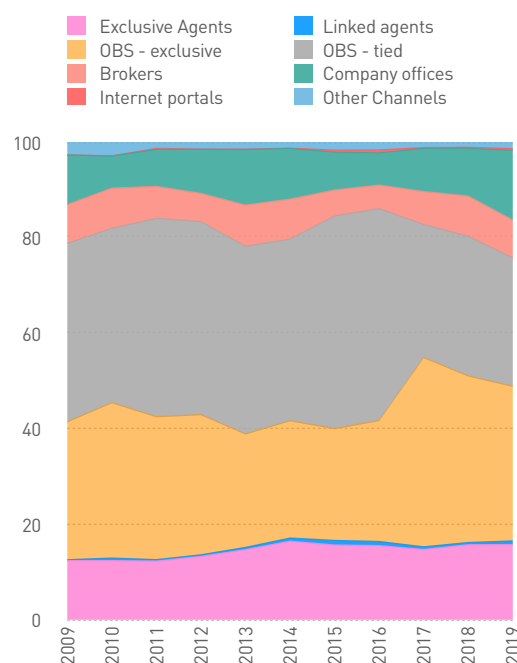


**Chart 2.4-b**  
Spain: percent distribution of the business portfolio in the Non-Life business by channel (%)



Source: MAPFRE Economics (with DGSFP data)

**Chart 2.4-c**  
Spain: percent distribution of the business portfolio in the Life business by channel (%)



Source: MAPFRE Economics (with DGSFP data)

federación Española de Mutualidades, the highest representative body of mutual provident societies in Spain. Premium income climbed to 2.826 billion euros in

2021. The volume of managed assets at the end of 2021 totaled 50.423 billion euros, compared to 49.435 billion euros in 2020.

**Table 2.4-a**  
Non-Life: Business distribution structure by channel (%)

Channel	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Exclusive agents	35.7	34.4	34.0	33.0	32.0	33.3	38.6	39.7	33.2	33.7	33.1
Tied agents	0.6	1.1	1.3	1.6	1.7	1.7	2.2	2.1	2.2	2.5	3.0
OBS - exclusive	1.9	2.4	2.8	2.8	3.4	4.1	5.1	6.1	5.8	5.9	6.0
OBS - tied	6.9	7.3	7.4	7.3	7.0	6.8	10.3	10.2	6.8	7.1	7.2
Brokers	26.7	25.0	24.8	24.8	24.4	23.0	16.9	17.3	25.2	24.4	24.6
Company offices	21.3	21.7	21.1	21.7	22.5	22.4	20.3	18.1	20.6	19.7	19.5
Internet portals	0.9	1.1	1.5	1.7	1.9	2.1	2.2	1.6	1.5	1.9	1.5
Other channels	5.9	7.1	7.1	7.2	7.1	6.7	4.6	5.0	4.9	4.7	5.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: MAPFRE Economics (with DGSFP data)

**Table 2.4-b**  
**Life: Business distribution structure by channel**  
 (%)

Channel	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Exclusive agents	12.5	12.5	12.4	13.4	14.8	16.6	15.8	15.7	14.9	15.8	15.9
Tied agents	0.2	0.5	0.3	0.3	0.5	0.7	1.0	0.9	0.6	0.5	0.8
OBS - exclusive	28.9	32.5	29.9	29.4	23.8	24.6	23.4	25.3	39.6	34.9	32.4
OBS - tied	37.4	36.5	41.5	40.4	39.3	38.0	44.5	44.4	27.8	29.2	26.9
Brokers	8.1	8.4	6.7	5.9	8.6	8.4	5.4	4.9	6.9	8.4	7.9
Company offices	10.4	6.7	7.8	9.2	11.6	10.6	7.9	6.7	9.0	10.0	14.6
Internet portals	0.0	0.0	0.2	0.0	0.1	0.1	0.4	0.6	0.2	0.2	0.4
Other channels	2.6	2.8	1.2	1.4	1.4	1.2	1.6	1.5	1.0	1.0	1.2
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: MAPFRE Economics (with DGSFP data)

## 2.4. Distribution channels

As for distribution channels in the Spanish insurance market, according to the latest information available from the DGSFP, there were a total of 74,994 insurance intermediaries in Spain as on December 31, 2020 (-0.6% less than in 2019); 96.8% of which were registered with the DGSFP, with the remaining 3.2% registered with the Autonomous Communities (see Chart 2.4-a). Of these, 69,148 were exclusive agents and operators; 527 were tied bancassurance agents and operators, and 5,245 were insurance brokers. Lastly, at the end of 2020, there were also a total of 74 reinsurance brokers.

With regard to the performance of brokered business (considering a higher degree of disaggregation by channel between 2009 and 2019, which is the latest period available with that level of detail), Chart 2.4-b shows that in the case of the Non-Life Insurance segment, the predominant channels over the last few years have been, on one hand, exclusive agents and brokers (together, these account for 57.7% of the

total volume of business in 2019) and, on the other, sales through the companies' own offices (19.5% of the total business in 2019). Emerging channels (such as online sales) continue to represent a very small portion of Non-Life insurance distribution, which failed to reach 2% in 2019.

On the other hand, as Chart 2.4-c illustrates, in the Life insurance segment, the most significant part of the business has been channeled through exclusive and related bancassurance operators, with exclusive operators increasing their share in the period analyzed from 28.9% to 32.4% and related operators decreasing their share from 37.4% to 26.9%. The main channels are exclusive agents, company offices, brokers, and tied agents, in that order. As in the case of the Non-Life segment, online sales remain a very residual part of the Life segment.

Finally, Tables 2.4-a and 2.4-b show the data available for the aforementioned period on the product distribution structure by channel in the Spanish insurance industry, for both the Non-Life and Life segments.



## 3. The insurance market in 2021: an analysis of the main business lines

### 3.1. Total market

#### The global insurance business in 2021

In the second year of the COVID-19 pandemic, economic recovery, along with greater financial market stability, higher awareness of the risk, and increased premium rates, favored the growth of the insurance industry, in which global premiums amounted to 6.9 trillion dollars, a nominal increase of 9% over 2020. Thus, global insurance density (premiums per capita) was 874 dollars (809 dollars in 2020) and penetration (premiums/GDP) was 7.1% (7.4% in 2020)<sup>10</sup>. Higher insurance demand and increased prices, primarily in commercial lines, improved the Non-Life segment's performance. In Life Insurance, in turn, savings products benefited both from the positive performance of the markets, and from the elevated level of household savings.

Both emerging and developed markets contributed to this positive performance, with a very positive contribution from Europe, where practically all markets increased their premiums, especially the French market, thanks to the strong rebound in the sale of unit-linked products in the Life Savings business. The United States insurance market also showed very favorable performance in 2021, with increases in the three market segments, Life, Non-Life, and Health. In the Non-Life business, in particular, the main driver was *commercial lines*, due mainly to increased prices, although the *retail lines* of Auto and Homeowners insurance also contributed to the growth. In turn, the Life Savings business has been the main driver of the Life segment, and Medicaid was the major driver of the Health segment.

The positive behavior of premiums in the emerging Asia-Pacific markets is due largely to the growth of China, and also other markets, such as India and the Philippines. Latin America, in turn, saw significant growth in premiums issued in 2021, corresponding to expansive movement in both the Life and the Non-Life lines.

In order to provide a general overview of the comparative size of the main insurance markets, Table 3.1-a shows a comparison

**Table 3.1-a**  
Size of the world's largest insurance markets, 2021  
(indicators)

Country	Premiums (billions of USD)	Premiums per capita (USD)	Premiums / GDP (%)
United States	2,718.7	8,193	11.8%
China	696.1	482	4.0%
Japan	403.6	3,202	8.2%
Great Britain	399.1	5,945	12.5%
France	296.4	4,376	10.1%
Germany	275.8	3,313	6.5%
South Korea	193.0	3,735	10.7%
Italy	192.5	3,253	9.2%
Canada	161.3	4,217	8.1%
India	127.0	91	4.2%
Taiwan	113.4	4,804	14.4%
Netherlands	93.0	5,301	9.1%
Spain	73.6	1,551	5.1%
Australia	72.6	2,817	4.4%
Hong Kong	72.2	9,556	19.6%
<b>Global</b>	<b>6,860.6</b>	<b>874</b>	<b>7.1%</b>

Source: MAPFRE Economics (based on Swiss RE and IMF data)

of premium volumes, density (premiums per capita), and penetration (premiums/GDP) in the main international insurance markets. According to this information, the Spanish market holds thirteenth place in the ranking of world markets by premium volume, gaining one position compared to 2020.

## The Spanish insurance industry in 2021

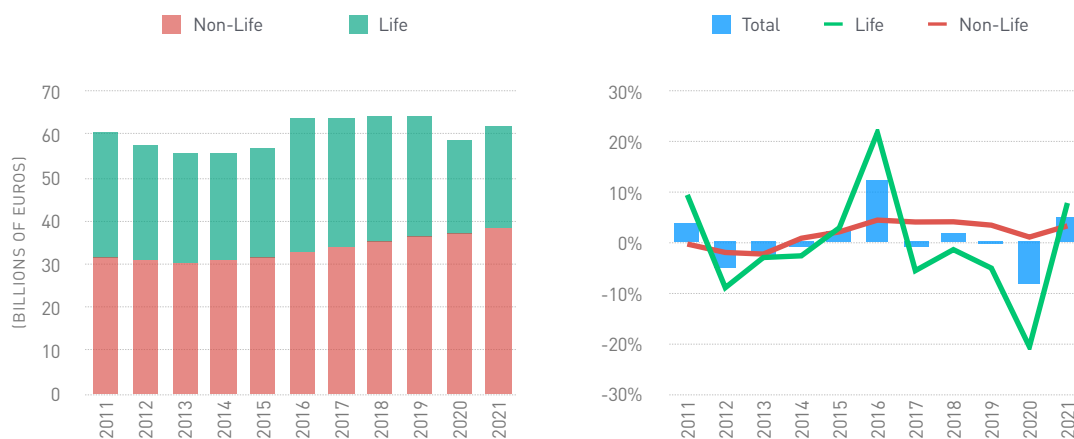
### Premium volume growth

After the drop in premiums recorded in 2020<sup>11</sup>, the Spanish insurance market got back on the growth track in 2021 and attained a premium volume of 61.831 billion euros, 5.0% higher than the previous year, with increases in both segments of the sector (see Chart 3.1-a). The driver of this growth was mainly the Life insurance business, which grew 7.9%, to 23.552 billion euros after four consecutive years of falling premiums. Non-Life insurance also showed positive performance, with revenues of 38.279 billion euros in premiums, representing a 3.3% increase. The main lines in the Non-Life segment showed increases, with the exception of Auto, which dropped -0.9%, and Health (+5.0%) and

Multirisk (+4.7) drove this growth (see Table 3.1-b).

Despite its performance in 2021, Auto insurance remained the line of business contributing the highest premium volume in Non-Life Insurance, although its share has been progressively declining over the last two decades, from 46.9% in 2001 to 28.7% in 2021. The amount of premiums issued in this line decreased some -0.9% in 2021, vs. the previous year, to 10.990 billion euros (see Table 3.1-b). While the uncertainty and economic crisis caused by the pandemic influenced this result, so did the microchip shortage and logistics bottlenecks, both of which hindered the recovery of registrations in 2021, closing the year practically in line with 2020 data. The vehicle fleet ended the year with 35.2 million vehicles, a slight increase of 1.2%, one of the oldest in Europe, where vehicles more than 10 years old exceeded 63% of the total. The premium discounts applied in 2021 due to the reduced loss ratio observed in 2020, resulting from the drop in mobility, must be added to the foregoing. In this sense, the average premium dropped for the second consecutive year some -2.7%, placing it at

**Chart 3.1-a**  
Trends in direct insurance in Spain, 2011-2021  
(accrued direct insurance premiums, billions of euros; annual variation, %)



Source: MAPFRE Economics (based on ICEA data)



**Table 3.1-b**  
**Distribution of business by line, 2020-2021**  
 (earned direct insurance premiums, millions of euros)

Lines of business	2020	2021	% Δ s/2020	% subtotal
<b>Total</b>	<b>58,889</b>	<b>61,831</b>	<b>5.0%</b>	<b>100.00%</b>
<b>Life</b>	<b>21,837</b>	<b>23,552</b>	<b>7.9%</b>	<b>38.09%</b>
<b>Non-Life</b>	<b>37,052</b>	<b>38,279</b>	<b>3.3%</b>	<b>61.91%</b>
<b>Automobiles</b>	11,087	10,990	-0.9%	17.77%
Automobile TPL	5,659	5,558	-1.8%	8.99%
Automobile Other Guarantees	5,428	5,431	0.1%	8.78%
<b>Health</b>	9,386	9,855	5.0%	15.94%
Healthcare Assistance	8,334	8,774	5.3%	14.19%
Illness	1,052	1,081	2.7%	1.75%
<b>Multirisk</b>	7,753	8,117	4.7%	13.13%
Home	4,652	4,878	4.9%	7.89%
Trade	604	623	3.2%	1.01%
Communities	953	984	3.2%	1.59%
Industries	1,463	1,548	5.8%	2.50%
Other	81	84	3.4%	0.14%
Burials	2,490	2,571	3.2%	4.16%
Third-Party Liability	1,640	1,800	9.8%	2.91%
Accidents	1,123	1,121	-0.2%	1.81%
Other Damage to P&C	1,313	1,398	6.5%	2.26%
Credit	602	670	11.2%	1.08%
Transport	523	540	3.1%	0.87%
Hull	267	271	1.4%	0.44%
Goods	257	269	4.9%	0.44%
Assistance	339	360	6.1%	0.58%
Pecuniary Losses	318	361	13.5%	0.58%
Fire	228	229	0.2%	0.37%
Legal Defense	112	115	2.3%	0.19%
Surety	136	154	13.4%	0.25%
Theft	30	31	1.4%	0.05%

Source: MAPFRE Economics (based on ICEA data)

337 euros, the lowest figure in the last decade.

Health Insurance, on the contrary, has progressively increased its market share, to the current 25.7%, moving ever closer to the Auto line. In 2021, there was another increase in new production in Health insurance, due to the population's increased sensitivity in terms of health, with which the line jumped 5.0% in issued premium volume, to 9.855 billion euros. It must be noted that in 2021, health costs increased significantly due to non-urgent care policyholders had delayed during the early months of the pandemic, which caused the loss ratio, combined ratio, and technical-financial result to return to levels very similar to those prior to the coronavirus.

Multirisk insurance, in turn, maintained its position as the third Non-Life line by premium volume, with a 21.2% share in 2021, and revenues of 8.117 billion euros in premiums, up 4.7% over the previous year. The modalities with the highest premium volume, Homeowners and Industrial, performed very positively, with increases of 4.9% and 5.8%, respectively, and Condominium and Trade premiums increased 3.2% in both cases.

2021 was a year of normalization for Burial insurance, after a 2020 marked by the COVID-19 pandemic, which had a large impact on the loss ratio and the results of the line. With a 6.7% share of Non-Life insurance, Burials remain the fourth largest line of this segment by premium volume, which amounted to 2.571 billion euros in 2021, representing a 3.2% increase, higher than the 1.3% in 2020, a fiscal year marked by weeks of lockdown in March and April. The transformation the industry has been experiencing for several years in terms of product structure was once again maintained, with single and composite premiums gathering strength over level premi-

ums, whose new production has steadily dropped in recent years.

Finally, the Life insurance segment attained a total premium volume of 23.552 billion euros in 2021, up 7.9%. The boost came from Savings/Retirement insurance, which increased 9.1%, notably Annuities, with 49.7%, and unit-linked products at 22.1%. Additionally, Life Risk insurance premiums also performed favorably, with a 3.4% increase. When differentiating the Life business between individual and group insurance, individual insurance premiums decreased -2.1%, while group insurance went up 70.1%. In terms of managed savings, technical provisions got back on growth path lost in 2020, and showed a slight increase of 0.8%, reaching 195.721 billion euros, with a clear boost from unit-linked products, which grew 23.5%.

#### **Contribution to growth from the different lines of business**

A medium-term analysis (2011-2021) shows that Non-Life insurance was the largest contributor to the growth of the Spanish insurance industry over the last decade, contributing 10.6 percentage points (pp), while Life had a negative contribution of -3.0 pp. Over the course of 2021 the contribution of the Life segment to the total growth of the Spanish insurance industry was 2.9 pp, higher than the 2.1 pp of Non-Life lines (see Table 3.1-c and Chart 3.1-b). Thus, after four years of negative contribution from Life insurance, this trend was broken in 2021, thanks mainly to the momentum of Life Savings, which contributed 2.6 pp to the line's growth, with an also positive contribution of 0.3 pp from Life Risk (see Table 3.1-d).

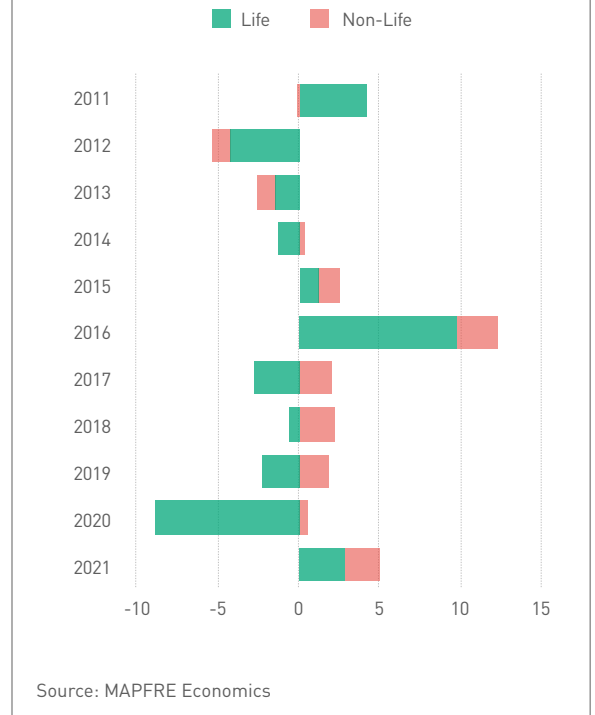
In reference to Non-Life insurance, in 2021, the Multirisk and Health lines contributed positively to the growth of the Spanish insurance industry, with 0.6 and

**Table 3.1-c**  
Contribution to insurance market growth,  
2011-2021  
(percentage points, pp)

Year	Annual Growth (pp)	Contribution to growth (pp)	
		Life	Non-Life
2011	4.1	4.3	-0.2
2012	-5.3	-4.3	-1.0
2013	-2.6	-1.4	-1.2
2014	-0.7	-1.2	0.5
2015	2.5	1.3	1.2
2016	12.3	9.8	2.5
2017	-0.6	-2.7	2.1
2018	1.6	-0.6	2.2
2019	-0.4	-2.3	1.9
2020	-8.2	-8.9	0.6
2021	5.0	2.9	2.1

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.1-b**  
Contribution to insurance market growth,  
2011-2021  
(percentage points, pp)



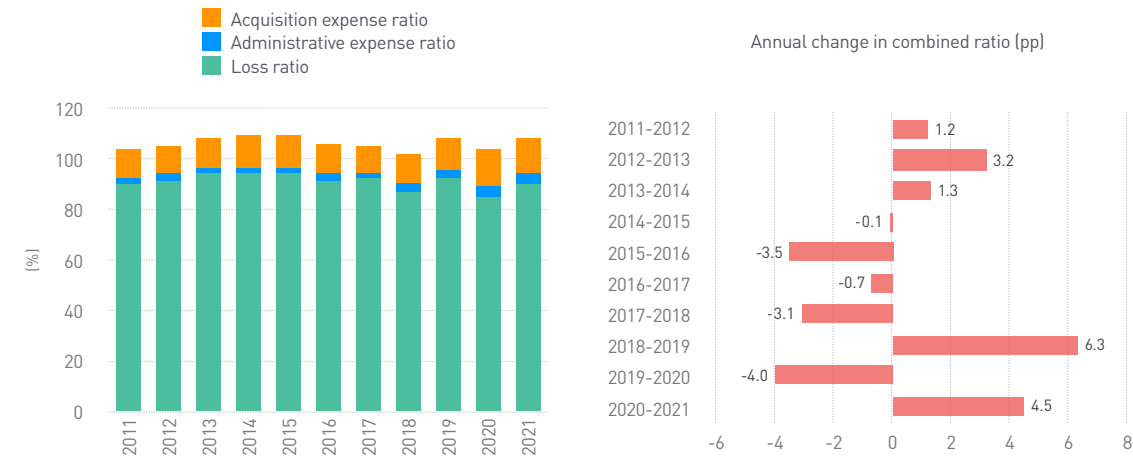
Source: MAPFRE Economics

**Table 3.1-d**  
Contribution to Life and Non-Life insurance market growth, 2011-2021  
(percentage points, pp)

Year	Contribution of Life to market growth (pp)	Contribution to growth (pp)		Contribution of Non-Life to market growth (pp)	Contribution to growth (pp)			
		Life Risk	Life Savings		Automobiles	Multirisk	Health	Other
2011	4.3	-0.3	4.6	-0.2	-0.5	0.5	0.3	-0.5
2012	-4.3	-0.2	-4.1	-1.0	-1.1	0.1	0.3	-0.3
2013	-1.4	-0.3	-1.1	-1.2	-1.0	-0.2	0.3	-0.3
2014	-1.2	0.2	-1.4	0.5	-0.2	0.0	0.4	0.3
2015	1.3	0.5	0.8	1.2	0.3	0.0	0.3	0.5
2016	9.8	0.8	9.0	2.5	0.9	0.3	0.7	0.6
2017	-2.7	0.0	-2.7	2.1	0.6	0.4	0.5	0.6
2018	-0.6	0.8	-1.5	2.2	0.3	0.4	0.7	0.7
2019	-2.3	0.2	-2.5	1.9	0.3	0.4	0.7	0.5
2020	-8.9	0.0	-8.8	0.6	-0.4	0.4	0.7	-0.1
2021	2.9	0.3	2.6	2.1	-0.2	0.6	0.8	0.8

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.1-c**  
Trends in the total combined ratio, 2011-2021  
(total combined ratio, %; annual change in combined ratio, pp)



Source: MAPFRE Economics (based on ICEA data)

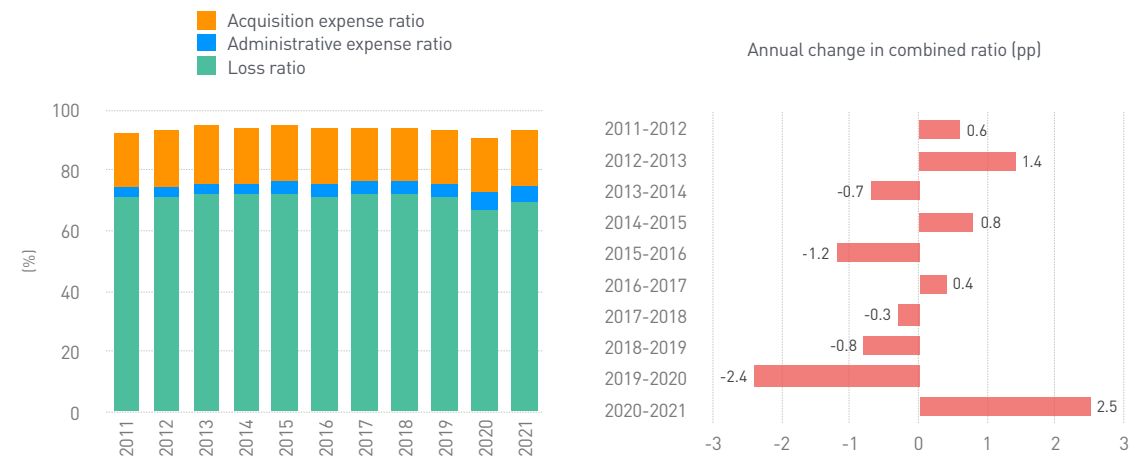
0.8 pp, respectively (see cited Table 3.1-d). On the contrary, and for the second consecutive year, Auto insurance contributed negatively to the performance of Non-Life lines, of -0.2 pp, spurred, among other factors, by the drop in the average premium, and the slow growth in the sale of new vehicles. The rest of the Non-Life insurance segments made a positive joint contribution to growth of 0.8 pp. An analysis of Table 3.1-d reveals that the Health and

Multirisk insurance lines also contributed positively to growth in the last decade (5.7 and 3.0 pp, respectively), while the contribution of Auto was negative (-1.0 pp).

**Technical performance:  
combined ratio performance**

Regardless of the greater detail shown below for the various business lines of the Spanish insurance market, Chart 3.1-c

**Chart 3.1-d**  
Trends in the Non-Life combined ratio, 2011-2021  
(total combined ratio, %; annual change in combined ratio, pp)



Source: MAPFRE Economics (based on ICEA data)

**Table 3.1-e**  
**Spanish insurance industry results,**  
**2020-2021**  
 (results, millions of euros)

Year	2020	2021	Percentage variation
Technical account	6,281	5,861	-6.7%
Life	2,125	2,539	19.5%
Non-Life	4,156	3,322	-20.1%
Non-technical account	5,789	5,068	-12.5%

Source: MAPFRE Economics (based on ICEA data)

shows the aggregate technical performance of the Spanish insurance industry over the 2011-2021 period, based on the evolution of the total combined ratio. This information reveals that, analyzing the insurance market as a whole, the combined ratio reached 108.5% in 2021, worsening by 4.5 pp compared to the figure reached in 2020 (104.0%), due to a 5.3 pp increase in the loss ratio, while expenses decreased -0.8 pp, with a drop of -0.3 pp in administrative expenses and -0.5 pp in acquisition costs.

Meanwhile, the combined ratio for the Non-Life insurance segment during 2021 was 92.9%, up 2.5 pp from the figure

**Table 3.1-f**  
**Basic Non-Life insurance indicators, 2020-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	37,052	38,279
Variation in premiums	1.1%	3.3%
Retention	85.3%	85.0%
Gross loss ratio	66.1%	67.1%
Gross expenses	23.7%	23.9%
Net loss ratio	67.0%	69.2%
Net combined ratio	90.5%	92.9%
Financial result	2.6%	2.4%
Technical-financial result	12.1%	9.5%

Source: MAPFRE Economics (based on ICEA data)

recorded for 2020 (90.5%), due to a 2.2 pp worsening of the loss ratio, which was 69.2% (see Chart 3.1-d). However, the administrative expense ratio remained unchanged at 5.3%, while the acquisition expense ratio was 18.3%, a 0.3 pp increase.

## Results and profitability

The Spanish insurance industry produced a result of 5.068 billion euros in 2021, a -12.5% drop over the previous year. As shown in Table 3.1-e, the technical account result fell -6.7%, despite the improvement in the Life line.

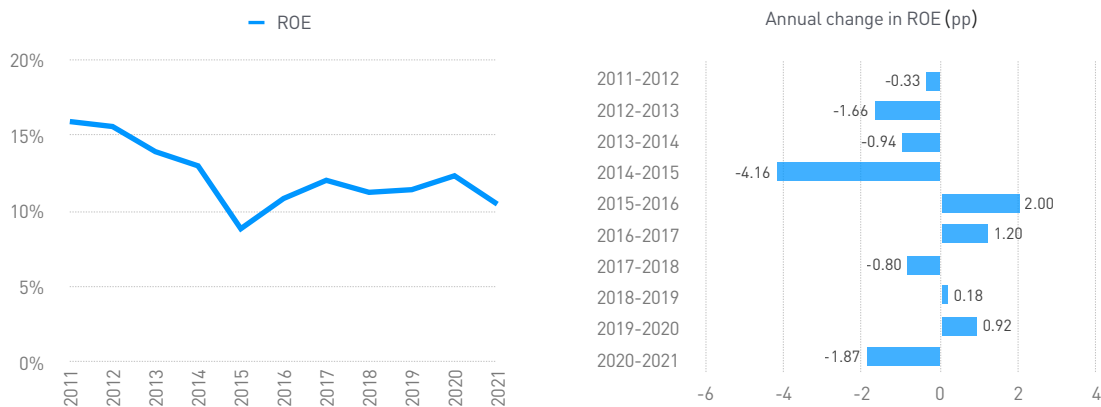
Specifically, the technical account result for the Non-Life segment decreased -20.1% in 2021 vs. the previous fiscal year, to 3.322 billion euros, with a notable 2.2 pp increase in the loss ratio. The expense ratio also contributed to the worsening of the technical result, up 0.3 pp, and the financial result, which dropped 0.2 pp (see Table 3.1-f). In turn, the technical account result for Life insurance was 2.539 billion euros in 2021, 19.5% higher than the previous year. Expenses over contained provisions and a 1.2 pp increase in the financial result over provisions contributed to this increase, leading to a slight increase in the technical-financial result to 1.3%, two-tenths higher than the previous year (see

**Table 3.1-g**  
**Basic Life insurance indicators, 2020-2021**  
 (premiums, millions of euros; ratio over provisions, %)

	2020	2021
Premium volume issued (millions of euros)	21,837	23,552
Variation in premiums	-20.7%	7.9%
<b>Technical provisions (millions of €)</b>	194,110	195,721
<b>Net expenses (over provisions)</b>	1.1%	1.1%
<b>Financial result (over provisions)</b>	3.8%	5.0%
<b>Technical-financial result (over provisions)</b>	1.1%	1.3%

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.1-e**  
Trends in return on equity (ROE), 2011-2021  
(average net return on equity, %; annual change in ROE, pp)



Source: MAPFRE Economics (based on ICEA data)

Table 3.1-g). It is notable that Life insurance technical provisions reached 195.721 billion euros in 2021, with a slight jump of 0.8% over 2020.

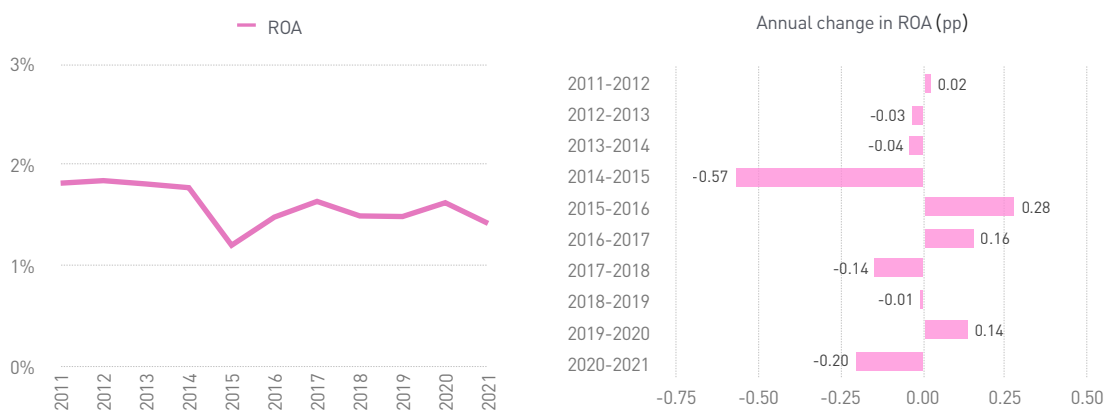
cline of -0.2 pp, with 1.42% in 2021 vs. 1.62% in 2020 (see Chart 3.1-f).

Thus, the performance of the insurance business in 2021 recorded a return on equity (ROE) of 10.4%, 1.87 pp less than in 2020 (see Chart 3.1-e). Likewise, industry profitability, measured in terms of return on assets (ROA), also showed a slight de-

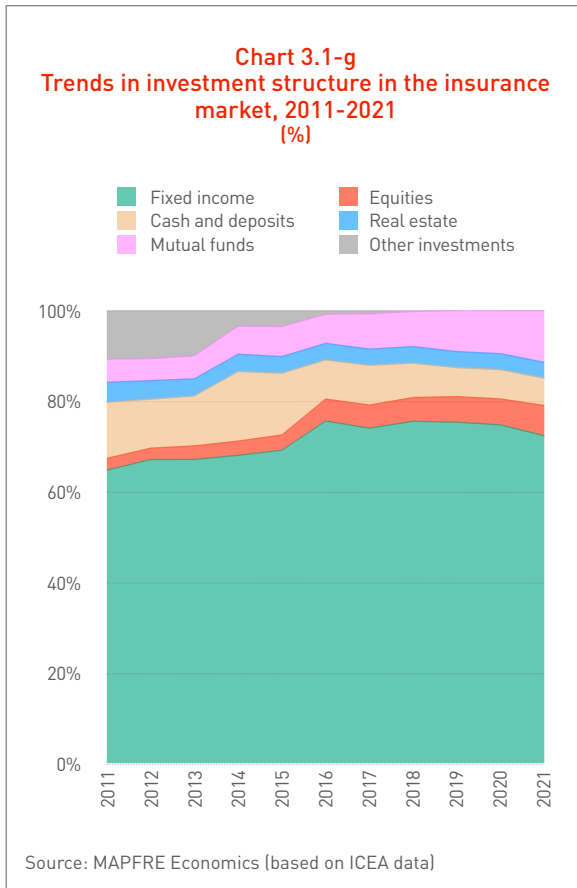
### Investments

Total investment volume by Spanish insurance companies amounted to 332.915 billion euros in 2021, representing a 2.8% decrease compared to the previous year. An analysis of the investment portfolio broken down by type of assets shows

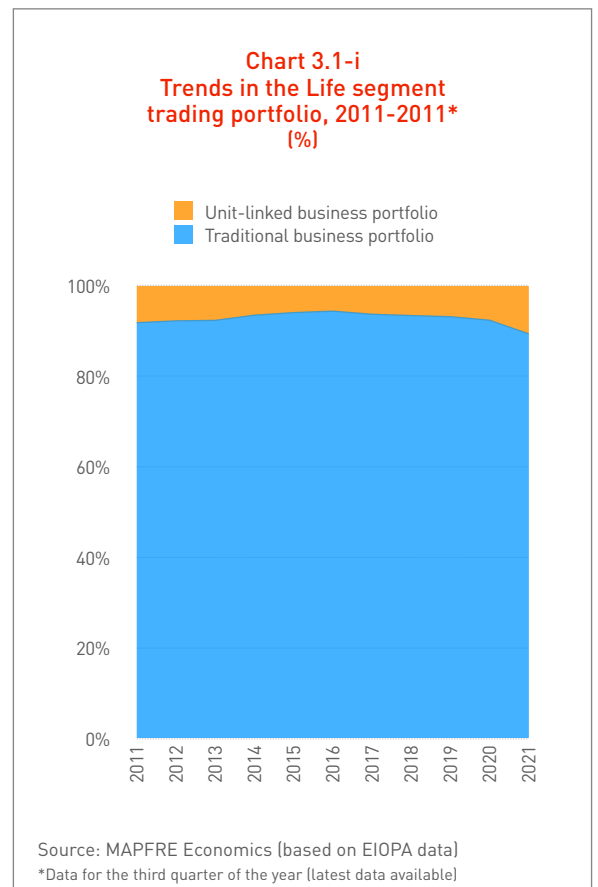
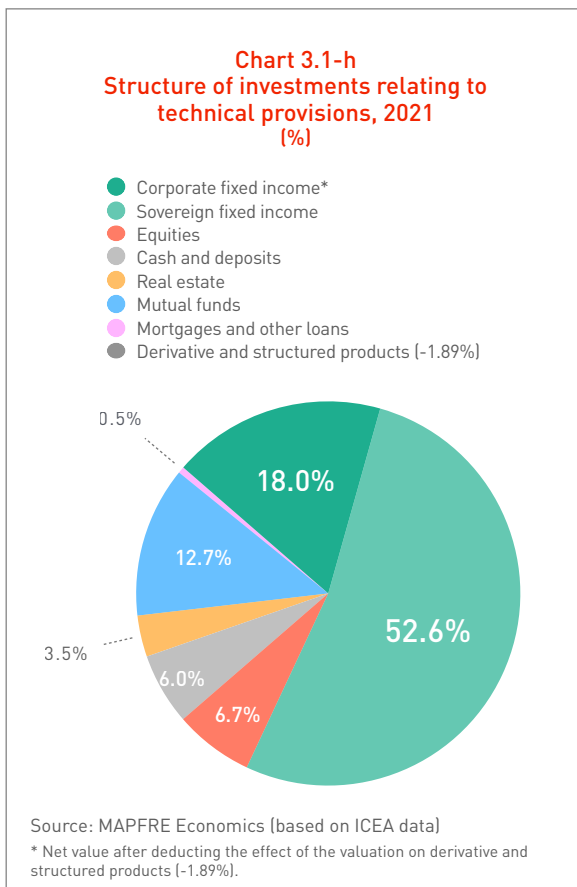
**Chart 3.1-f**  
Trends in return on assets (ROA), 2011-2021  
(average net return on assets, %; annual change in ROA, pp)



Source: MAPFRE Economics (based on ICEA data)



that fixed income securities increased their relative weight over the 2011-2021 period, from 64.9% in 2011 to 72.5% in 2021. The percentage of held-for-sale assets and cash balances decreased to 6.0% in 2021, compared to 12.4% in 2011. While the percentage of equity investments had dropped 0.3 pp between 2009 and 2012, they started on a path to recovery and reached 6.7% in 2021, the highest of the last decade (see Chart 3.1-g). In turn, corporate fixed income represented 18% of the portfolio (18.7% in 2020). These average percentages also varied according to the subportfolios into which the total investment portfolio can be subdivided. In these subportfolios, investment decisions differed depending on the different requirements in relation to their liquidity and the matching of flows between assets and liabilities. Within portfolios linked to Life insurance commitments, fixed income accounted for 76.3% of investments, while it represented around 36.4% in Non-Life portfolios. There were also significant



variations in the percentage of investments in real estate and equities, which, in Life portfolios, represented around 2.2% and 3.5% respectively, far below the percentages in Non-Life portfolios (14.1% and 17.4% respectively). Finally, the percentage of investments managed through mutual funds was also significantly lower in Life portfolios, where it represented around 10.8%, compared to 21.3% in Non-Life, although the reduction of this difference in 2021 was notable. Chart 3.1-h shows the breakdown of the investment structure at the end of 2021. It illustrates that within the fixed income asset category, sovereign fixed income is predominant, representing 52.6% of the investment portfolio in 2021 (55% in 2020).

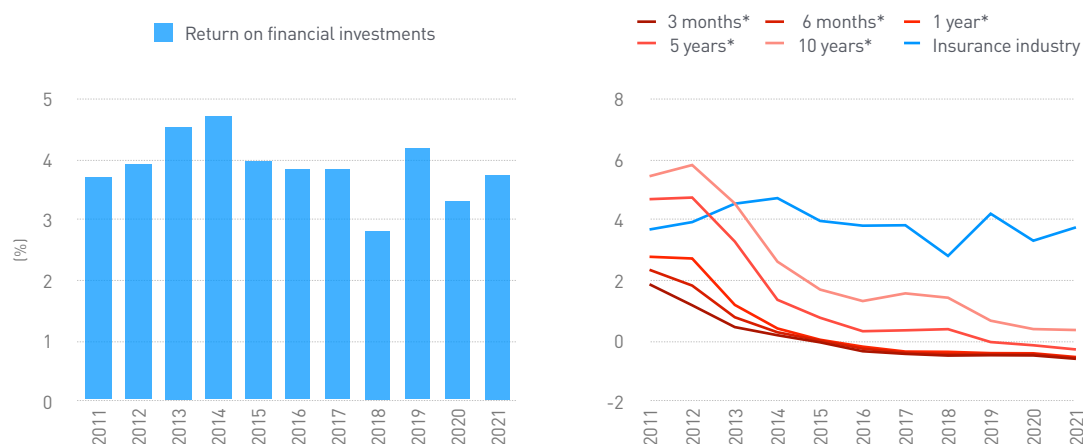
In terms of the overall risk profile of the investment portfolios related to Life and Non-Life insurance obligations, the duration of assets in the Life portfolio is notably higher than in the Non-Life portfolio. Around 34.5% of assets in the former had a duration of over 10 years, compared to 10.4% for Non-Life assets. In both cases, most investment credit ratings were on the second rung of the ratings map in-

cluded under Solvency II regulations, in line with the Spanish sovereign risk rating at the end of 2021.

It is worth noting, moreover, that Spain's insurance market has one of the lowest shares of unit-linked product portfolios in the Eurozone. As illustrated in Chart 3.1-i, this share remained stable over the last decade, averaging just 7.5%. However, a significant increase was recorded in 2021, and it reached 10.5% of the total portfolio.

The return on financial investments in the insurance sector stood at 3.75% in 2021 (0.44 pp higher than a year earlier), showing a certain stability in an environment of prolonged ultra-accommodative monetary policy by the European Central Bank (ECB). Its performance continues to exceed the return on public debt in the short and medium-term tranches (3 months to 10 years). However, the most recent dynamic (end of 2021 and first half of 2022) is marked by the advance of a progressive return toward monetary neutrality, whose movements are reflected in rising yields in the various maturities<sup>12</sup> [see Chart 3.1-j].

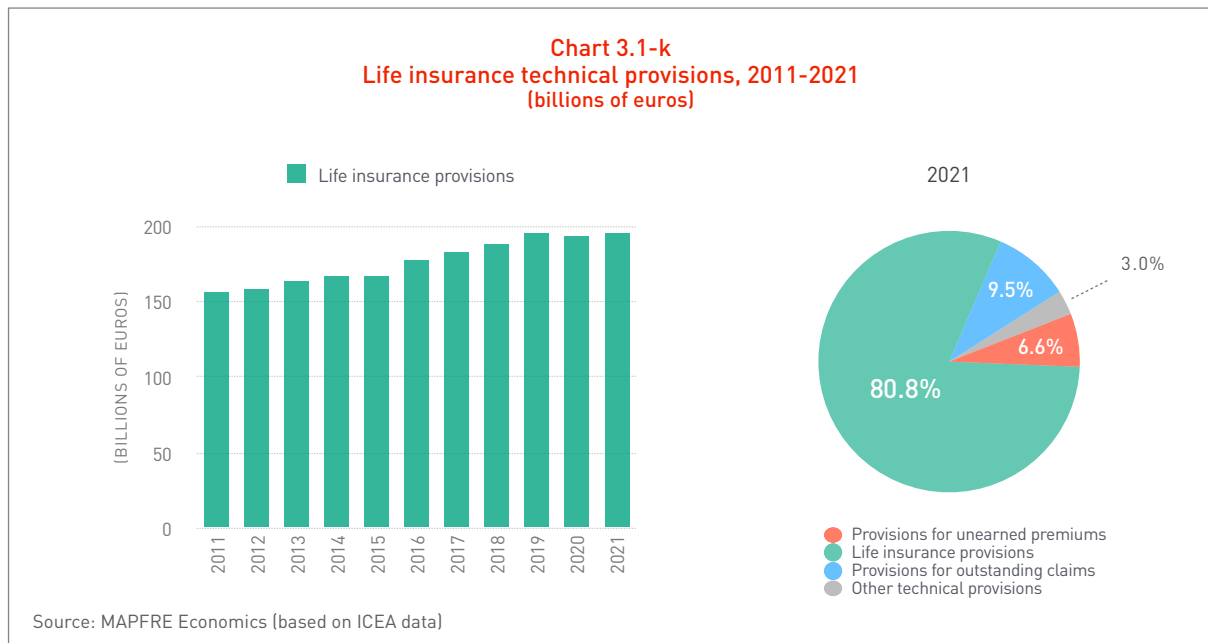
**Chart 3.1-j**  
Return on the insurance industry's financial investments, 2011-2021  
(financial income/average investment, %; risk-free interest rate, %)



Source: MAPFRE Economics (with DGSFP data)

\*Average annual Spanish Government bond yield of specified tenor.





### Technical provisions

Life insurance technical provisions showed a slight increase of 0.8% in 2021, to 195.721 billion euros, recovering the growth trend sustained in recent decades. It should be noted that both Savings/Retirement products and Risk and Dependency products showed increases. Life insurance technical provisions represented 80.8% of total technical provisions, while provisions for outstanding benefits represented 9.5%, and provisions for unearned premiums and unexpired risks were 6.6% of the total (see Chart 3.1-k).

It should be noted that, despite the drops in some of the major Savings Life product modalities, such as Annuities (-0.7%), Deferred capital (-2.6%), and IPP (-5.8%), which together total 78% of technical provisions, the performance of the Savings/Retirement provisions was positive, thanks to a boost from unit-linked products, which grew 23.5%, to a volume of 19.764 billion euros. This once more indicates that the negative evolution of interest rates has required stakeholders to seek extra returns on their investments.

### Insurance developments by Autonomous Community

As shown in Table 3.1-h, only three autonomous communities, of the top ten in terms of market share, had a drop in premiums in 2021: Basque Country, Castile-Leon, and Aragon. Catalonia showed a significant increase of 18.4%, to 12.618 billion euros, making it the community with the highest premium volume, shifting the Community of Madrid to second place in 2021, with a market share of 20.9%. However, premiums per capita in Madrid, 1,654 euros, remain the highest in Spain. Andalusia remains in third place, with 6.907 billion euros in premiums, and a share of 13.0%, followed by the Valencian Community, which remained in fourth place with a share of 8.4%. After Catalonia, the highest growth was recorded in Cantabria (4.7%), the Murcia Region (4.1%), and Extremadura (3.5%). On the contrary, the autonomous cities of Ceuta and Melilla recorded the greatest decrease in premiums (-4.5%), followed by Castile-Leon (-1.5%).

### Reinsurance

After the exceptional events of 2020, which brought us the COVID-19 pandemic and

**Table 3.1-h**  
**Premium volume by Autonomous Community, 2021**  
 (millions of euros)

Autonomous Community	2021	% Var 2021/2020	% share 2021	Premiums per capita
Catalonia	12,618	18.4%	23.7%	1,621
Community of Madrid	11,158	3.3%	20.9%	1,654
Andalusia	6,907	2.1%	13.0%	813
Valencia Community	4,474	2.5%	8.4%	879
Galicia	2,460	3.2%	4.6%	915
Basque Country	2,431	-1.1%	4.6%	1,102
Castile-Leon	2,411	-1.5%	4.5%	1,017
Castile-La Mancha	1,680	1.4%	3.2%	818
Aragon	1,629	-0.2%	3.1%	1,229
Canary Islands	1,604	1.5%	3.0%	737
Total top 10	47,372		88.9%	

Source: MAPFRE Economics (based on ICEA and INE data)

the resulting severe human and economic crisis, the 2021 financial year could be described as a return to positive technical margins. Nevertheless, the situation is still under the threat of technically insufficient prices and a growing trend of increasing the insured cost of natural disasters, thus forcing insurers to pick up the slack to improve the conditions of risk coverage. After several years in which the sector has witnessed impaired loss experience due to the constant relaxation of rates and reinsurance conditions, numerous markets and lines of business have seen an improvement in 2021, thus continuing with the signs of improvement that began appearing 2020. While this trend has not been even and is still at technically low levels in different niches, we are seeing positive developments.

The final impact of the pandemic on the insurance industry's loss experience is beginning to take shape, although major cases are still on the horizon, due especially to discrepancies in coverage and incorrect aggregation of claims. The effort made defining clauses and exclusions over the last two years has contributed to greater clarity with a view to future reinsurance negotiations.

The global loss ratio due to natural phenomena has been particularly intense in 2021, which statistically is in 4th place in the historical ranking. The year began with a severe polar vortex which reached the southern United States and Mexico, the most expensive winter storm in the insurance industry to date. Other events came later, such as the floods in Central and Western Europe in July, or Hurricane Ida, which hit New Orleans on the anniversary of Katrina's arrival in the same city. After making landfall, it continued to cause intense flood damage throughout the northeast of the country. The growing impact of natural disasters on the insurance industry has been reaffirmed, not only by the greater frequency and intensity of certain events, but also by the general increase in the assets exposed and the degree of insurance. This means that hazards once considered "secondary" (such as tornadoes, forest fires, winter storms, etc.) are causing damage as severe as that previously expected only from earthquakes or hurricanes.

After the severe impact of the pandemic on the global economy in 2020, outlooks for the current year suggest that growth rates in 2021 could extend into 2022, al-

beit at more moderate levels. Inflationary pressures may cause monetary policies to become less lax, as opposed to the trend of previous years that sought to boost economic recovery. Against this backdrop, while the insurance and reinsurance sector is expected to have room for growth in 2022, it will have to manage the uncertain impact of inflation on the technical result and on interest rates and financial yields. As regards frequency of claims, the terms and conditions of reinsurance must continue to see improvements in the sector in order to approach sustainable margins in the medium and long term.

In Spain, after a 2020 marked by pandemic and lockdowns, 2021 has presented a return to premium growth, although not yet to pre-pandemic levels. In the Non-Life sector, insurance line performance remains uneven, although a second consecutive year with a drop in Auto insurance premiums was notably negative, and the positive trend in the Health insurance sector notably continued. Unfortunately, the increase in severe weather events continued in Spain in 2021, with Storm Filomena in January as the largest storm in history for the sector, excluding the effect of the Insurance Compensation Consortium. Reinsurance was not only affected by the catastrophic coverage of Filomena and other weather events, but risk coverage also suffered, as 2021 was significantly impacted by major industrial claims (some of them also associated with Storm Filomena). Given all of the foregoing, the 2022 renewal campaign was marked by heavy discipline in prices in order to adapt the cost of coverage to the loss ratio companies had to deal with.

The year 2022 will likely resolve any unanswered questions regarding the impact of the COVID-19 pandemic on the sector. Meanwhile, it is to be expected that natural disasters (by definition volatile in both frequency and severity) regardless of their behavior during the year, will continue to

fuel the growing trend in the cost borne by insurance and reinsurance for these disasters in the medium term. The insurance industry must work to better understand these events in order to be able to price them correctly and thus contribute to sustainable insurance for the benefit of the society that suffers from them.

### **Activity of the Insurance Compensation Consortium**

In reference to the two main activities of the Insurance Compensation Consortium (ICC), which are Extraordinary Risk coverage and covering Traffic Risks involving direct Auto Third-party liability insurance and the Guarantee Fund, in 2021, premiums and surcharges attributed to these activities amounted to 815 million euros. The foregoing represents a slight increase of 0.6% over 2020, spurred on by a 1.1% jump in extraordinary risks and a -3.2% drop in traffic risks. Thus, the trend from recent years of the number of vehicles insured by the ICC not covered by private companies continues, while official body vehicle premiums increased 3.8% (see Table 3.1-i).

The loss ratio of direct and accepted insurance recorded in 2021 within extraordinary risk coverage was 67.7% of premiums, while the combined ratio was 74.3%. The most relevant episode in 2021 was the eruption of the Cumbre Vieja volcano on the island of La Palma, for which compensation amounted to 80.7 million euros at fiscal year end. Likewise, floods continue to represent the largest cumulative amount of claims, the most significant being those occurring in Navarre in December, in Andalusia-West in September, in Asturias and Cantabria in November, in Castille-La Mancha in August, and in eastern Andalusia in January, with a total cost of 265.3 million euros. Furthermore, the Atypical Cyclonic Storms that occurred in January accrued a cost of 45.5 million euros.

**Table 3.1-i**  
**Activity of the Insurance Compensation Consortium (ICC), 2020-2021**  
(millions of euros)

General activity	Premiums and surcharges attributed		Loss ratio (direct and accepted)	
	2020	2021	2020	2021
Extraordinary risks	719.2	727.2	402.4	492.2
Property	654.3	664.3	385.1	484.2
People	14.8	14.7	0.8	0.4
Pecuniary losses	50.1	48.2	16.5	7.6
Traffic risks	90.7	87.8	58.1	61.3
SOA Guarantee Fund	82.1	78.9	48.0	53.8
Private vehicles	0.4	0.3	0.6	0.3
Official vehicles	8.3	8.6	9.5	7.2

Source: Annual Report of the Insurance Compensation Consortium

As stated in the previous report, in 2021, Winter Storm Filomena occurred between January 6 and 10, followed by a cold wave, which caused abundant and exceptional snowfall in a large part of the Spanish territory, as well as significant rainfall. Later, the ICC published a memo about its role in the compensation of insured damages caused by that storm, indicating that snow was not included on the list of extraordinary risks it indemnifies, though it does indemnify when the storm comes in the form of a flood, or storm surge, or wind storms with gusts exceeding 120 kilometers per hour.

On September 19, 2021, the volcanic complex of the Cumbre Vieja ridge, on the Canary Island of La Palma, erupted on the western slope of the ridge, in a place called Cabeza de Vaca. It was the first urban eruption in modern times in Europe since the Heimaey-Eldfell eruption in Iceland in 1973. One day after the eruption started, the ICC issued its first informative memo stating that volcanic eruption is one of the hazards covered by extraordinary risk insurance, therefore the Consortium would cover damages to insured assets caused by the eruption. After 85 days of eruption, on December 13, the National Geographic Institute declared an end to

the volcano's eruption activity. Thus far, the lava flows have covered a total area of 1,237.3 hectares, and have destroyed a total of 2,988 buildings, according to the Copernicus-EMS service.

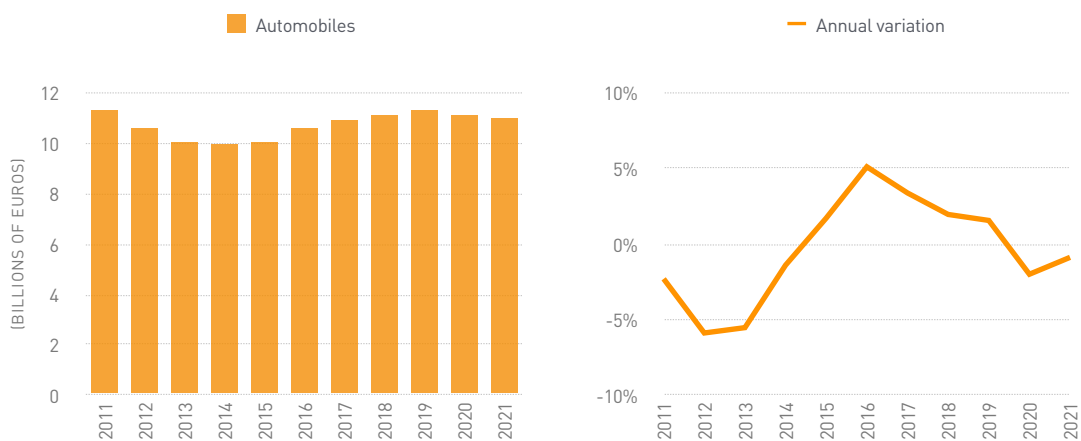
As of June 1, 2022, ICC had paid out 201.4 million euros to the insured parties affected by the volcanic eruption on the island of La Palma, corresponding to 5,157 compensation claims. This amount represents 87.3% of the total estimated cost (230.7 million euros) of the 7,983 compensation claims received to date. The number of claims and the amounts of claims are distributed as follows: 4,447 compensation claims referring to homes, for which 174 million euros have been paid; 312 for automobile damage, for which 883,274 euros have been paid out; 365 related to shops, hotels, offices, and other public or private non-industrial use properties, with a payout of 21.3 million euros; and 33 for industrial damages, for a total amount of 5 million euros.

## 3.2. Non-Life business lines

### Automobiles

Despite the fact that Auto continues to be the line contributing the highest volume of

**Chart 3.2-a**  
Trends in direct Automobile insurance in Spain, 2011-2021  
(accrued direct insurance premiums, billions of euros, annual variation, %)



Source: MAPFRE Economics (based on ICEA data)

Non-Life premiums in the Spanish market, with a 28.7% share of that segment, this percentage dropped one percentage point in the last year, as has been occurring in recent years (with a 6% decrease over the last decade). Thus, the amount of

premiums issued in this line dropped -0.9% in 2021 compared to the previous year, to 10.998 billion euros (see Chart 3.2-a).

**Table 3.2-a**  
Trends in average Automobile insurance premium, 2011-2021  
(millions of euros; annual variation, %)

Year	Insured vehicles <sup>(1)</sup>		Direct insurance premiums <sup>(2)</sup>		Average premium		
	(millions)	Annual variation	(millions of €)	Annual variation	In euros	% variation	
						Nominal	Real
2011	28.9	0.8%	11,285	-2.3%	390.1	-3.1%	-5.4%
2012	28.7	-0.7%	10,622	-5.9%	369.8	-5.2%	-7.9%
2013	28.6	-0.4%	10,033	-5.5%	350.8	-5.1%	-5.4%
2014	28.8	0.7%	9,891	-1.4%	343.4	-2.1%	-1.1%
2015	29.1	1.1%	10,061	1.7%	345.4	0.6%	0.6%
2016	29.8	2.4%	10,574	5.1%	354.4	2.6%	1.0%
2017	30.6	2.6%	10,932	3.4%	357.1	0.8%	-0.3%
2018	31.5	2.7%	11,146	2.0%	354.4	-0.8%	-1.9%
2019	31.8	1.0%	11,321	1.6%	356.3	0.5%	-0.3%
2020	32.0	0.8%	11,095	-2.0%	346.5	-2.7%	-2.3%
2021	32.6	1.8%	10,998	-0.9%	337.3	-2.7%	-8.6%

Source: MAPFRE Economics (based on FIVA, ICEA and Insurance Compensation Consortium data)

(1) Information Database for Insured Vehicles (FIVA)

(2) Direct Insurance premiums for insurance companies & ICC

However, considering that the average premium fell by -2.7% to 337.3 euros, the decrease in the line can be attributed to this drop in premiums, and not necessarily to the number of insured vehicles, which, with 32.6 million vehicles, increased by 1.8% (see Table 3.2-a). Finally, keep in mind that the sale of new vehicles, which represented only 2.8% of the vehicle fleet in 2021, is on a downward trend, leading to a lower level of high-end products and, therefore, lower average premiums.

The combined ratio in Auto Insurance increased 6.3 pp in 2021, after a significant decline in 2020 as a result of travel restrictions. This increase is due to a progressive reduction in the average premium caused by the effects of the COVID-19 pandemic, which gave rise to a competitive environment in new production and policies created to retain portfolio policyholders. Travel has resumed, almost reaching pre-pandemic levels with the consequent increase in the loss ratio. Thus, in 2021, the combined ratio was 94.1%, which, albeit higher than the previ-

ous year, was 0.6 pp less than the 2019 ratio, when a like-for-like comparison could be established without the effect of the pandemic (see Chart 3.2-b and Table 3.2-b).

As illustrated in Table 3.2-c, the loss ratio in the auto line went up in 2021, with a 0.2 pp rise in personal damages and, above all, material damages of 0.8 pp; however, the greatest increase occurred in damage to the insured party's vehicle (2.2 pp). In 2021, the average cost dropped in Personal Accident (-5.3%) and Property Damage (-0.9%) coverage, though it increased in Damage to the Insured Party's Vehicle (1.0%).

## 2022 Outlook

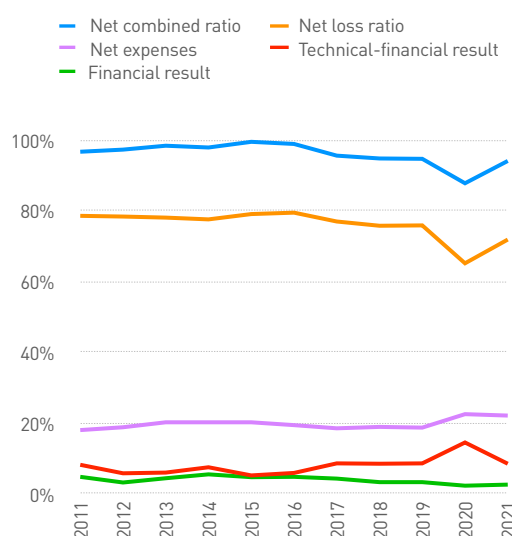
2022 performance is fundamentally influenced by the economic environment of increasing inflation. This results in an increase in claims costs, which chips away at margins as it is not accompanied by a proportional increase in premiums (1.6% in Q1). In addition, the new auto rate com-

**Table 3.2-b**  
Basic Automobile insurance indicators, 2020-2021  
(premiums, millions of euros; ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	11,087	10,990
Variation in premiums	-2.0%	-0.9%
Retention	86.9%	86.7%
Gross loss ratio	64.6%	71.1%
Gross expenses	22.4%	21.9%
Net loss ratio	65.2%	71.9%
Net combined ratio	87.8%	94.1%
Financial result	2.4%	2.7%
Technical-financial result	14.6%	8.6%

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.2-b**  
Trends in Automobile insurance line results,  
2011-2021  
(indicators over premiums)



Source: MAPFRE Economics (based on ICEA data)

**Table 3.2-c**  
**Average frequencies and costs by coverage in Automotive insurance, 2020-2021**  
 (frequency, %; average cost, euros)

Guarantees	Frequency (%)			Average cost (euros)		
	2020	2021	Variation (pp)	2020	2021	Change (%)
Third-Party Liability	5.9%	6.8%	0.90	1,778	1,763	-0.8%
Bodily accident	1.2%	1.4%	0.20	4,880	4,621	-5.3%
Property, plant and equipment	5.1%	5.9%	0.80	911	903	-0.9%
Damage attributable to the policyholder	19.7%	22.0%	2.20	810	818	1.0%
Broken windshields	5.2%	6.0%	0.90	327	333	1.7%
Theft	0.5%	0.5%	0.00	872	901	3.4%
Legal defense	1.1%	1.4%	0.20	280	253	-9.8%
Occupants	0.2%	0.3%	0.00	1,067	961	-10.0%
Fire	0.1%	0.1%	0.00	3,165	3,315	4.7%
Driver's license suspended	0.0%	0.0%	0.00	852	810	-5.0%

Source: MAPFRE Economics (based on ICEA data)

pensation schedules will go into effect, with the resulting increase in compensation.

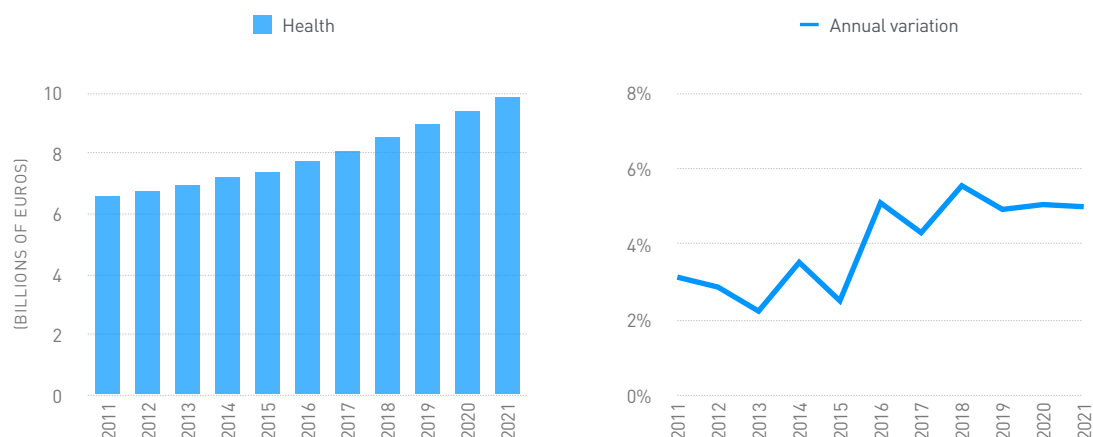
On the other hand, the insurance industry has created the need to focus on policyholder preferences following the abrupt change in consumer habits and priorities in the wake of the pandemic. In this sense, a broader range of distribution channels must be used and hyper-personalized prices and coverage must be offered. Policyholders' requirements run in three directions. Firstly, they are after more efficient processes to facilitate their dealings with insurance companies, who they wish would understand their needs and provide better advice. Secondly, they'd like insurance offerings expanded to meet new needs such as insurance by the day or new coverage for electric vehicles. And finally, they want to have a trusting relationship with their insurance company, knowing their data is protected and they can build long-term relationships where the policyholder feels their needs are being met.

Finally, it should be noted that the most recent data for the first five months of 2022 show a 2.7% increase in Auto insurance. Despite this increase, which broke the trend observed in 2021, this result is worse than the sum of the Non-Life lines, which rose 5.4% in the same period.

## Health

2021 confirmed the trend that was already apparent at the end of 2020. On one hand, there was an increase in new production of medical insurance due to the population's increased sensitivity to health, and it is evident that the customers who purchase this type of product start to use them soon, and more often than before. On the other, there was a significant increase in healthcare costs due to non-urgent care which policyholders had delayed given the situation during the early months of the pandemic. This has caused the loss ratio, combined ratio, and technical-financial result of this insurance line to return to levels very similar to those at the beginning of the pandemic. In addi-

**Chart 3.2-c**  
Trends in direct health insurance in Spain, 2011-2021  
(accrued direct insurance premiums, billions of euros, annual variation, %)



Source: MAPFRE Economics (based on ICEA data)

tion, the sixth wave of COVID-19 in Spain had a huge impact on the loss ratio, with increases above all in emergency expenses. Spending on non-urgent tests and for COVID-19 also rose, as in 2021, the healthcare protocol added a requirement that the

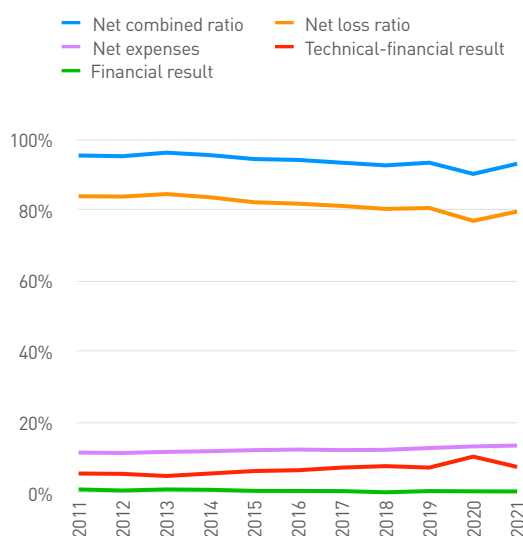
insurer pay for a test when there is a hospital admission or certain diagnostic tests are performed. Another factor driving the rise in healthcare costs and, therefore, the line's loss ratio is the general renegotiation of the rise in economic agreements

**Table 3.2-d**  
Basic Health insurance indicators, 2020-2021  
(premiums, millions of euros; ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	9,386	9,855
Variation in premiums	5.0%	5.0%
Retention	97.4%	97.4%
Gross loss ratio	75.8%	78.4%
Gross expenses	13.2%	13.5%
Net loss ratio	77.0%	79.6%
Net combined ratio	90.2%	93.1%
Financial result	0.6%	0.5%
Technical-financial result	10.4%	7.5%

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.2-d**  
Trends in results in the Health insurance line, 2011-2021  
(indicators over premiums)



Source: MAPFRE Economics (based on ICEA data)



with insurers by the large private hospital chains.

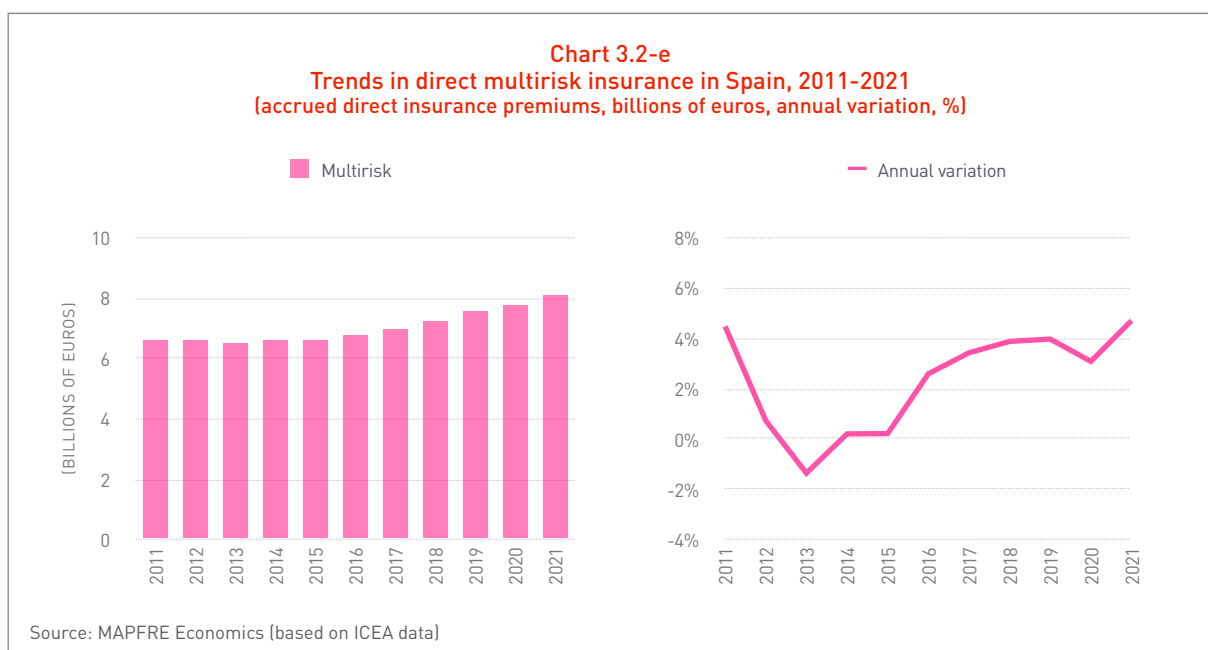
With respect to revenues, Health insurance once again showed positive performance in 2021, with a 5.0% increase in issued premium volume, reaching 9.855 billion euros (see Chart 3.2-c), and policyholders went up 3.9% to 13.3 million. Healthcare assistance and expense reimbursement, which account for 97% of the line's earned premiums, grew even more, 5.2% vs. 1.8% in the subsidy and compensation segment. The group and individual insurance modalities had very similar increases of 5.2% and 5.1%, respectively, with individual insurance accounting for 70.3% of earned Health premiums.

Furthermore, the line's technical result worsened in 2021 with respect to fiscal year 2020, for the reasons stated above. Thus, the combined ratio increased 2.9 pp, driven by the loss ratio, which increased 2.6 pp, while spending increased 0.3 pp. The financial result remains virtually unchanged, which gives rise to a technical-financial result of 7.5% of premiums, down 2.9 pp from the previous year (see Table 3.2-d and Chart 3.2- d).

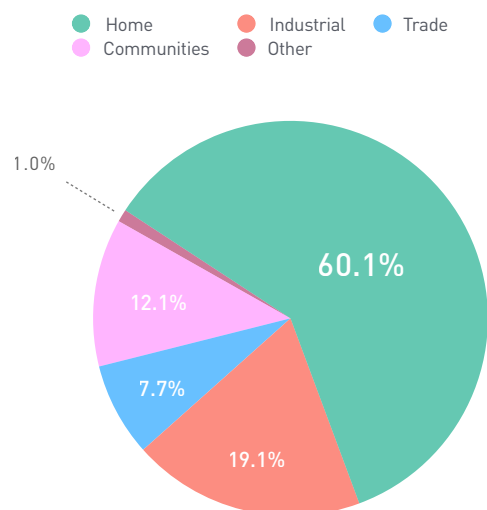
Finally, it should be added that almost all companies in the industry have continued to significantly develop the digital services they provide to customers. It seems clear that the impetus the sector has given to digital transformation during the worst period of the pandemic has helped both health insurance companies and customers to make a cultural change that is leading to general improvement in service to policyholders, who are more autonomous than ever in their dealings with regard to the health insurance policies they have taken out. Despite this major qualitative advance which signifies great progress in a very short time, there is still room to grow.

### 2022 Outlook

So far in 2022, the upward trend in the frequency of health insurance utilization and the rising cost of healthcare expenses from COVID-19 screening tests is consolidating. The sector is also very closely monitoring the growth of inflation, which is at the highest level in the last 30 years in Spain. If this continues, it could lead to additional increases in the costs incurred in the future, and companies operating in



**Chart 3.2-f**  
Distribution of Multirisk premiums  
by modality, 2021  
(percentage of premiums issued)



Source: MAPFRE Economics (based on ICEA data)

exhibit significant year-on-year growth of 7.3% in the first five months of 2022 (18.4% when compared to the first five months of 2019).

## Multirisk

As shown in Charts 3.2-e and 3.2-f, Multirisk insurance brought in 8.117 billion euros in premiums in 2021, 4.7% more than the previous year. As happened in 2020, the modalities with the highest premium volume, Homeowners and Industrial, performed very positively, with increases of 4.9% and 5.8%, respectively, and Condominium and Trade premiums increased 3.2% in both cases. Thus, Multirisk insurance retained its position as the third Non-Life line by premium volume in Spain, with a 21.2% share.

With regard to the technical result, the line's combined ratio increased by 2.7 pp to 97.1%, due to a 1.3 pp increase in expenses and a 1.3 pp increase in the loss ratio (see Table 3.2-e and Chart 3.2-g). This worsening of the technical result was

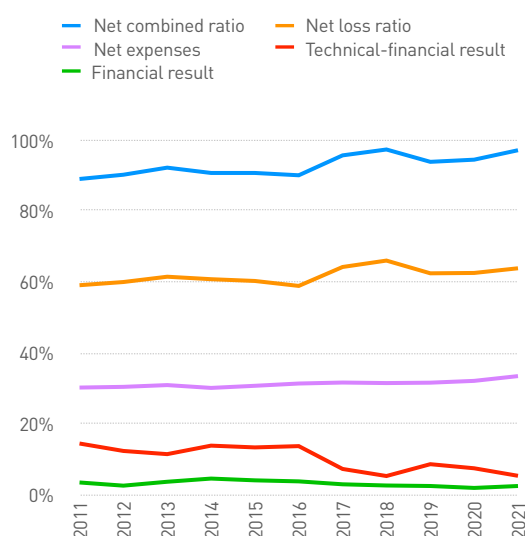
this line of insurance will have to decide how these increases can be passed on to customers, in order to guarantee the solvency of the line. Turnover continues to

**Table 3.2-e**  
Basic indicators in  
Multirisk insurance, 2020-2021  
(premiums, millions of euros; ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	7,753	8,117
Variation in premiums	3.1%	4.7%
Retention	82.0%	81.2%
Gross loss ratio	64.7%	66.9%
Gross expenses	30.1%	31.1%
Net loss ratio	62.5%	63.8%
Net combined ratio	94.5%	97.1%
Financial result	1.8%	2.3%
Technical-financial result	7.3%	5.2%

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.2-g**  
Trends in results in the  
Multirisk line, 2011-2021  
(indicators over premiums)



Source: MAPFRE Economics (based on ICEA data)

mainly influenced by Storm Filomena, which occurred at the beginning of the year, with an intense effect on Madrid, Castilla-León, and Castilla-La Mancha. As a snow storm, it was not covered by the Insurance Compensation Consortium. The highest rise in expenses occurred in the Homeowners segment (+2.3 pp), which can be explained by post-pandemic measures companies have had to take. The loss ratio had a greater incidence and intensity in Multirisk Condominium Insurance, where the damage caused by snow on the roofs of buildings caused the ratio to rise three points. For its part, the Industrial Multirisk combined ratio was once again above 100%, as in the years prior to 2019, with an increase of 2.3 pp in the net loss ratio, mainly due to the aforementioned Storm Filomena, which significantly affected the small and medium-sized enterprises (SMEs) segment. The loss ratio of the Commercial modality rose 2.8 pp, due to the increase in peak claims (mainly fire); this increase is associated with weak economic cycles, as well as a drop in rates due to the COVID-19 situation.

**Table 3.2-f**  
**Basic indicators in**  
**Homeowners Multirisk insurance, 2020-2021**  
 (premiums, millions of euros, ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	4,652	4,878
Variation in premiums	2.7%	4.9%
Retention	90.2%	89.9%
Gross loss ratio	63.4%	63.6%
Gross expenses	31.7%	33.8%
Net loss ratio	61.9%	62.4%
Net combined ratio	94.0%	96.8%
Financial result	1.3%	1.7%
Technical-financial result	7.3%	4.9%

Source: MAPFRE Economics (based on ICEA data)

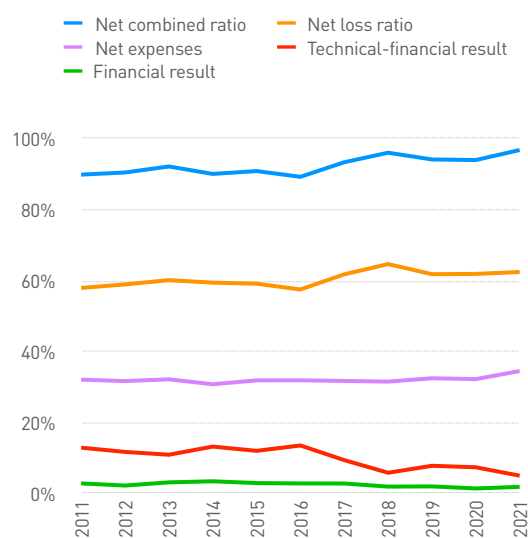
## 2022 Outlook

Regarding the progress of this line so far in 2022, the data published for the first five months of the year show a 5.6% year-on-year increase in Multirisk premiums, exceeding those earned in the same period of 2019 by 13.6%. All categories are showing very positive performance, from 3.1% in Commerce to 9% in Industrial Multirisk. 2022 also began with a favorable climate that bodes well for the year's results, if it remains benign, although the uncertainty of the war in Ukraine and its effects on the economy, which are starting to be felt through inflationary cost increases, may have a negative effect.

## Homeowners Multirisk

In 2021, Homeowners premiums were re-activated, with a 4.9% increase in gross written premiums, to 4.878 billion euros. Despite Storm Filomena (in January 2021), which had an intense effect on Madrid, Castilla-León, and Castilla-La Mancha,

**Chart 3.2-h**  
**Trends in results in the**  
**Homeowners Multirisk line, 2011-2021**  
 (indicators over premiums)



Source: MAPFRE Economics (based on ICEA data)

the loss ratio remained stable, with a slight six-tenths increase.

The 2.3 pp increase in expenses can be explained by the post-pandemic measures companies had to take and were directly transferred to the combined ratio, influencing a reduction of the line's technical-financial result, despite improved investment performance (see Table 3.2-f and Chart 3.2-h). As stated previously, 2022 began in a favorable climate, which bodes well for the year's results, provided that climate remains benign.

### Industrial Multirisk

Industrial Multirisk insurance premiums amounted to 1.548 billion euros in 2021, representing a 5.8% increase over the previous year; this is quite notable, as this increase similar to the previous year and follows the growth trend of the last four years (see Table 3.2-g and Chart 3.2-i). Meanwhile, the indicators show a worsening of the segment's technical data, especially a negative technical result for the second consecutive year, with a combined

ratio that is once again above 100%, as in the years prior to 2019. The gross loss ratio worsened again for the second year in a row, increasing by 6.6 pp, mainly due to Storm Filomena, which significantly affected SMEs, especially with damage caused to buildings by the accumulated weight of snow on awnings, roofs, etc., as well as impact damage due to falling trees and damage caused by frost and burst pipes, and an increase in peak claims over the course of the year.

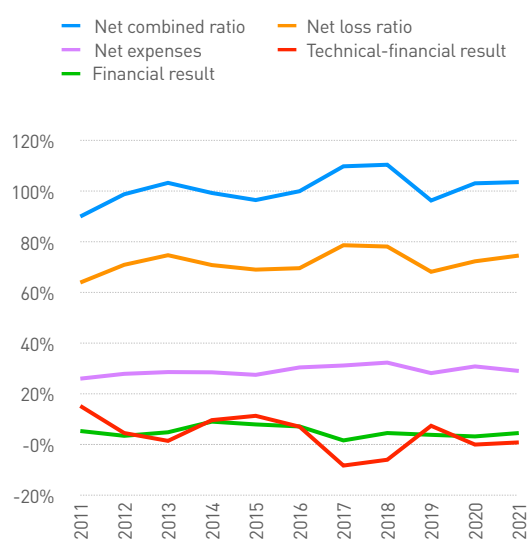
Likewise, the line's condition, which was heavily influenced in 2021 by the COVID-19 crisis, has been maintained in many cases, thanks to effective assistance from insurance companies. Insurance companies have adapted to the pandemic and are providing insurance coverage and services to meet the needs of their customers, for example by promoting tools to better identify risks and help customers manage them. Outlooks for 2022 are difficult to make in this insurance segment, due to the uncertainty of the war in Ukraine, and

**Table 3.2-g**  
Basic indicators in  
Industrial Multirisk insurance, 2020-2021  
(premiums, millions of euros; ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	1,463	1,548
Variation in premiums	5.6%	5.8%
Retention	53.0%	49.9%
Gross loss ratio	74.6%	81.2%
Gross expenses	23.9%	22.9%
Net loss ratio	72.4%	74.7%
Net combined ratio	103.2%	103.7%
Financial result	3.2%	4.5%
Technical-financial result	-0.1%	0.8%

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.2-i**  
Trends in results of the  
Industrial Multirisk line, 2011-2021  
(indicators over premiums)



Source: MAPFRE Economics (based on ICEA data)

**Table 3.2-h**  
**Basic indicators in**  
**Trade Multirisk insurance, 2020-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	604	623
Variation in premiums	0.3%	3.2%
Retention	83.3%	83.3%
Gross loss ratio	53.5%	55.9%
Gross expenses	33.4%	33.2%
Net loss ratio	53.2%	56.0%
Net combined ratio	87.5%	90.5%
Financial result	2.6%	2.6%
Technical-financial result	15.0%	12.1%

Source: MAPFRE Economics (based on ICEA data)

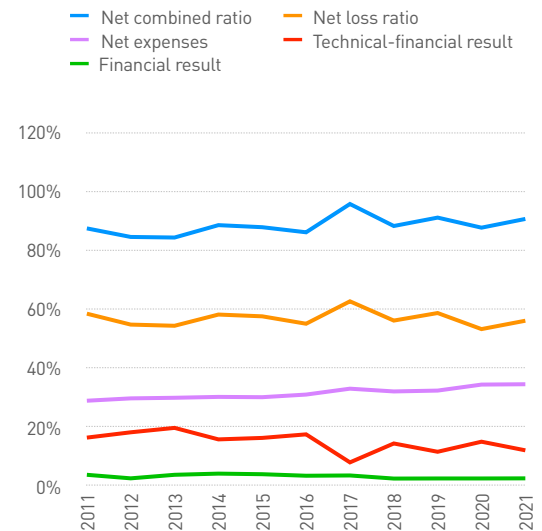
its effect on the economy, which is starting to be felt with inflationary cost increases.

### Commercial Multirisk

The Commercial Multirisk insurance premium volume in 2021 amounted to 623 million euros, representing an increase of 3.2% compared to the previous year, the best data in the last 4 years (see Table 3.2-h and Chart 3.2-j). However, indicators show a worsening of results with respect 2020, due to a 2.8 pp rise in the net loss ratio, due to the increase in peak claims (mainly fire); this increase is associated with weak economic cycles, as well as a drop in rates due to the COVID-19 situation. This worsening in the loss ratio means that the combined ratio is 3.0 pp worse and the technical-financial result is 2.9 pp lower. Nonetheless, these data are positive for the segment, as they are much better than the industrial side.

In terms of coverage and services, the market's great acceptance of the implementation of improvements associated

**Chart 3.2-j**  
**Trends in results of the**  
**Trade Multirisk line, 2011-2021**  
 (indicators over premiums)



Source: MAPFRE Economics (based on ICEA data)

with changes to the business model, such as the use of technology to generate automatic offers and digital risk verification, digitalization of services, home delivery orders, and patio use in the hospitality industry, among others, is notable, and explains why the result has been maintained. Like the outlook for industrial risks, the 2022 outlook for commercial multirisk will be influenced by the war in Ukraine and its effect on rising raw materials, energy supply, and transport costs, and their impact on the underlying CPI. However, the businesses that have survived the economic effects of the COVID-19 pandemic are risks with strength that would seem to be able to bear the effects of this new situation.

### Condominium Multirisk

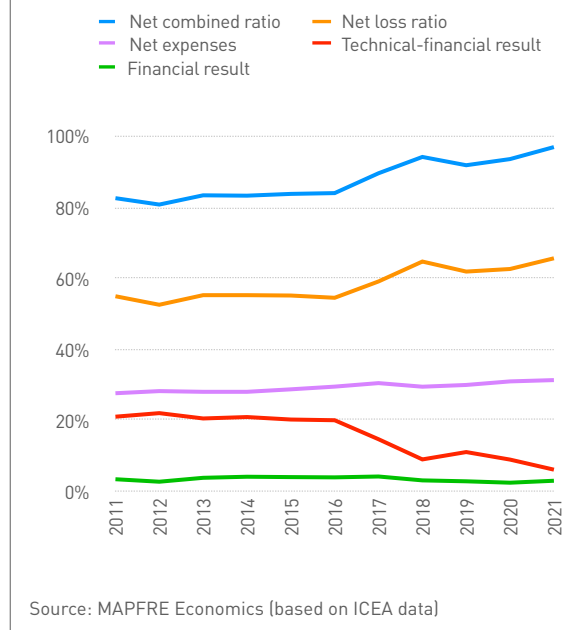
Condominium Multirisk insurance premiums went up 3.2% in 2021, to a volume of 984 million euros. It is worth noting that Storm Filomena had a greater incidence and intensity in this category than in Homeowners' Multirisk. Snow damage to

**Table 3.2-i**  
**Basic Condominium Multirisk**  
**insurance indicators, 2020-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	953	984
Variation in premiums	2.8%	3.2%
Retention	86.0%	86.9%
Gross loss ratio	63.9%	67.5%
Gross expenses	29.8%	30.2%
Net loss ratio	62.6%	65.6%
Net combined ratio	93.5%	96.9%
Financial result	2.4%	3.0%
Technical-financial result	8.9%	6.1%

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.2-k**  
**Trends in results of the**  
**Condominium Multirisk line, 2011-2021**  
 (indicators over premiums)



building roofs marked the segment's loss ratio in 2021, which rose by 3.0 pp, and this was simultaneously passed on to the combined ratio, which increased by 3.4 pp to 96.9%. Despite the fact that Storm Filomena happened in early January, the line's technical account was not able to dilute its effect over the course of the year (see Table 3.2-i and Chart 3.2-k). As in Homeowners Insurance, Condominium insurance began 2022 with good expectations for technical performance, given the improved weather conditions with respect to the previous year.

## Other Non-Life lines

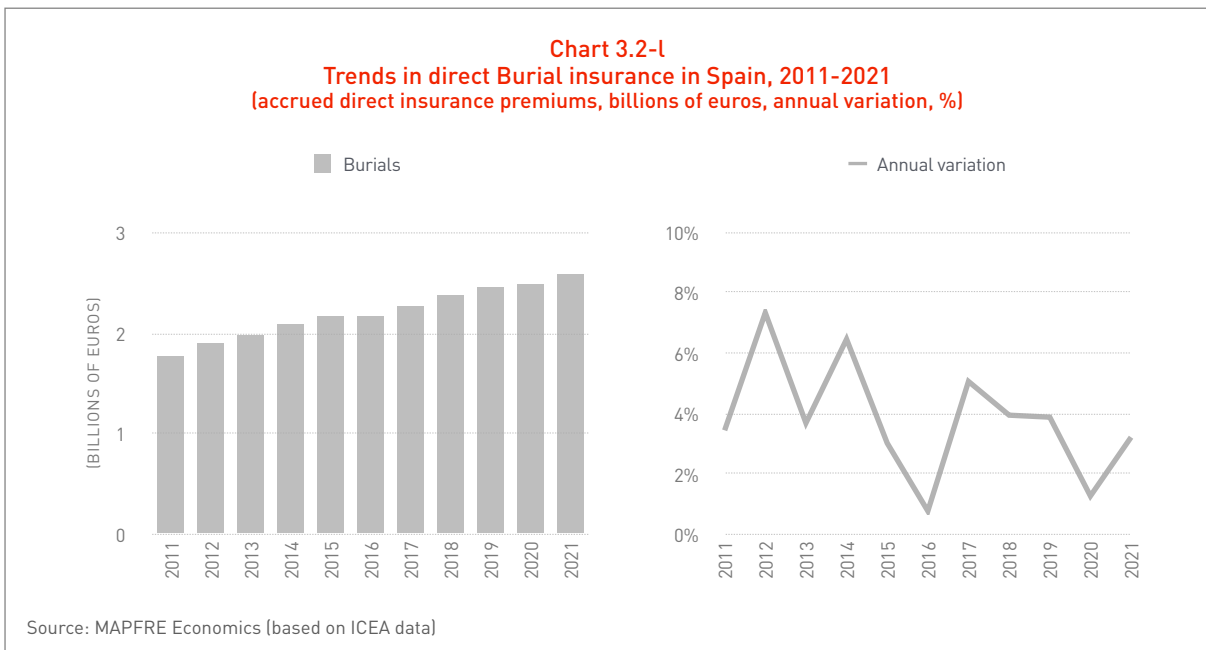
### Burials

2021 was one of normalization for Burial insurance. The data on the performance of the line show turnover grew to 2.571 billion euros, a 3.2% increase over the previous year (see Chart 3.2-l). This increase is higher than that of 2020, which was marked by weeks of lockdown in March and April. As indicated last year, burial insurance has come out of the pandemic

stronger, as companies have been able to respond to the enormous challenge of continuing to care for families in such complicated circumstances as those experienced in the pandemic. Consequently, the retention ratio has remained at 98%.

After a 2020 marked by the COVID-19 pandemic, which had a major impact on the loss ratio and results but above all demonstrated the robustness of the line in the face of catastrophic situations, 2021 saw the start of a return to normalcy. The main indicators related to the loss ratio continue to be higher than pre-pandemic levels, and although there have been new waves and outbreaks, the impact on the accounts has been lower than the previous fiscal year. Thus, the loss ratio has been reduced by -7.8 pp, and the combined ratio has returned to below 100% levels (see Table 3.2-j and Chart 3.2 m).

The transformation the industry has been undergoing for several years in terms of product structure was maintained in 2021, with single and composite premiums



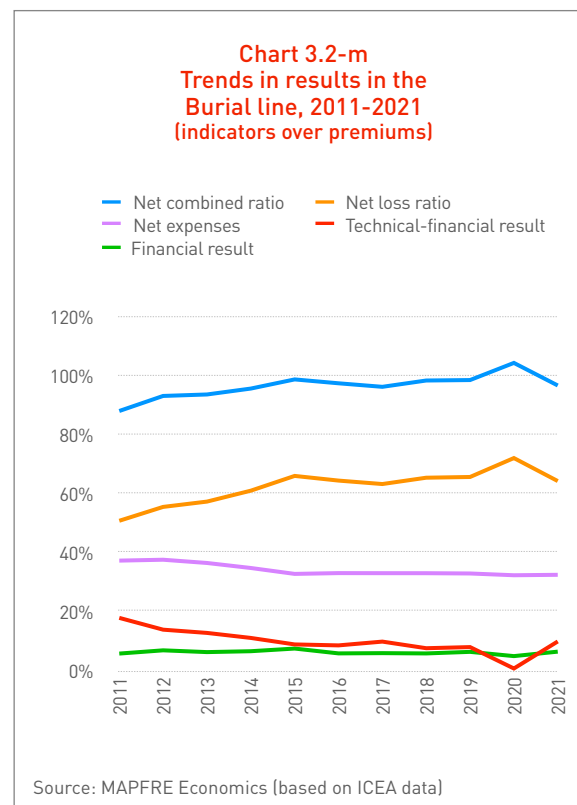
gathering strength over level premiums, the new production of which has steadily declined in recent years. The growth rates observed in recent years arise from the boom in the single premium, whose premium volume exceeds 60% of new contracts. This product, together with composite modalities, in which one part of the premium is level and the other part is nat-

ural, accounts for 82.9% of the new business premiums marketed by the sector. In contrast, the share of purely level premiums is decreasing, and now accounts for only 7.7% of new production premiums, although they exceed 66.9% in the portfolio as a whole.

**Table 3.2-j**  
**Basic indicators in**  
**Burial insurance, 2020-2021**  
(premiums, millions of euros, ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	2,490	2,571
Variation in premiums	1.3%	3.2%
Retention	98.3%	97.9%
Gross loss ratio	71.0%	63.1%
Gross expenses	32.2%	32.2%
Net loss ratio	72.0%	64.2%
Net combined ratio	104.2%	96.5%
Financial result	4.8%	6.4%
Technical-financial result	0.6%	9.8%

Source: MAPFRE Economics (based on ICEA data)



The weight of the financial result is notable in the technical account analysis. This was due to the volume of provisions managed in this line, which amounted to 6.81 billion euros at the end of 2021. Financial profitability rose with respect to the previous year, which made it possible to offset the combined ratio excess experienced as a result of the pandemic, with the technical-financial result remaining at close to 10%.

With respect to distribution channels, it should be noted that following the explosion of bancassurance operators in the line in recent years, new distribution agreements are being reached that allow access to the line by companies that had not previously sold burial insurance. All of these changes continue to be developed with a family focus, which is the basis for the burial insurance product to remain a basic pillar in companies' growth and loyalty strategy. In this regard, the inclusion of new digital life services for the whole family, already standard in the product, which incorporate technology into the insurance is notable. New trends also appeared in relation to funeral services, which seek to bring the product to more environmentally-friendly segments, to

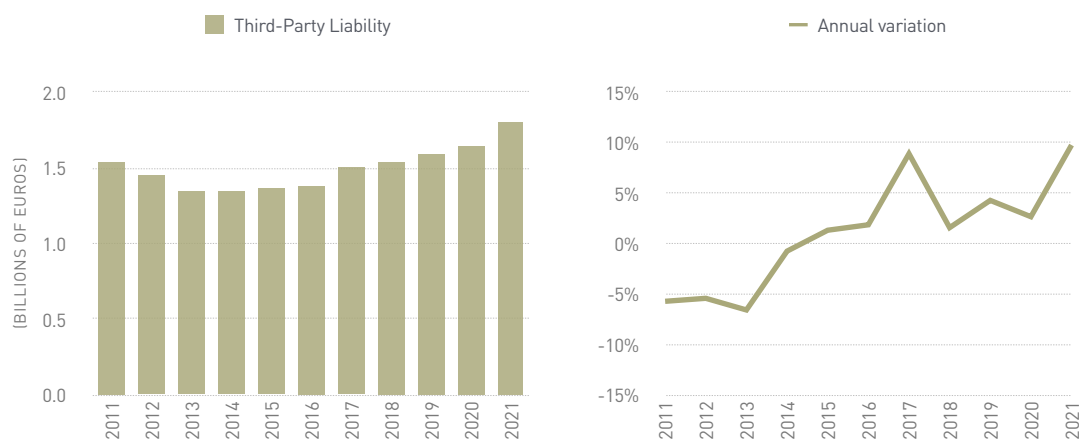
other cultures, or new ways of understanding grief.

### Third-Party liability

Third-Party liability premium volume in 2021 grew 9.8% over the previous year, reaching 1.8 billion euros (see Chart 3.2-n). This is a significant increase that confirms the trend of previous years and is due, on the one hand, to the hardening of the Third-Party Liability policy market, especially in the Professional Liability and D&O (Directors and Officers) sectors, where, due to the poor historical results of these activities, premiums have increased to correct for deviations.

It is important to emphasize that the 2020 data was greatly affected by the impact of the pandemic, as in 2021, the comparison was made against a fiscal year in which there was no activity due to the lockdowns and, once they had ended, business activity did not fully go back to normal. The exponential growth trend in the purchase of cyber-risk policies was consolidated, due to consumer habits and because the means of communication with customers has changed. Digitalization offers enormous advantages, but it in turn bears

**Chart 3.2-n**  
Trends in direct TPL insurance in Spain, 2011-2021  
(accrued direct insurance premiums, billions of euros, annual variation, %)



Source: MAPFRE Economics (based on ICEA data)



**Table 3.2-k**  
**Basic indicators in**  
**Third-Party Liability insurance, 2020-2021**  
 (premiums, millions of euros, ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	1,640	1,800
Variation in premiums	2.7%	9.8%
Retention	70.5%	67.7%
Gross loss ratio	62.4%	57.4%
Gross expenses	28.1%	28.6%
Net loss ratio	61.1%	54.6%
Net combined ratio	92.4%	86.9%
Financial result	6.0%	7.8%
Technical-financial result	13.6%	20.9%

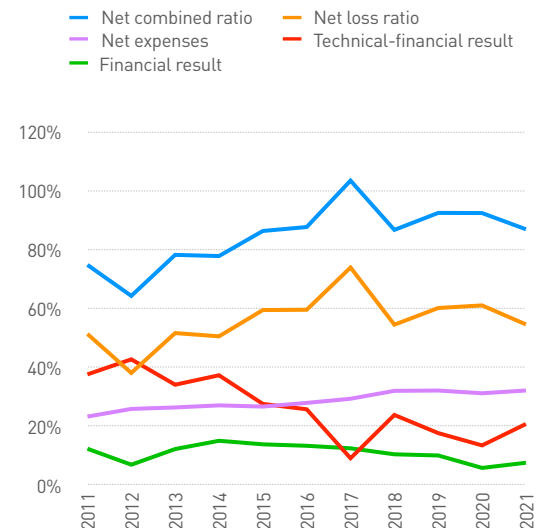
Source: MAPFRE Economics (based on ICEA data)

risks, and the need for security in these environments is an opportunity to develop insurance products that allow companies and consumers to minimize the dangers to which they are exposed. The larger companies were already aware of the risks they faced, but little by little, SMEs, which are the majority of the Spanish business community, are beginning to feel the need to take out cyber-risk insurance.

The evolution of the main technical ratios was generally good for this insurance line in 2021. The gross loss ratio was 57.4%, and the net was 54.6%, a decrease of around five percentage points compared to the previous year, when the figure was already good, even though it was affected by the pandemic. Expenses, in turn, increased half a percentage point to 28.6%. The combined ratio also improved, 86.9%, and the financial result was 7.8%, with a technical-financial result of 20.9%. (see Table 3.2-k and Chart 3.2-o).

Outlooks for 2022 in this line are greatly influenced by macroeconomic data, as the

**Chart 3.2-o**  
**Trends in results in the**  
**Third-Party Liability line, 2011-2021**  
 (indicators over premiums)



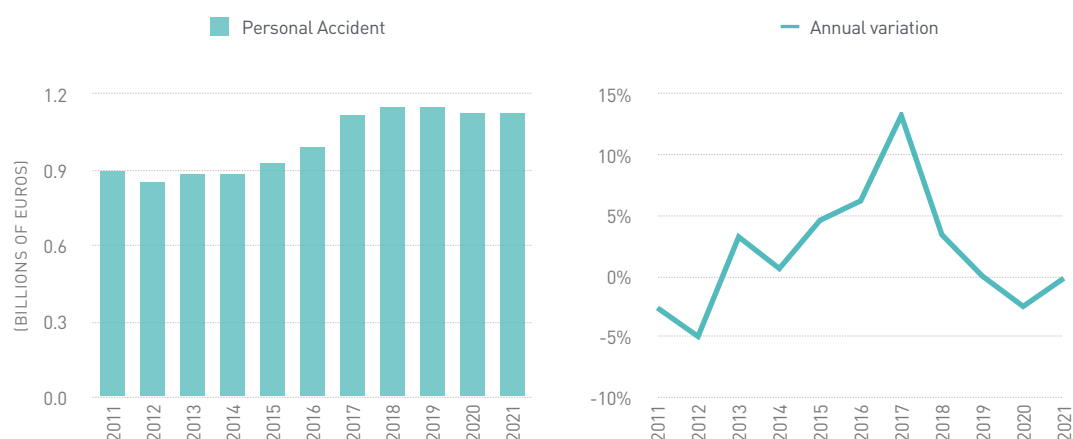
Source: MAPFRE Economics (based on ICEA data)

energy crisis especially affects companies. Many companies, particularly SMEs, are seeing their financial viability compromised in the short term. The number of bankruptcy filings increased considerably in 2021, so although the trend of increasing premiums due to the hardening of the market continues, growth is not expected to be sustainable in the long term. An increase in expenses and other claims processing costs, as well as in compensation, is expected due to the inflationary pressures observed in the Spanish economy. These pressures are expected to continue throughout 2022 and 2023.

### Personal accident

The situation in 2021 was better than 2020 in several of the activities covered by Personal Accident insurance (business and sports) and, to a lesser degree, temporary activities. This caused the decline in premiums to slow in 2021 to a slight decrease of -0.2%, and the ongoing pandemic trend means that the outlook for recovery in 2022 is positive (see Chart 3.2-p).

**Chart 3.2-p**  
Trends in direct Personal Accident insurance in Spain, 2011-2021  
(accrued direct insurance premiums, billions of euros, annual variation, %)



Source: MAPFRE Economics (based on ICEA data)

Fewer restrictions associated with pandemic control in 2021 caused a higher loss ratio, which remains below the figure for 2019 (39%), a year without travel restrictions. Increased activity without a clear recovery in premiums caused a slight upturn in expenses which, together with the increase in the loss ratio, caused the

combined ratio to increase by 4.2 pp. While higher than the previous year, this figure is 4.7 pp lower than in 2019.

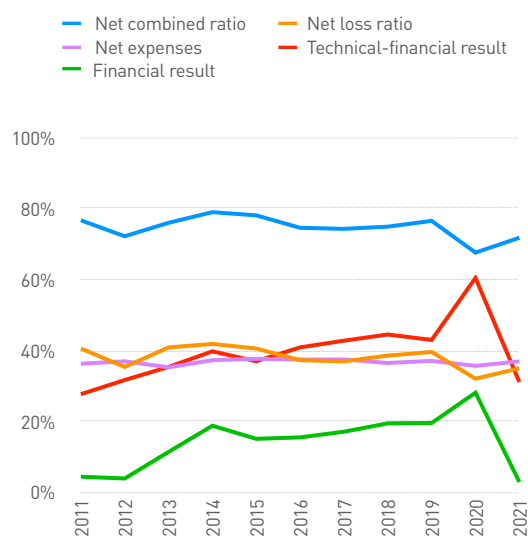
The significant drop in the financial result, determined by the volatile market still influenced by the uncertainty of the pandemic situation and inflationary pres-

**Table 3.2-l**  
Basic indicators in  
Personal Accident insurance, 2020-2021  
(premiums, millions of euros, ratio over premiums, %)

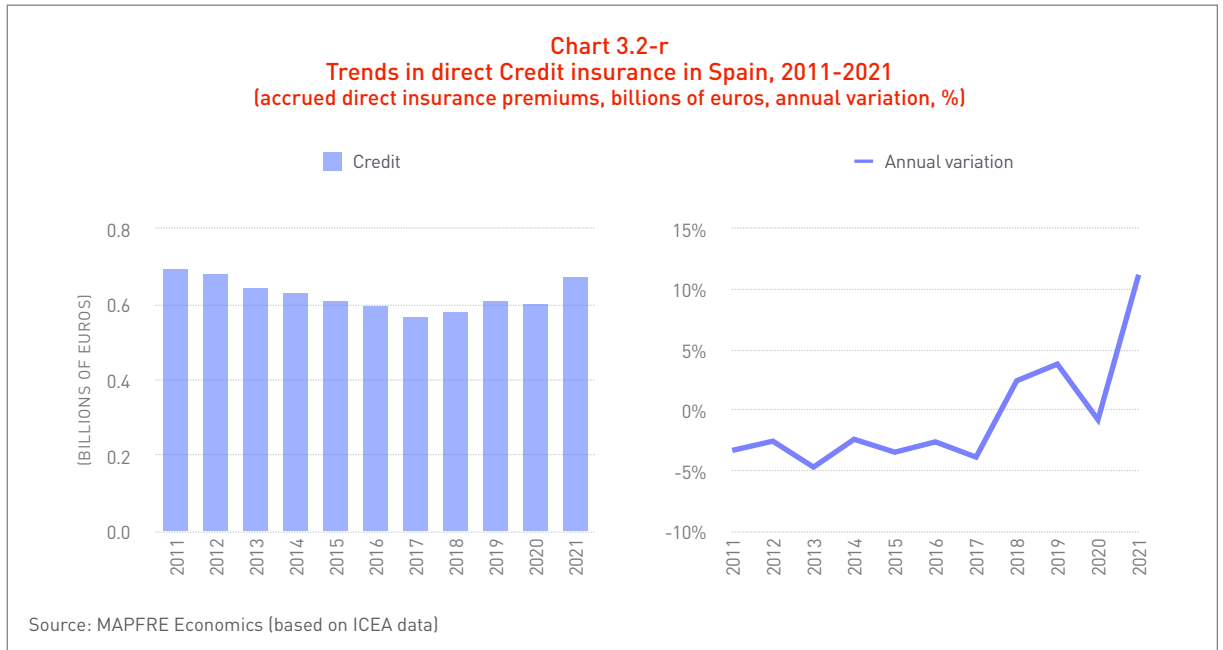
	2020	2021
Premium volume issued (millions of euros)	1,123	1,121
Variation in premiums	-2.5%	-0.2%
Retention	86.8%	87.2%
Gross loss ratio	32.9%	35.0%
Gross expenses	34.7%	35.7%
Net loss ratio	32.0%	34.9%
Net combined ratio	67.6%	71.8%
Financial result	28.0%	2.8%
Technical-financial result	60.4%	31.0%

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.2-q**  
Trends in results in the  
Personal Accident line, 2011-2021  
(indicators over premiums)



Source: MAPFRE Economics (based on ICEA data)



sure, considerably reduced the technical-financial result (see Table 3.2-l and Chart 3.2-q). A full recovery is expected in 2022, allowing a return to 2019 production levels, especially in the group business.

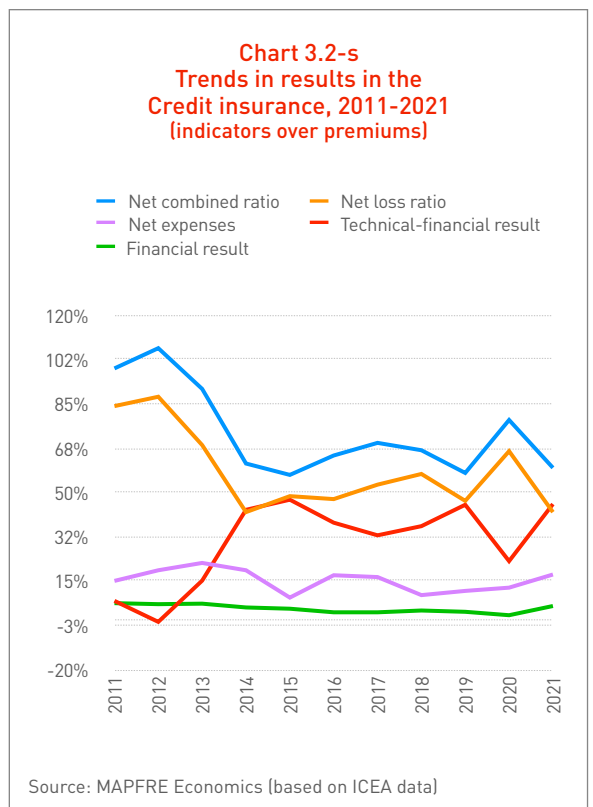
### Credit

Premiums in the Spanish credit insurance market increased by more than 11% in 2021, reaching 670 million euros (see Chart 3.2-r). This is the highest premium

**Table 3.2-m**  
**Basic indicators in**  
**Credit insurance, 2020-2021**  
(premiums, millions of euros, ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	602	670
Variation in premiums	-0.8%	11.2%
Retention	32.5%	33.0%
Gross loss ratio	61.8%	26.7%
Gross expenses	30.5%	31.0%
Net loss ratio	66.3%	42.2%
Net combined ratio	78.6%	59.7%
Financial result	1.4%	5.1%
Technical-financial result	22.8%	45.4%

Source: MAPFRE Economics (based on ICEA data)



growth in the last decade, mainly due to the remarkable recovery of insurable turnover, after a 2020 in which insured party credit sales fell sharply as a result of the situation caused by the pandemic. Technical market conditions (commercial underwriting and risk underwriting) in 2021 gradually adjusted back to levels similar to those existing at the beginning of 2020, also favoring market growth.

On the loss ratio side, there was a significant correction in 2021 compared to 2020, as a result of a recovering economic environment, reinforced by the various public stimulus policies. All of the foregoing has translated into a notable improvement in the technical and financial results of the companies operating in the industry (see Table 3.2-m and Chart 3.2 s).

Provisional premium data for the sector at the end of May 2022 show 9.5% growth, confirming the positive trend seen over the past year. Although the start of 2022 was marked by a clear improvement in the situation caused by the pandemic, since the end of February there has been a new period of uncertainty as a result of the conflict between Russia and Ukraine which is already more or less directly affecting international trade, macro-

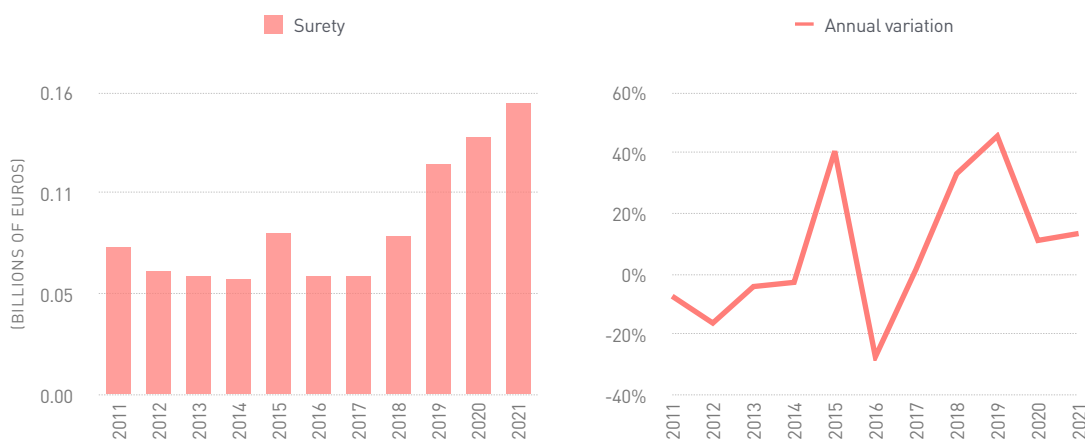
economic forecasts and, therefore, credit insurance. In this regard, and depending on the duration and final scope of the conflict, all signs seem to indicate that the credit insurance market could witness an increase in claims in 2022 as a result of an upturn in defaults between companies, at both the domestic and the export level.

### Surety

In 2021, the premium volume for Surety insurance totaled 154 million euros, representing an increase of 13.4% with respect to 2020 (see Chart 3.2-t). It is the sixth consecutive year of growth, allowing the line to reach its historical maximum in terms of turnover. Guarantees for renewable energy and policy extensions on projects that accumulated delays during lockdowns are likely the main drivers of these good figures.

In turn, the gross loss ratio improved 5.7 pp with respect to 2020, placing it at 20.3%. Therefore, the negative forecasts from early in the pandemic, which suggested an increase in the loss ratio parallel to the collapse of economic activity, have not been confirmed; in any case, we must be cautious, since many economic measures adopted by the government to

**Chart 3.2-t**  
Trends in direct Surety insurance in Spain, 2011-2021  
(accrued direct insurance premiums, billions of euros, annual variation, %)



Source: MAPFRE Economics (based on ICEA data)

**Table 3.2-n**  
**Basic indicators in**  
**Surety insurance, 2020-2021**  
 (premiums, millions of euros, ratio over premiums, %)

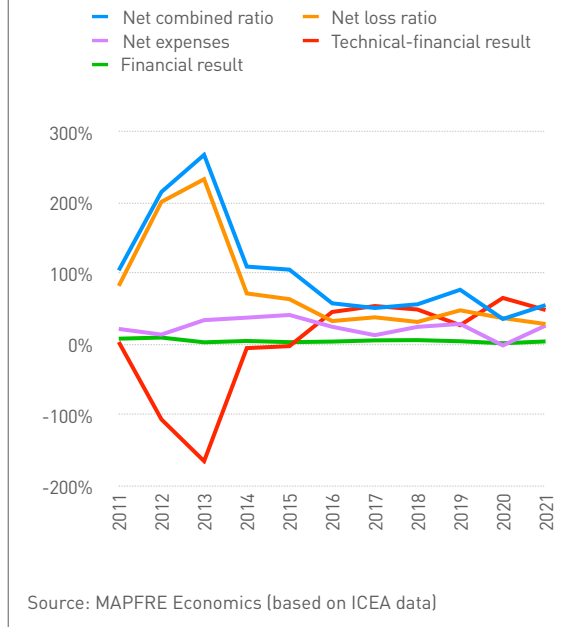
	2020	2021
Premium volume issued (millions of euros)	136	154
Variation in premiums	11.1%	13.4%
Retention	32.9%	35.3%
Gross loss ratio	26.0%	20.3%
Gross expenses	31.6%	38.1%
Net loss ratio	37.3%	28.9%
Net combined ratio	36.0%	55.6%
Financial result	1.8%	4.3%
Technical-financial result	65.7%	48.7%

Source: MAPFRE Economics (based on ICEA data)

mitigate the negative effects of the COVID-19 pandemic have continued to be extended, so it is not yet clear how the loss ratio will behave when these stimuli disappear.

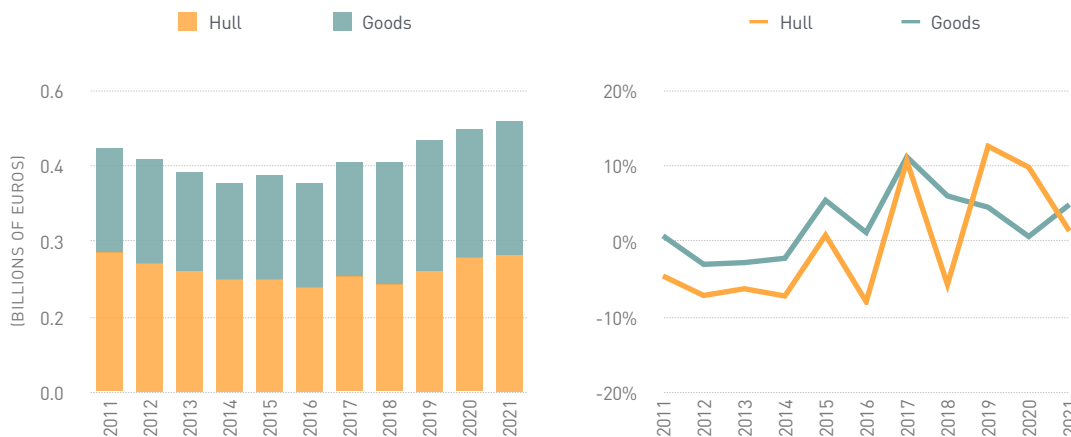
The good results of this line are attracting a growing number of operators to the Spanish market interested in selling surety insurance, either by establishing them-

**Chart 3.2-u**  
**Trends in results in the**  
**Surety line, 2011-2021**  
 (indicators over premiums)



selves locally or under the freedom to provide services from other European Union countries. The sector continued to grow in the first months of the year, although there is an extraordinary circumstance making forecasting difficult: Russia's in-

**Chart 3.2-v**  
**Trends in direct Transport insurance in Spain, 2011-2021**  
 (accrued direct insurance premiums, billions of euros, annual variation, %)

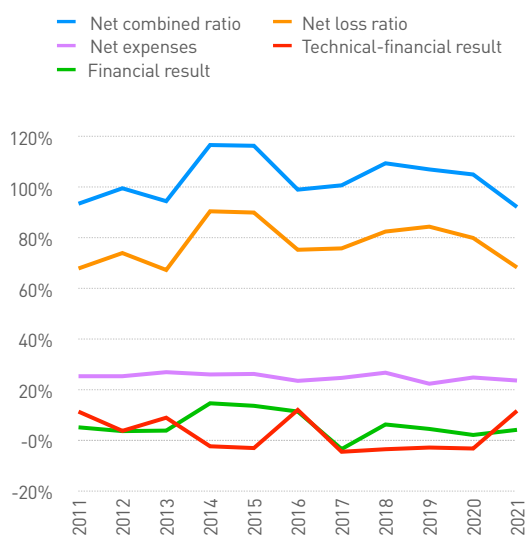


**Table 3.2-o**  
**Basic indicators in**  
**Basic Hull Transport insurance, 2020-2021**  
 (premiums, millions of euros, ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	267	271
Variation in premiums	9.8%	1.4%
Retention	37.7%	34.1%
Gross loss ratio	59.2%	65.2%
Gross expenses	17.6%	18.8%
Net loss ratio	80.3%	68.6%
Net combined ratio	105.4%	92.5%
Financial result	2.4%	4.4%
Technical-financial result	-3.0%	11.9%

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.2-w**  
**Trends in results in the**  
**Basic Hull Transport line, 2011-2021**  
 (indicators over premiums)



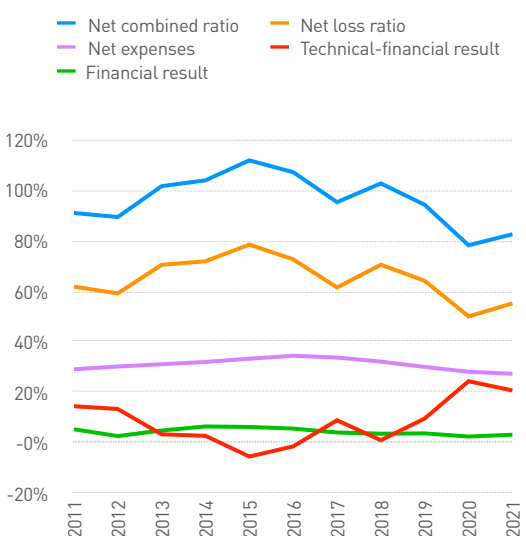
Source: MAPFRE Economics (based on ICEA data)

**Table 3.2-p**  
**Basic indicators in**  
**Basic Goods Transport line, 2020-2021**  
 (premiums, millions of euros, ratio over premiums, %)

	2020	2021
Premium volume issued (millions of euros)	257	269
Variation in premiums	0.6%	4.9%
Retention	66.8%	67.4%
Gross loss ratio	48.8%	55.9%
Gross expenses	26.4%	26.6%
Net loss ratio	50.0%	55.1%
Net combined ratio	78.1%	82.5%
Financial result	2.5%	3.2%
Technical-financial result	24.4%	20.7%

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.2-x**  
**Trends in results in the**  
**Basic Goods Transport line, 2011-2021**  
 (indicators over premiums)



Source: MAPFRE Economics (based on ICEA data)

vasion of Ukraine is having an enormous impact on the world economy, the extent of which is difficult to measure. The increased price of energy and raw materials and the difficulty companies are having maintaining supply chains are especially severe for the surety line.

### Transport

Fiscal year 2021 was generally a good year for the different Transport lines, despite the post-pandemic economic situation and the logistical problems that have been dragging on as a result of this situation. Premium volume in 2021 stood at 540 million euros, which represents 3.1% growth over previous year (see Chart 3.2-v). This growth momentum continues to benefit from the hardening of conditions in the various lines of business, mainly hulls and goods, although this hardening has been moderate. The increase in premiums has been mild in the Hull modality, but there have not been a large number of losses with a great impact on the market. The Aviation line, in turn, has been greatly affected by the paralysis of its fleets. This is reflected in the year's renewals. The

Goods line has grown due to the reactivation of trade after the pandemic, while it was directly affected by the difficult situation in the logistics and transport sector, which saw a shortage of containers, delays in deliveries, lack of available ships, etc.

The loss ratio in the Goods line experienced a slight upturn due to increased industrial and commercial activity, but remains within the required break-even point and within the same parameters as last year. In general terms, growth was moderate, but good loss ratio performance led to a positive result. From January to May 2022, premiums in the Transport line were practically stagnant, with 0.7% growth, due to the decline in Maritime insurance (-15.5%), as Aviation and Goods recorded a significant increase of 24.8% and 11.2%, respectively.

### Hull

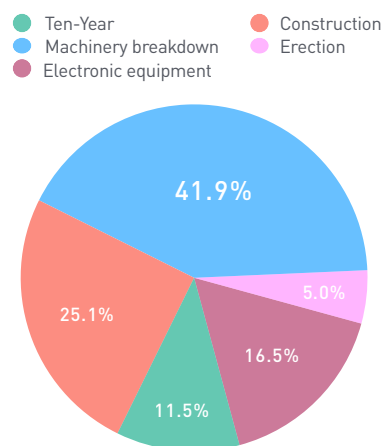
Hull premiums increased a moderate 1.4%, resulting in a volume of 271 million. The hardening of conditions seen in the last two years is now much more moder-

**Table 3.2-q**  
Breakdown of Engineering insurance by modality, 2021  
(premiums, millions of euros, variation, %)

Modality	2021	Change
Ten-Year	46.5	37.9%
Construction	101.3	28.9%
Machinery breakdown	169.2	6.3%
Erection	20.0	13.1%
Electronic equipment	66.7	18.9%
<b>Total Engineering</b>	<b>403.7</b>	<b>17.0%</b>

Source: MAPFRE Economics (based on ICEA data)

**Chart 3.2-y**  
Breakdown of Engineering insurance premiums by modality, 2021  
(indicators over premiums)



Source: MAPFRE Economics (based on ICEA data)

ate and conservative. Many accounts have been renewed with the same terms and conditions, as they had been significantly hardened for two years.

As can be seen in the information presented in Table 3.2-o and Chart 3.2-w, the gross loss ratio worsened by 5.9 pp to 65.2%, but all other indicators point to a positive result for the sector and the line, with a technical-financial result of almost 12 percentage points compared to the losses of the last two years

### Goods

The Goods line continued its growth trend in 2021, up 4.9% with 269 million euros in premiums. The reactivation of the economy in 2021 is reflected in the increase in premiums, despite the ongoing difficulties in the transport and logistics sector. The result remains positive, although the gross loss ratio increased by seven percentage points, as a result of the higher post-pandemic trade. Thus, although the results were favorable, the combined ratio worsened 4.4 pp (see Table 3.2-p and Chart 3.2-x).

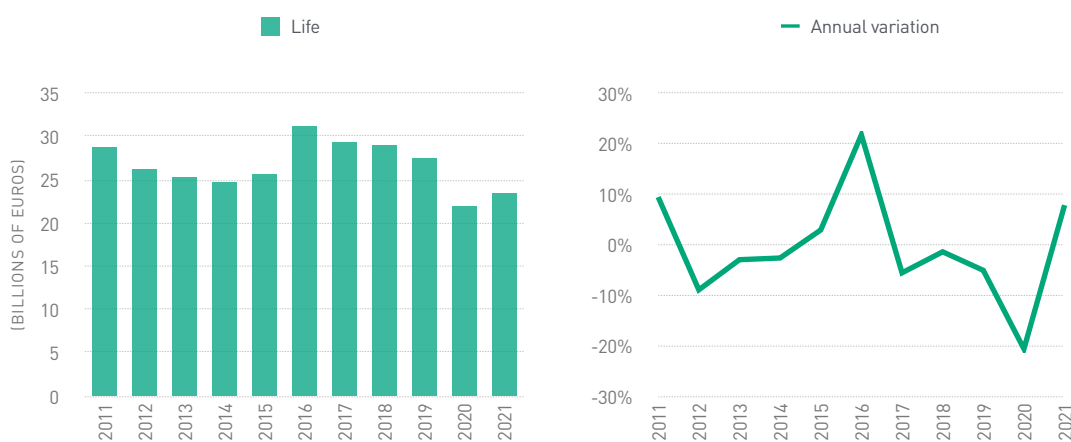
### Engineering

The volume of Engineering insurance premiums amounted to 403.7 million euros in 2021, a significant jump of 17%. All modalities, with the exception of Machinery Breakdown, had two-digit increases, notably Decennial Insurance (37.9%) and Construction Insurance (28.9%). Table 3.2-q shows the behavior of the other Engineering insurance categories: Machinery breakdown (+6.3%), Electronic equipment (+18.9%), and Assembly (+13.1%). The statistics of the first five months of 2022 show favorable performance in Engineering Insurance, with premium growth in both insurance with minor turnover and in the most significant modalities: Machinery breakdown (5.1%) and Construction (4.1%). All exceeded premiums from 2019, the year before the pandemic.

### 3.3 Life line

In 2021, Life insurance in Spain reached a total premium volume of 23.55 billion euros, a 7.9% increase over the previous year. The boost for this growth came from Savings/Retirement insurance, which rose

**Chart 3.3-a**  
Trends in direct Life insurance in Spain, 2011-2021  
(accrued direct insurance premiums, billions of euros, annual variation, %)



Source: MAPFRE Economics (based on ICEA data)



**Table 3.3-a**  
**Breakdown of Life insurance and provisions by modality, 2020-2021**  
 (net premiums issued or cancellations, annual variation, %)

Modality	Premiums		Provisions	
	2021	Annual variation	2021	Annual variation
Individual	18,448	-2.1%	157,822	0.1%
Collective	5,104	70.1%	37,900	4.1%
<b>Total</b>	<b>23,552</b>	<b>7.9%</b>	<b>195,721</b>	<b>0.8%</b>
Risk	5,006	3.4%	6,913	5.2%
Dependency	13	75.9%	38	4.9%
Savings / Retirement	18,532	9.1%	188,770	0.7%
Insured Pension Plan	531	-39.9%	11,400	-5.8%
Deferred capital	4,556	-4.4%	47,775	-2.6%
Annuities	5,556	49.7%	88,449	-0.7%
Asset transformation into life annuities	20	21.0%	2,433	0.7%
PIAS (Planes Individuales de Ahorro Sistemáticos – individual systematic savings plans)	2,113	-20.5%	14,629	1.4%
SIALP (Seguro Individual de Ahorro a Largo Plazo – individual long-term savings insurance)	672	-15.3%	4,321	-2.1%
Unit-linked	5,084	22.1%	19,764	23.5%
<b>Total</b>	<b>23,552</b>	<b>7.9%</b>	<b>195,721</b>	<b>0.8%</b>

Source: MAPFRE Economics (based on ICEA data)

**Table 3.3-b**  
**Breakdown of Life insurance policyholders**  
**by modality, 2020-2021**  
 (number of policyholders, annual change, %)

Modality	2021	Annual variation
Risk	20,192,469	-1.3%
Dependency	128,881	96.0%
Savings / Retirement	8,948,178	-2.9%
<b>Total</b>	<b>29,269,528</b>	<b>-1.6%</b>

Source: MAPFRE Economics (based on ICEA data)

9.1%, notably in Annuities, which was up 49.7%, and unit-linked products with 22.1%. Life Risk insurance premiums also performed favorably, with a 3.4% increase. When differentiating the Life business between individual and group insurance premiums, individual insurance decreased -2.1%, while group insurance grew 70.1%. (See Chart 3.3-a and Table 3.3-a).

Furthermore, in terms of managed savings, technical provisions got back on the path to growth lost in 2020 and showed a slight increase of 0.8%, reaching 195.72 billion euros, with a clear boost from unit-linked products, which grew 23.5%, and offset the drop in the majority of savings products, which obtained a slight 0.7% increase as a whole. In turn, Life Risk products increased 5.2% and dependency products 4.9%. Table 3.3-b shows a small decrease in the total number of policyholders in this line in 2021, representing a total decrease of -1.6%, with an increase only in the number of dependency policyholders.

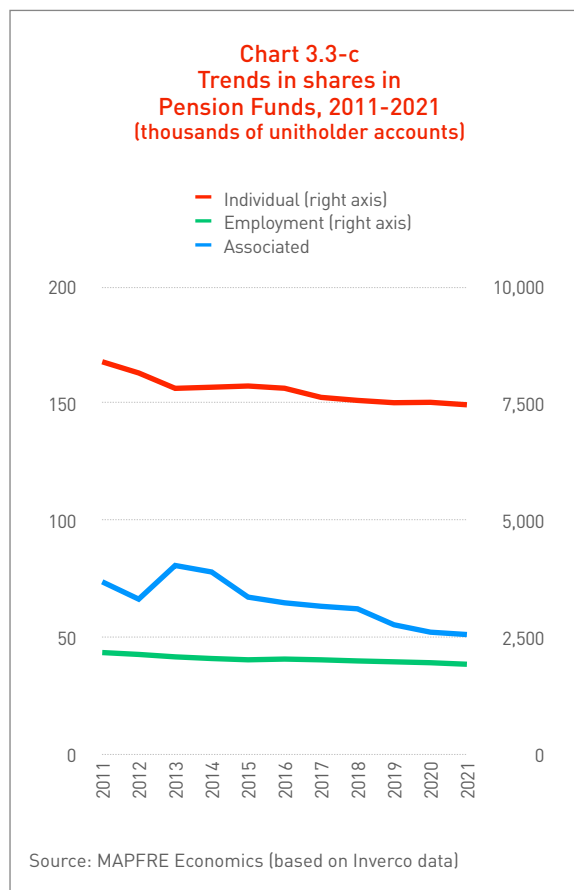
## 2022 Outlook

Just when it seemed the health crisis had been overcome in early 2022, the conflict in Ukraine, the energy crisis, and high inflation rates caused the specter of uncer-

tainty to return. In this context, risk insurance performance will as usual be closely associated with consumption and credit performance, as this type of insurance is largely linked to loan performance. It seems that the trend of a low interest rate environment is coming to an end, which may be encouraging savers to look for more conservative savings insurance alternatives. However, until that happens it seems that the most visible alternative for the time being will be unit-linked products where savers seek higher returns in exchange for higher risk. Thus, after starting the year with -21.8% drop, the Life business recovered in subsequent months, recording a slight year-on-year increase of 3.3% at the end of May 2022, although the premium volume remained -18.8% lower than in the same month of 2019.

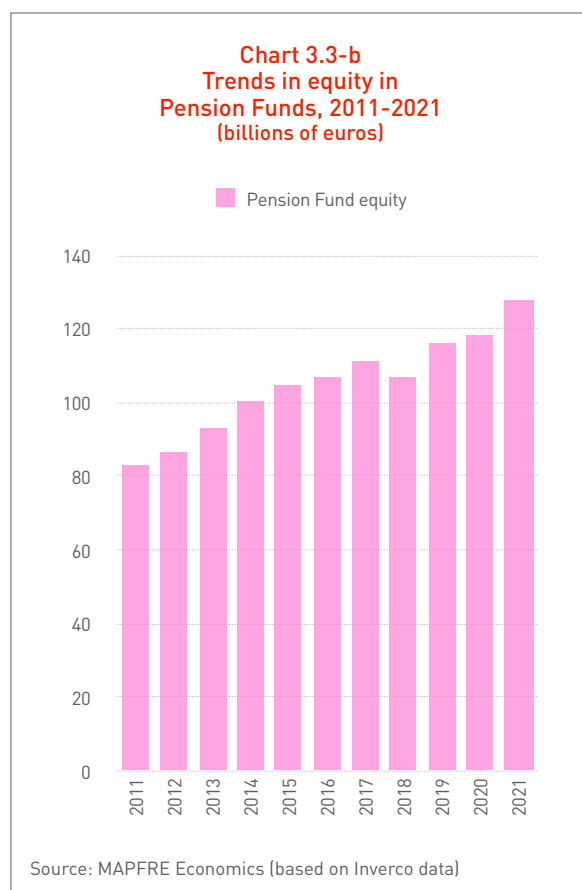
### Pension plans and pension funds

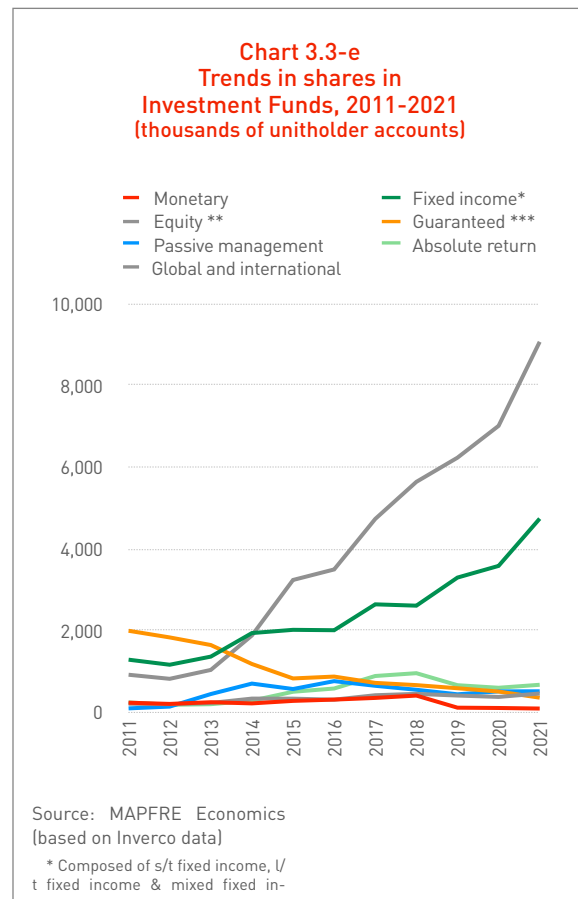
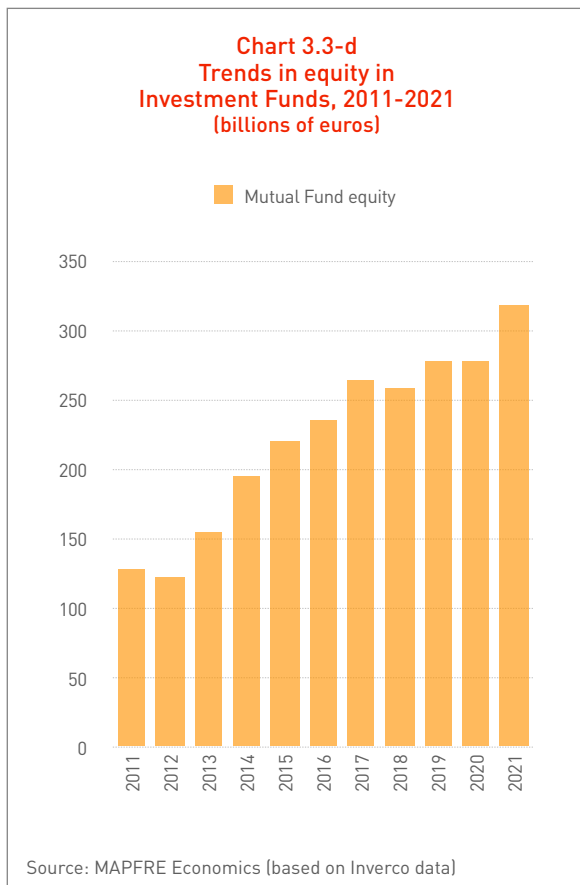
At the end of 2021, pension fund equity set a new record, with an asset volume of



127.99 billion euros, 8% more than in 2020. Unlike what occurred in previous years, the growth of individual plans corresponded exclusively to revaluation of shareholders' portfolios due to market effects. The historic trend of positive net contributions to the Individual System changed in 2021 by the approved reduction in the maximum contribution limit to 2,000 euros, which led to a decrease of almost 40% in gross contributions to the system and benefits that exceeded contributions by 117 million. In turn, gross contributions and benefits for the Employment-Based System barely changed with respect to the previous year, with net contributions of -131.8 million euros (see Chart 3.3-b).

On the other hand, the number of unitholder accounts decreased at a faster rate compared to 2020 (86,675 fewer accounts) and closed 2021 with 9,455,223 accounts. However, the net number of unitholders at fiscal year-end was esti-





mated at eight million, since many unitholders have more than one plan open to diversify their investments. Pension Plans closed 2021 with an 8.5% return on the year, with positive returns in all terms (see Chart 3.3 c).

### Mutual funds

Domestic mutual funds ended the year with 317.545 billion euros in equity, 43.19 billion euros more than at the end of 2020 (see Chart 3.3-d). Except in some categories, the risk profile of Spanish unitholders barely changed in 2021 compared to previous years, where unitholders sought more risk in exchange for a higher return offered by the stock markets in a favorable environment (see Chart 3.3 e).

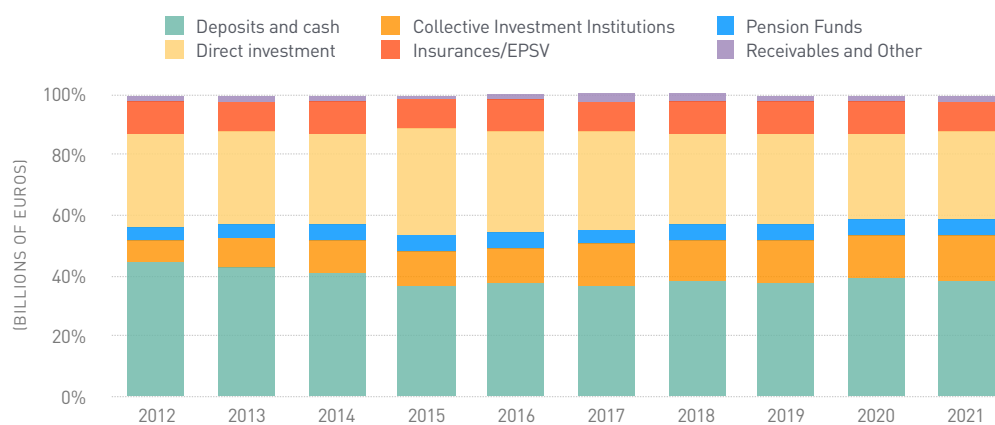
According to the "VII Savings Barometer" published at the end of 2021 by Observatorio Inverco, while the number of savers

investing with a short-term time horizon (less than one year) remained stable at 14% there were significant increases in the long term (more than three years) to 49%, up from 35% in 2019. In addition, the percentage of savers with a conservative profile (those who expect reasonable yields and are not willing to assume losses) dropped 50% for the first time since 2009, although they continue to be the majority (49%), while moderate profiles increased 10 points since 2015, to 43%, and dynamic profiles accounted for 8%.

### Financial assets of Spanish households

Savings in financial assets generated by Spanish households at the end of 2021 increased for the third consecutive year, reaching 2.7 trillion euros, 7% above the value obtained in 2020. In turn, household debt grew only 1.4% that same year, so household net financial wealth stood at

**Chart 3.3-f**  
**Structure of financial savings of Spanish families**  
 (%)



Source: MAPFRE Economics (based on Inverco data)

1.9 trillion euros in 2021, which is 9.4% more than the previous year and represents 159.7% of GDP.

### Mutual Fund and Pension Fund Outlook

The asset volume allocated to deposits continues to be the largest, representing 38.4% of the total, although it has been in progressive decline over the last decade in favor of greater mutual fund holdings and shares of investment companies, which now represent 15.2% of household financial savings. Savings managed by insurance companies and Voluntary Mutual Benefit Societies (VMBS) have remained stable over the last decade at around 10% of the total, amounting to 254 billion euros in 2021. Pension funds have also maintained a stable 5% of financial assets of Spanish households in recent years (see Chart 3.3-f).

Looking ahead to 2022, Inverco's report on Collective Investment Institutions and Pension Funds indicated that it is likely that the savings accumulated by households without exposure to markets (one trillion euros in current accounts in September 2021) will record new record highs and, Investment Funds will likely be the only instrument that is still an attractive investment for households, as has been the case in the last two years. In pension funds, contributions will be greatly influenced by a new reduction to the maximum contribution limit for individual pension plans, from 2,000 euros per year in 2021 to 1,500 euros this year, which will join the drastic reduction suffered by individual plans in the previous year.

## 4. Structural Trends of the Spanish Market

### 4.1. Insurance penetration, density, and depth

#### Penetration

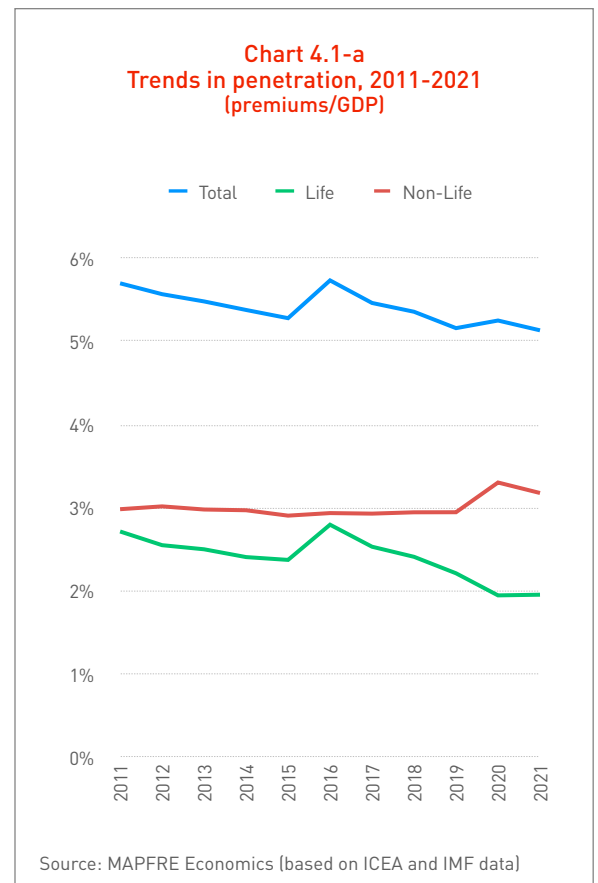
In 2021, in contrast to the previous year, a higher rise in GDP at current prices (7.4%) as a result of the economic recovery recorded especially in the second half of the year, combined with more moderate growth in premium revenues in the insurance industry (5.0%), which had already shown resilience to the economic environment in 2020, contributed to insurance penetration in Spain (the ratio of premiums to gross domestic product) standing at 5.13% in 2021, a slight decrease of -0.12 percentage points (pp) compared to the figure observed the previous year (see Charts 4.1-a and 4.1-b)<sup>13</sup>.

With the 7.9% increase in Life insurance premiums in particular, the line's penetration rate remained unchanged in 2021 at 1.95%, breaking the downward trend of the last decade (with the exception of 2016) due, among other factors, to the European crisis of 2011-2013, the current COVID-19 crisis, as well as a prolonged low interest rate environment. However, the positive performance of Savings/Retirement insurance, thanks to the momentum of Annuities (+49.7%) and unit-linked products (+22.1%), contributed to this change in trend. The penetration rate of Non-Life insurance remained more stable in the 2011-2021 period, at 3.18% in 2021, with a slight decrease of -0.13 pp compared to 2020. Thus, Spanish insurance penetration over the last decade fell -0.56 pp, due to a -0.76 pp drop in the Life line and a 0.19 pp increase in the Non-Life segment.

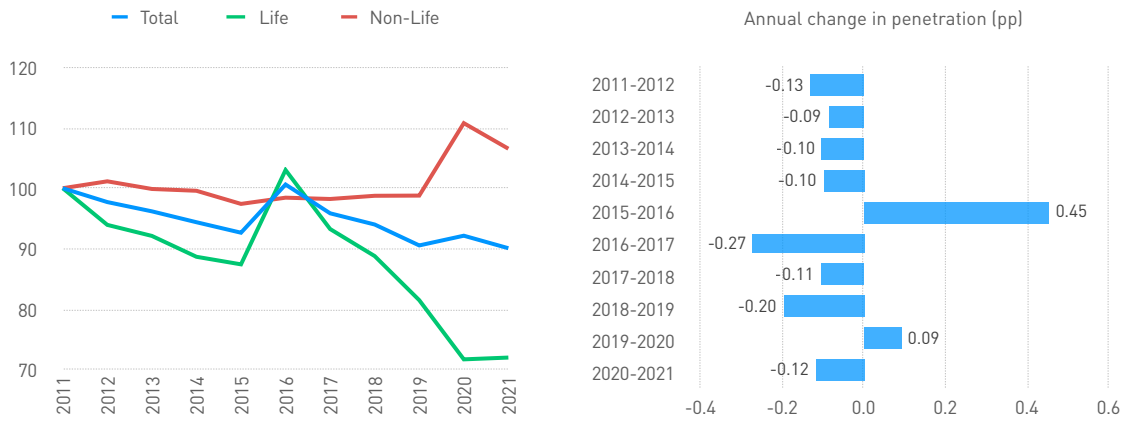
As observed in Chart 4.1-c, Life Savings insurance is the Life segment category with the highest penetration level, reaching

1.54% in 2021, while Life Risk penetration was only 0.42%. In the case of Life Savings insurance, the penetration rate has followed downward trend over the last decade, with the exception of 2016, rising slightly again in 2021, until it dropped -0.84 pp in that period. In turn, the Life Risk insurance indicator increased 0.08 pp in that period. An analysis of the penetration index for this segment over the past decade (index 2011=100) shows that, while penetration in the Life Protection insurance segment rose 22.8% between 2011 and 2021, the figure for the Life Savings insurance segment dropped by -35.2% over the same period.

With regard to the Non-Life insurance segment shown in Chart 4.1-d, penetration was 3.18% in 2021, down -0.13 pp from the pre-



**Chart 4.1-b**  
Trends in changes of penetration, 2011-2021  
(index 2011=100; annual change, pp)



Source: MAPFRE Economics

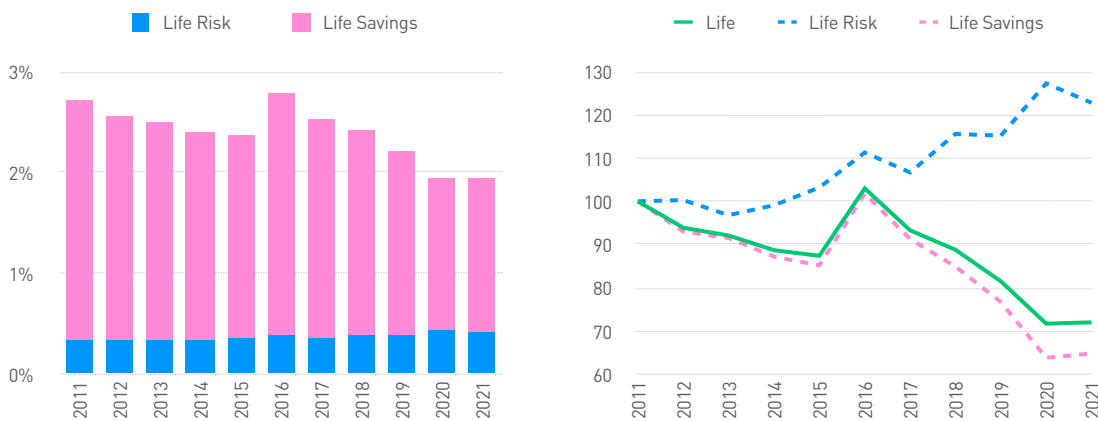
vious year, with decreases in the main lines of insurance comprising it. For the Auto line in particular, penetration decreased 0.08 pp in 2021, to 0.91%; the Multirisk line stood at 0.67% (0.69% in 2020); Health decreased slightly, from 0.84% in 2020 to 0.82% in 2021; and in all other Non-Life insurance lines, penetration was 0.77% (0.79% in 2020). However, looking at the medium-term trend in the indicator's evolution over the period from 2011 to 2021 (index 2011=100), the penetration of the Multirisk and Health lines have shown

growth of 8.9% and 31.9% in that period, respectively, while Auto insurance decreased -13.9%, while the rest of the Non-Life lines presented an increase of 13.1%.

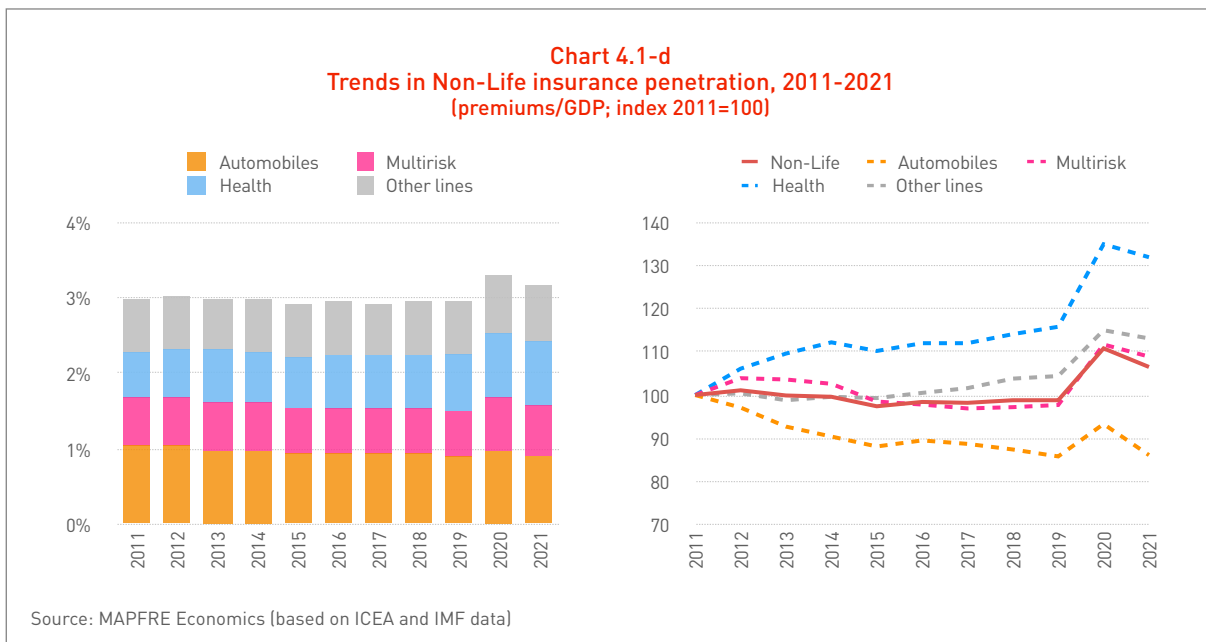
### Density

Insurance density in Spain (premiums per capita) is shown in Chart 4.1-e. According to this information, this indicator stood at 1,303.5 euros in 2021, an increase of 60.7 euros over the previous year, with increases in both market segments. In the case of

**Chart 4.1-c**  
Trends in Life insurance penetration, 2011-2021  
(premiums/GDP; index 2011=100)



Source: MAPFRE Economics (based on ICEA and IMF data)

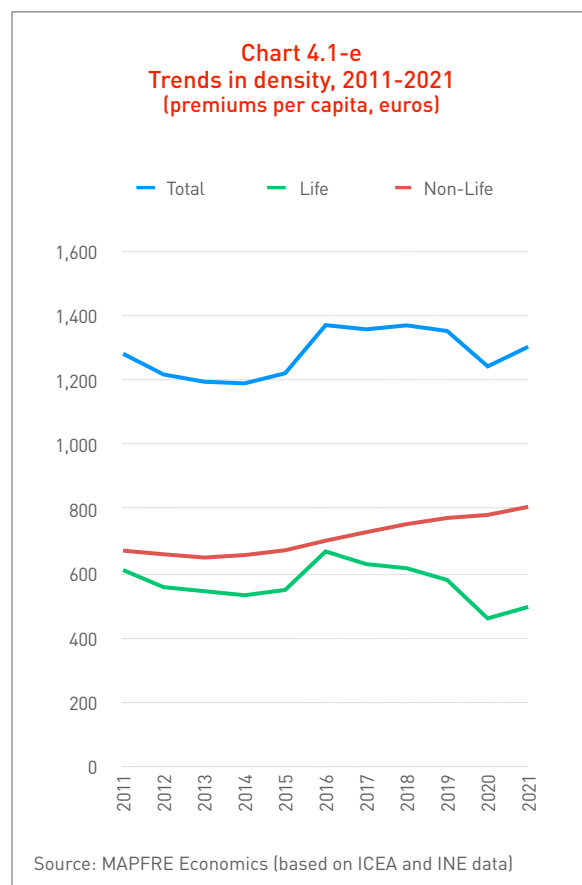


Non-Life Insurance, density increased from 781.9 to 807.0 euros between 2020 and 2021, and in the case of Life insurance, the indicator stood at 496.5 euros per capita, versus 460.8 euros in 2020. Thus, the density of the Life Insurance segment increased after four consecutive years of falling, and the Non-Life segment followed the rising trend that started in 2013.

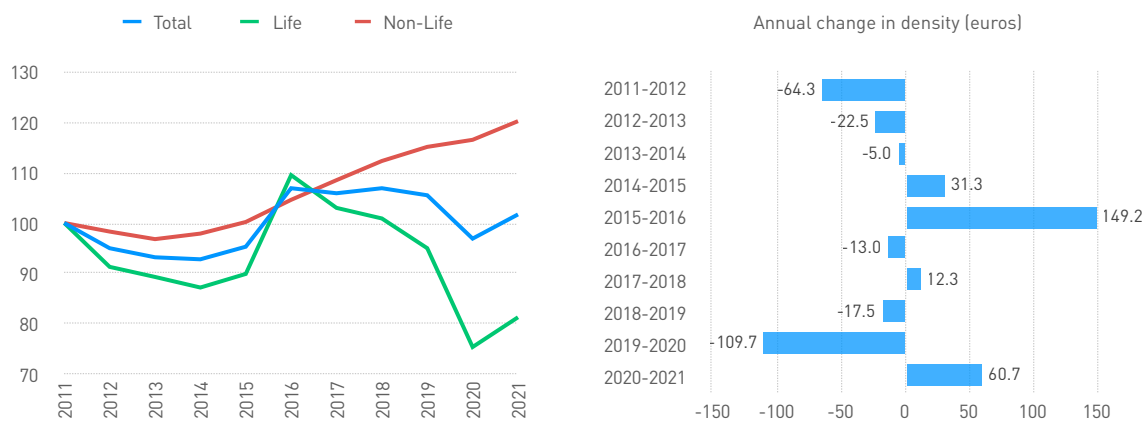
Analyzing the Spanish market density from a medium-term perspective (index 2011=100), it achieved slight growth of 1.7% over the 2011-2021 period (rising from 1,281.9 to 1,303.5 euros), with a -18.7% decline in the indicator for Life insurance (from 610.8 to 496.5 euros), and a 20.2% increase for Non-Life insurance (from 671.1 to 807 euros) over the same period (see Chart 4.1-f).

Density in the Life insurance segment (as occurs in the evolution of penetration levels) is determined by the performance of Life Savings insurance, whose density was 78.7% of the total. Thus, the density of Life Savings insurance was 390.7 euros in 2021 (32.1 euros more than the previous year), breaking the downward trend that began in 2017 after hitting a record high in 2016. In turn, the Life Protection insurance segment, which stood at 105.8 euros in

2021, recorded slight growth of 3.5 euros compared to the previous year (see Chart 4.1 g).



**Chart 4.1-f**  
Trends in changes of density, 2011-2021  
(index 2011=100; euros)



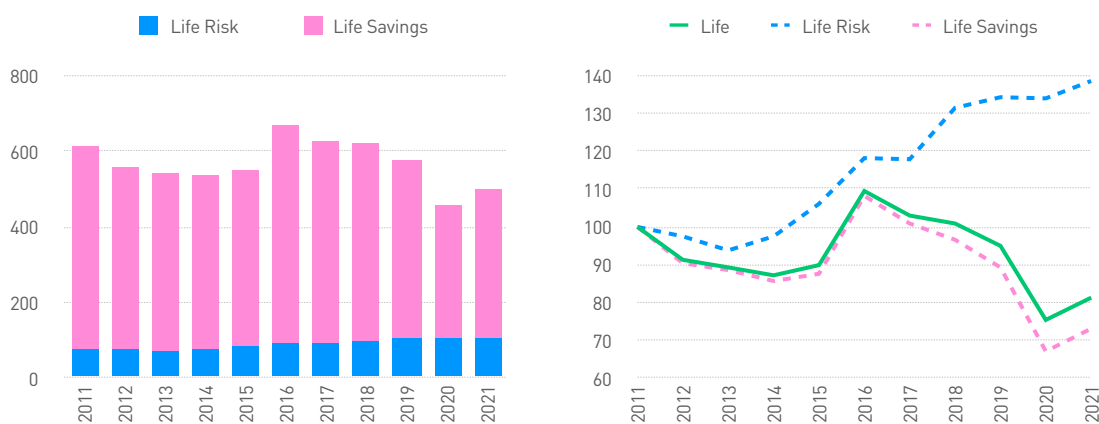
Source: MAPFRE Economics

Meanwhile, from a medium-term perspective for the 2011-2021 period, which is shown in Chart 4.1-g, Life insurance density dropped by -18.7% over the period. Nevertheless, while the Life Savings insurance segment fell by -26.9% during this period, the Life Protection insurance segment grew by 38.6%. The foregoing confirms that, in the medium-term trend, Life Protection insurance shows a greater dynamic than the Life Savings insurance segment, although they still have not been able to

achieve the relative significance that they have in the Life insurance portfolio.

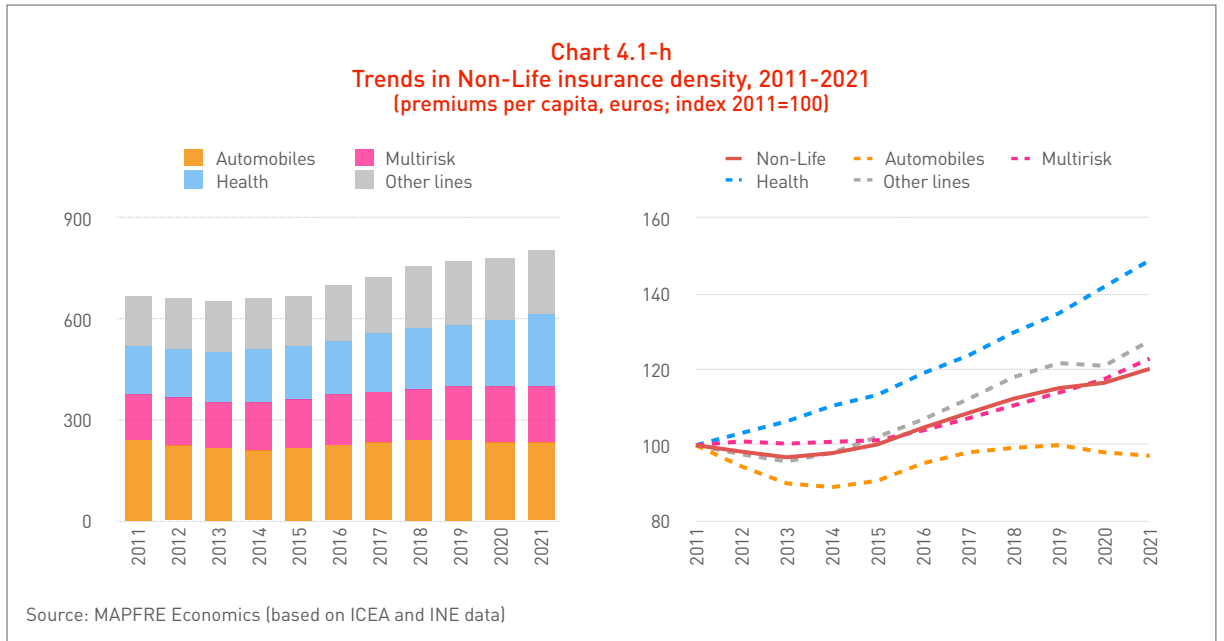
The indicator for density in the Non-Life insurance segment, illustrated in Chart 4.1-h, is more equally distributed across the main lines comprising it. Thus, in 2021, the density of this market segment was distributed as follows: 28.7% corresponding to the Auto line; 25.7% to the Health line; 21.2% to the Multirisk line; and 24.3% to the other lines in the Non-Life insurance

**Chart 4.1-g**  
Trends in Life insurance density, 2011-2021  
(premiums per capita, euros; index 2011=100)



Source: MAPFRE Economics (based on ICEA and INE data)

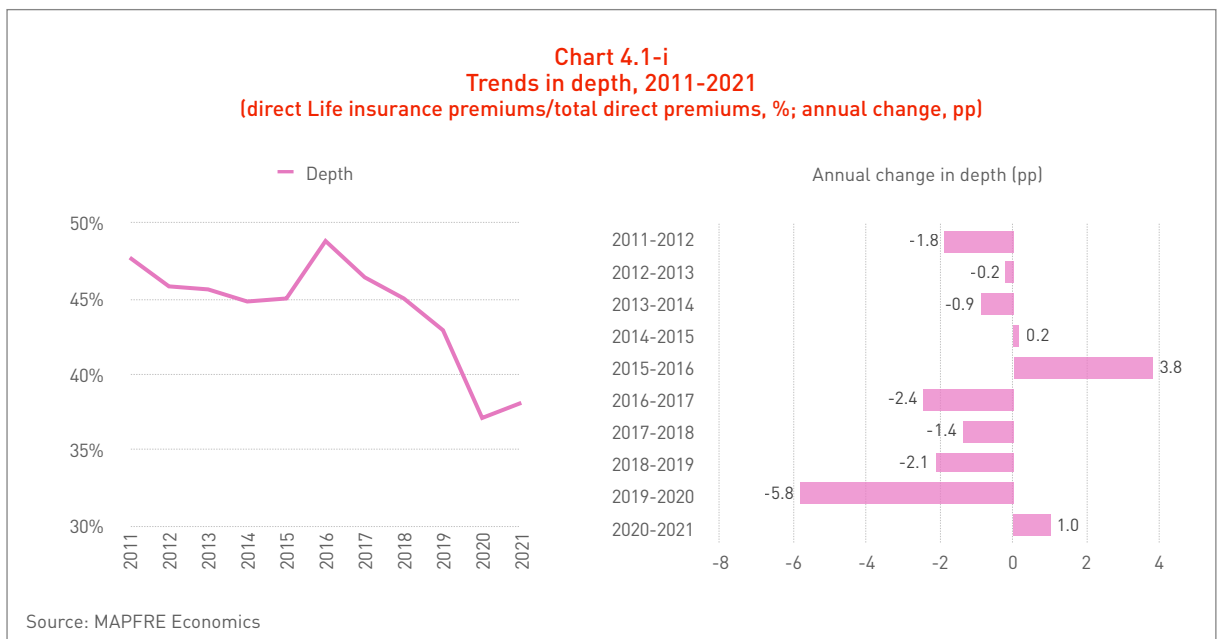




segment, all recording increases in density, except Auto. In the analysis of medium-term trends for the 2011-2021 period, the Health, Multirisk, and other Non-Life lines recorded density increases of 48.9%, 22.9%, and 27.6% respectively (index 2011=100), while the Auto line again lost density by -2.8% in that period.

### Depth

As noted in our report last year, the drop in Spanish life insurance during 2020 especially affected the levels of industry depth (share of direct Life insurance premiums on the market), whose indicator decreased 5.8 pp that year. However, the growth recorded by the Life Insurance line in 2021 has raised the level of depth 1.01 pp to 38.1%, although the progressive decline over the last decade brought the depth rate to levels



well below the 47.7% recorded in 2011 (see Chart 4.1-i). The behavior of this indicator continues to confirm the insufficient level of development of the Life insurance segment within the Spanish market, the impairment of which has been particularly noticeable since 2017.

## 4.2. Insurance Protection Gap

### Structural Trends trends

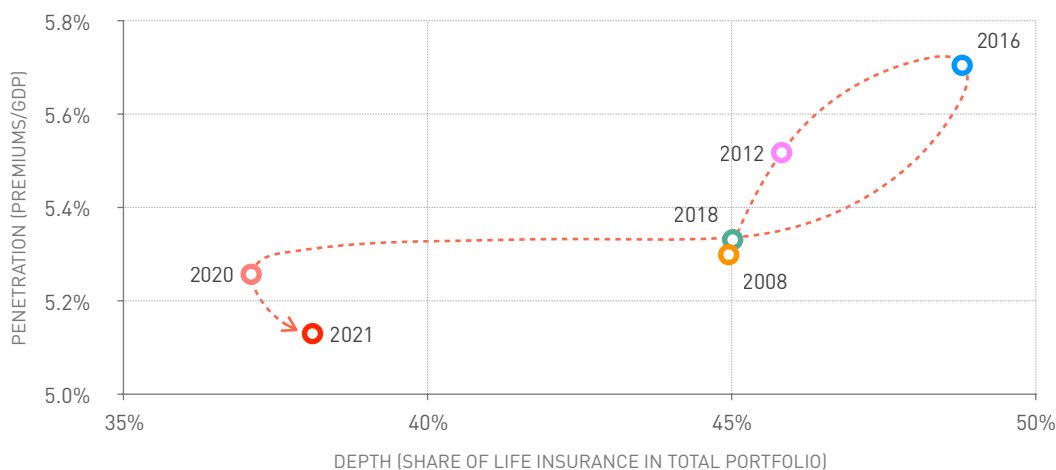
While 2020 was a year characterized by a severe economic recession triggered by the COVID-19 pandemic and by an insurance business that proved relatively resilient, preventing industry contraction from matching that of the overall economy, 2021 saw a significant reactivation of the economy that outpaced the performance of the insurance industry.

As a result, Spanish insurance penetration (ratio of premiums to GDP) fell slightly, while density (premiums per capita) and depth (Life insurance premiums to total premiums) showed relative gains that year. Thus, in 2021 there is only a partial change in the insurance business development trend for Spain that had been observed

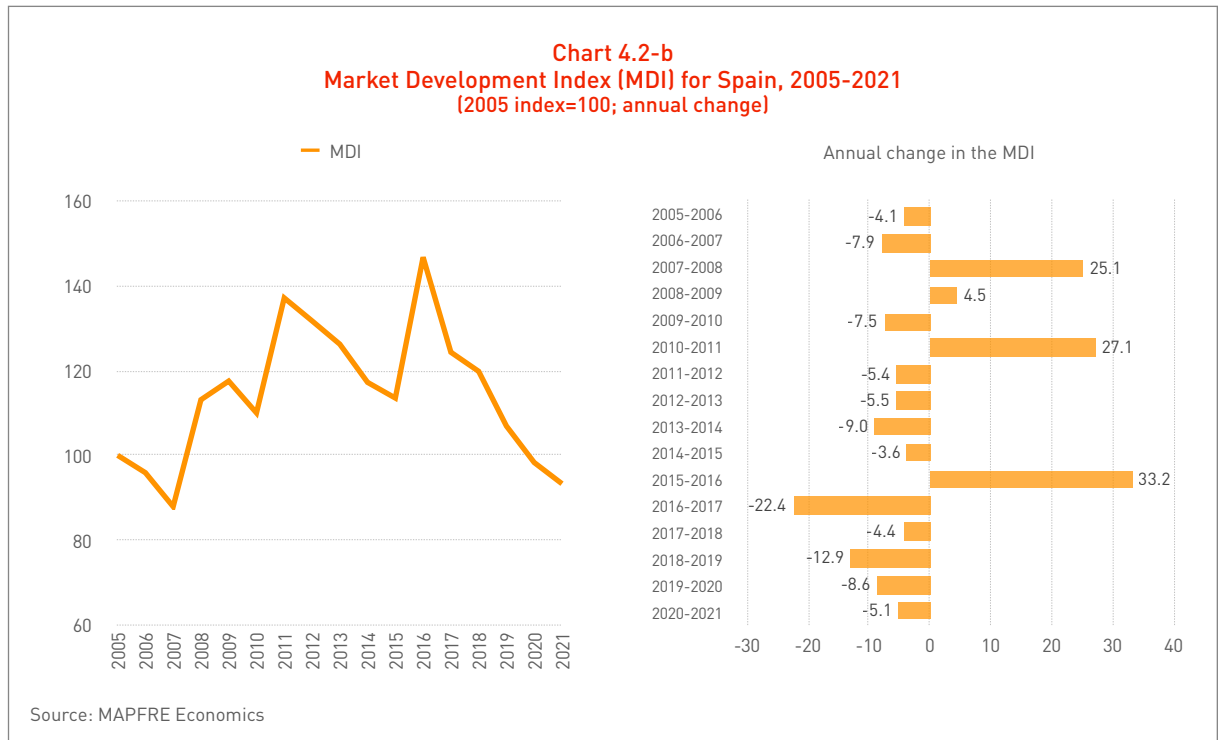
since 2017 (after the period of significant expansion recorded between 2008 and 2016), which was characterized by a retraction in both penetration and depth. So, in 2021, while penetration again showed a drop, depth grew for the first time since 2016 (see Chart 4.2-a).

However, this change in the depth of the sector observed in 2021 was not enough to shift the trend in the Market Development Index (MDI), shown in Chart 4.2-b. It should be noted that the purpose of the MDI is to summarize the trends in the development and maturity of insurance markets, and has been constructed on the basis of four individual indices (with 2005 as a base): the penetration index (premiums/GDP); the depth index (Life insurance premiums vs. total market premiums); an index for the evolution of the IPG (index of the inverse of the IPG as a market multiple); and an index of the evolution of the Life insurance IPG (index of the inverse of the IPG for Life insurance as a multiple of said market). In this case, the MDI still confirms the prevalence of the development trend of the Spanish insurance market that began in 2016, with a drop in 2021 for the fifth consecutive year.

Chart 4.2-a  
Trends in the Spanish insurance market, 2008-2021  
(penetration vs. depth)



Source: MAPFRE Economics



### Insurance Protection Gap

The Insurance Protection Gap (IPG) represents the difference between the insurance coverage that is economically necessary and beneficial to society and the amount of coverage that is actually taken out<sup>14</sup>. Establishing this figure helps define the *potential market for insurance*, which is the market size that could be achieved through elimination of the insurance gap. Furthermore, it is important to emphasize that the IPG is not a static concept; rather, it changes depending on the growth of a country's economy and on the emergence of new risks that are inherent to economic and social development.

Based on its characteristics, there is a negative correlation between the insurance gap and growth of the insurance markets. On the one hand, from a *quantitative* perspective, the IPG becomes smaller as the penetration rate increases, and on the other, from a *qualitative* perspective, it also tends to decrease as markets become more sophisticated and mature. Hence, factors such as sustained economic

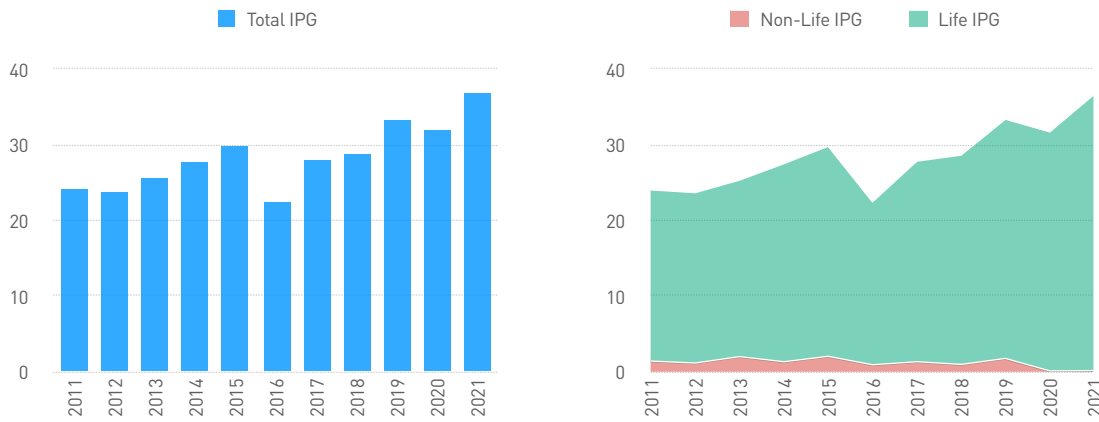
growth, low inflation, higher personal disposable income, the general performance of the financial system, an efficient regulatory framework, and the application of public policies aimed at increasing financial inclusion and education are factors that stimulate a decrease in the IPG in the markets.

### Estimate of the IPG for the Spanish market in 2021

Chart 4.2-c illustrates the evolution of the IPG for the Spanish market between 2011 and 2021. According to this information, in 2021, the insurance gap was 36.7 billion euros, 4.9 billion euros more than the previous year. This widening of the insurance gap on the Spanish market essentially follows the deterioration of the penetration indicator, which performed more unfavorably than the benchmark used to estimate the IPG<sup>15</sup>.

In structural terms, IPG composition continues to show room for further development in the Life insurance segment. Thus, in 2021, 99.6% of the IPG (36.5 billion eu-

**Chart 4.2-c**  
Trends in the Insurance Protection Gap, 2011-2021  
(billions of euros)

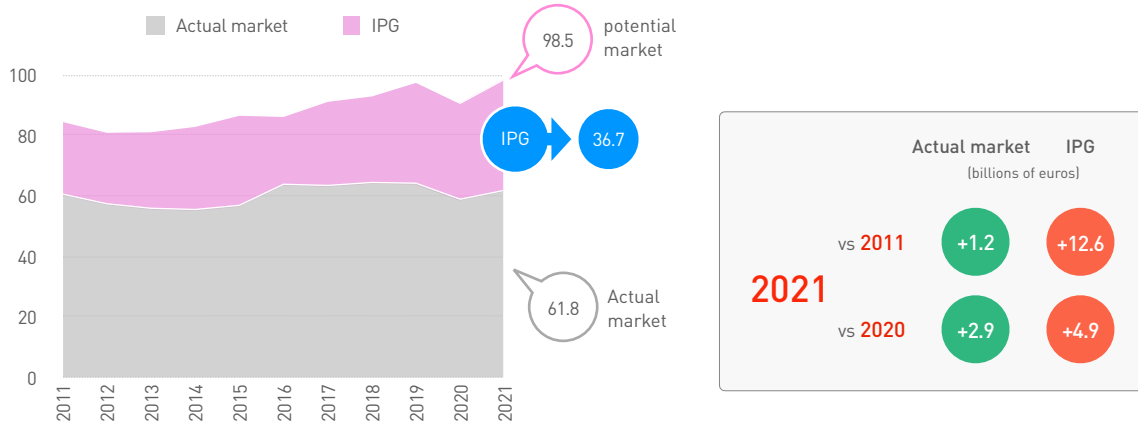


Source: MAPFRE Economics

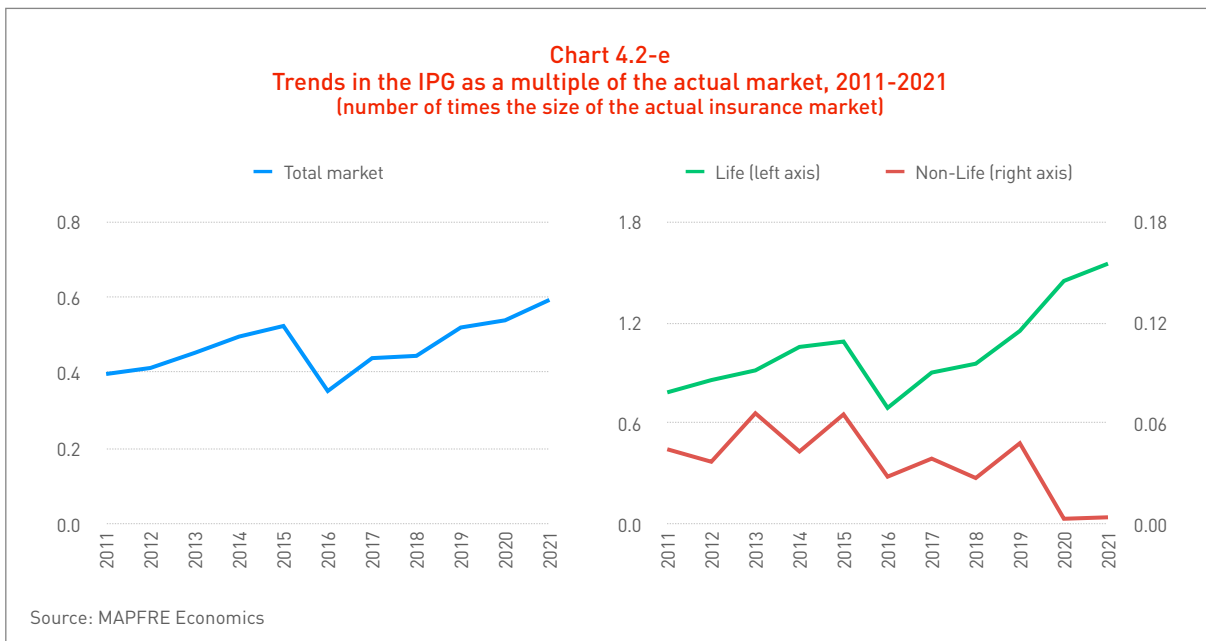
ros) corresponded to the Life insurance segment, while the IPG for Non-Life insurance (0.2 billion euros) represented only the remaining 0.4%. Despite the fact that in 2021 both the Life and Non-Life segments showed growth, the increase in the IPG of the Spanish market that year can be explained, as noted above, by the performance of both segments below the benchmark parameter selected for the estimate.

In turn, the *potential insurance market* in Spain (represented by the sum of the real insurance market and the IPG) came to 98.5 billion euros, which is 59.3% more than the premium volume actually observed that year (see Chart 4.2-d). As indicated in previous versions of this report, this potential is particularly relevant in the Life insurance segment, in its risk and savings modalities, insofar as it is an area of the market with a lower level of relative development compared to other European

**Chart 4.2-d**  
Insurance Protection Gap and potential market, 2011-2021  
(billions of euros)



Source: MAPFRE Economics



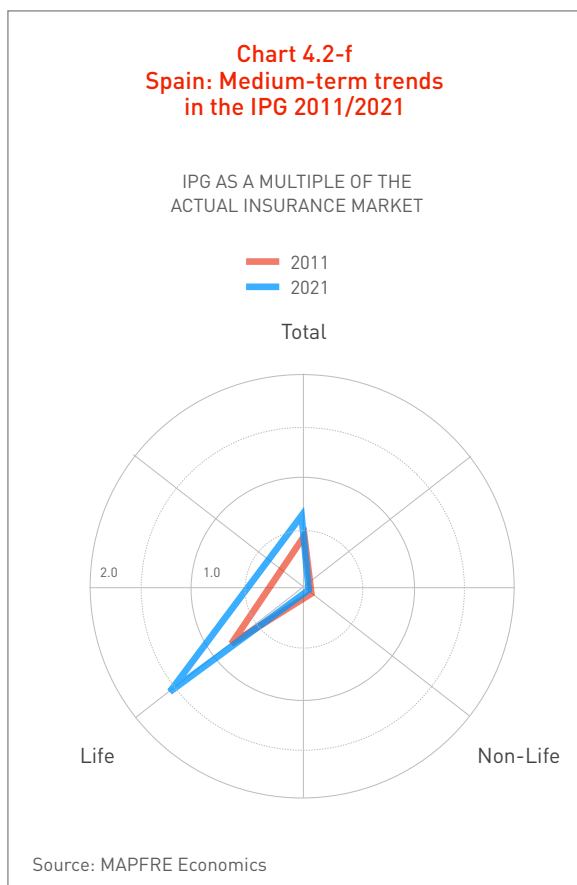
insurance markets that make up the benchmark to estimate the insurance gap.

**IPG as a market multiple and capacity to close the insurance gap**

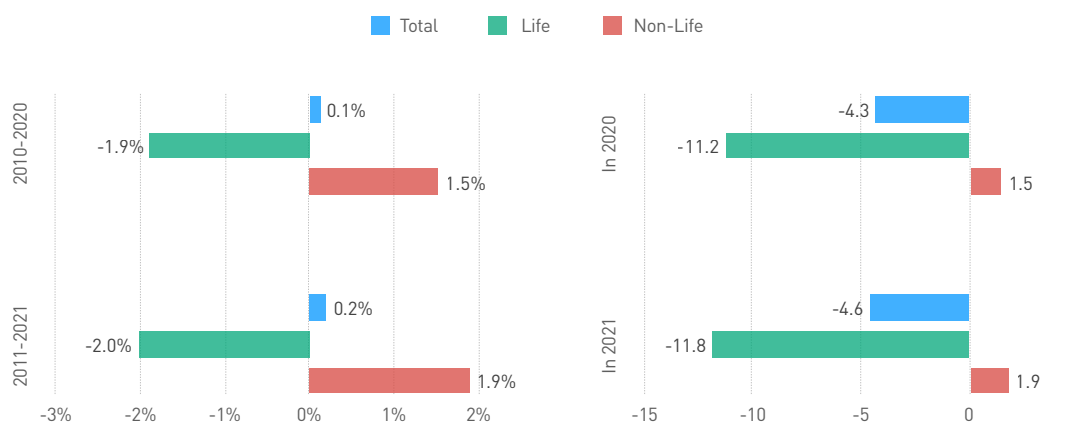
As shown in Chart 4.2-e, the insurance gap in the Spanish market, expressed as a multiple of the real insurance market, shrank in 2011 and 2016, showing an increasing trend in the last five years. It should be noted that this behavior is also observed in the Life segment, while in the Non-Life segment there has been a more downward trend to the point that in 2021 the gap in this line of business was irrelevant. In particular, in 2021, the IPG for the Life insurance segment represented 155% of the actual market (11 pp more than in 2020), while in terms of the Non-Life segment, the insurance gap stood at 0.15% of the real market in 2021 (0.01 pp more compared to the previous year). Furthermore, a medium-term analysis, as shown in Chart 4.2-f, confirms that, over the last decade, the insurance gap in the Spanish market has widened (measured as a multiple of the real insurance market), particularly with regard to the Life insurance segment.

Finally, Chart 4.2-g shows the estimate for the Spanish insurance market's capacity to

close the insurance gap in the medium term. As in previous versions of this report, an updated comparative analysis is provided for the growth trends observed in the Spanish market over the last decade (2011-2021), indicating the growth rates needed



**Chart 4.2-g**  
**Capacity to close the Insurance Protection Gap, 2011-2021**  
 (average annual growth rate, %; sufficiency or insufficiency to close the IPG, pp)



Source: MAPFRE Economics

to close the IPG determined in 2021 over the next 10 years.

The results of this analysis reveal that the growth of Spain's insurance market had an average annual growth of 0.2% (0.1 pp more than the 2020 figure) for the 2011-2021 period, with the Life insurance segment falling at an average annual rate of -2.0% (-0.1 pp less than the previous figure) and the Non-Life insurance segment growing at an average annual rate of 1.9% (0.4 pp more than the 2020 figure). As such, this forecasts that if the same growth pattern were maintained over the next 10 years, the growth rate for the market as a whole would fall 4.6 pp (0.3 pp more than the corresponding figure for the previous year) to cover the insurance gap determined in 2021. This means that the Spanish insurance market would need an average growth rate of 4.8% over the next decade (against the average growth observed in the last decade of just 0.2%) to close the IPG estimated this past year.

As stated previously, since the IPG in the Spanish market is determined by the performance of Life insurance, it is in this segment where the greatest efforts on

growth will be focused in order to close the gap within the time frame considered. Thus, the rate observed for this segment would be insufficient by 11.8 pp (0.6 pp more than in the 2020 figure) with respect to the rate necessary to close the relative IPG in the next decade; in other words, to close the gap in that period, the Life insurance segment would have to grow at a sustained annual average rate of 13.8% (0.7 pp more than in the previous figure) over the next 10 years. It should be noted that, according to the preceding data, once again the performance of the Spanish insurance market in 2021 increased the amount of growth necessary to close the insurance gap, confirming the general development trend discussed in this section of the report.

### 4.3 Medium-term growth forecasts

#### Analysis by component

As indicated above, insurance premium growth in the Spanish market in 2021 was 5.0%, with the Life segment growing by 7.9% (Life Savings by 9.1% and Life Risk by 3.4%) and the Non-Life segment by 3.3%. An analysis of the growth of the Spanish Non-Life insurance sector by line shows

that its behavior is the result of the clearly differentiated dynamics of each line. Those with the greatest weight in the insurance business dominate and it is evident that there are lines and sub-lines that are much more sensitive to the cycle (*cyclical lines*) and others that are much less so (*acyclical lines*). Auto insurance, the lines grouped in Other Non-Life Lines (Accident, Healthcare, Fire, Personal Accident, Third-Party Liability, Pecuniary Losses, Burial, Legal Defense, Credit and Surety) and those which, for the purposes of this analysis, have been called *Commercial Multirisk* (Commercial Multirisk and Industrial Multirisk) stand out among the lines sensitive to the cycle. Lines more unrelated to the cycle (*acyclical lines*) include the subgroup comprised of premiums called the *Individual Multirisk* line for the purposes of this analysis (Home Multirisk and Community Multirisk) and the Health line.

Within the Non-Life insurance segment, cyclical lines (Commercial Multirisk, Auto, and Other Non-Life Lines) contributed 1.4% to the growth of the insurance business in 2021, while *acyclical lines* (Health and Individual Multirisk) contributed 1.9% to growth<sup>16</sup>, reflecting the balance of power occurring at the zenith of the recovery after COVID-19 and before the conflict in Ukraine.

However, with the data available in May 2022, there is still solid nominal growth of total insurance in Spain (4.7%), albeit with different contributions in the different lines of business, since Life insurance has slowed to 3.3% (mainly due to the deceleration of the Life Savings line, which grew at 4.2%), while the Non-Life business increased its nominal dynamism to 5.5%, with the 2.9% contribution of the *cyclical lines* to this insurance segment and 2.6% from *acyclical*.

It is noteworthy, however, that while the growth of Multirisk lines has remained similar to that of December 2021, the nominal growth of Auto, Health, and Other Non-

Life lines has accelerated by 350 basis points (bps), 200 bps, and 100 bps, respectively<sup>17</sup>. It should be noted that this dynamism is largely the result of the growth in premium prices as a result of the generalized inflationary process, rather than of the turnover, which is confirmed by an analysis of the behavior of the combined ratio. In this regard, in Q1 2022, the combined ratio decreased slightly, -0.02 pp; thus, although the loss ratio increased by 0.8 pp, it was offset by the decrease in expenses (-0.82 pp).

### Fundamental analysis

While the analysis and forecasting of insurance premiums in the Spanish market during the period of restrictions caused by the COVID-19 pandemic benefited from the component view shown in Charts 4.3-a to 4.3-d, using them in the current stage could lead to a suboptimal estimate. As can be seen in the above-mentioned charts, the component models show growth forecasts in the central scenario close to 5% and in the pessimistic scenario around 0%, because they do not take into account the macroeconomic processes that will emerge in the current environment of high inflation and low growth, and only reflect the nominal inertia of the lines as a consequence of inflation. Thus, in the current situation it is preferable to use models of macroeconomic fundamentals, which are ruled by the paradigms of income, consumption, and savings that govern insurance demand expressed in premium dynamics.

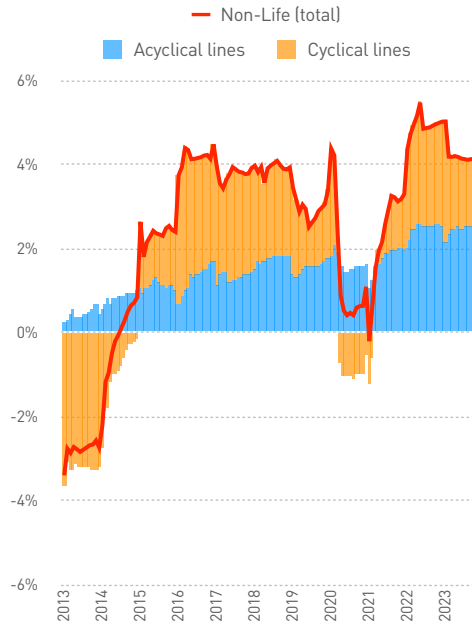
This collection of fundamental models is especially useful when faced with the current macro-financial processes in which high inflation dominates with declining economic growth, less recourse to savings accumulated during the pandemic, and increasing stresses in global financial costs as a result of global monetary policy and the tightening of sovereign and financial markets.

**Chart 4.3-a**  
 Component model: premium growth forecast before and after the Ukraine conflict, baseline scenario, Life (% YoY)



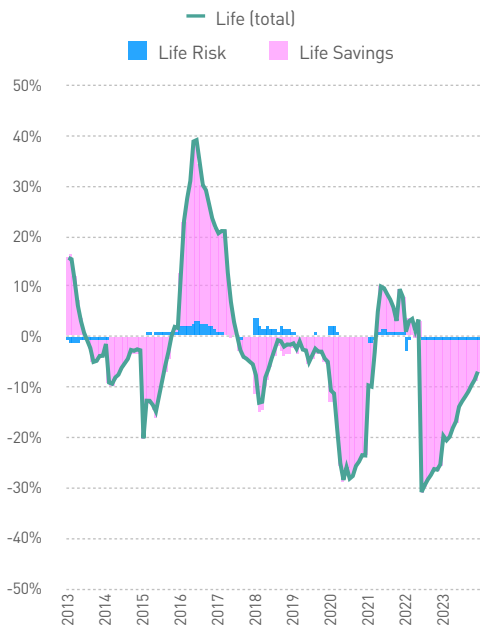
Source: MAPFRE Economics

**Chart 4.3-b**  
 Component model: premium growth forecast before and after the Ukraine conflict, baseline scenario, Non-Life (% YoY)



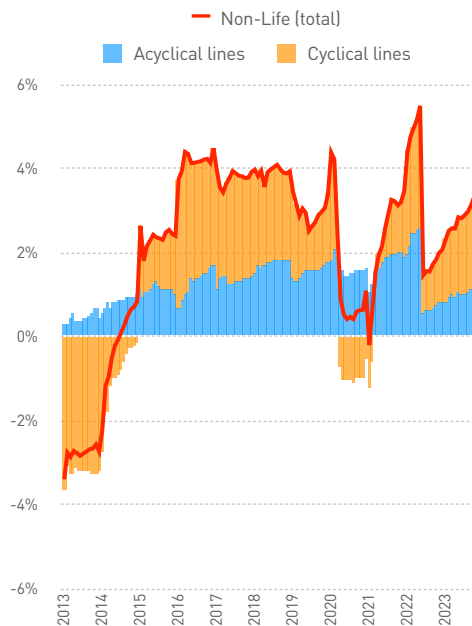
Source: MAPFRE Economics

**Chart 4.3-c**  
 Component model: premium growth forecast before and after the Ukraine conflict, pessimistic scenario, Life (% YoY)



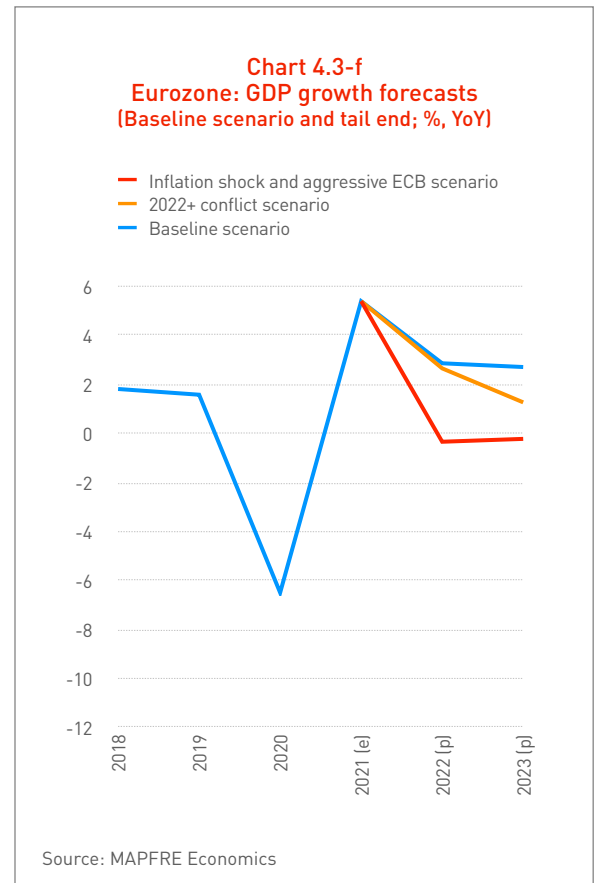
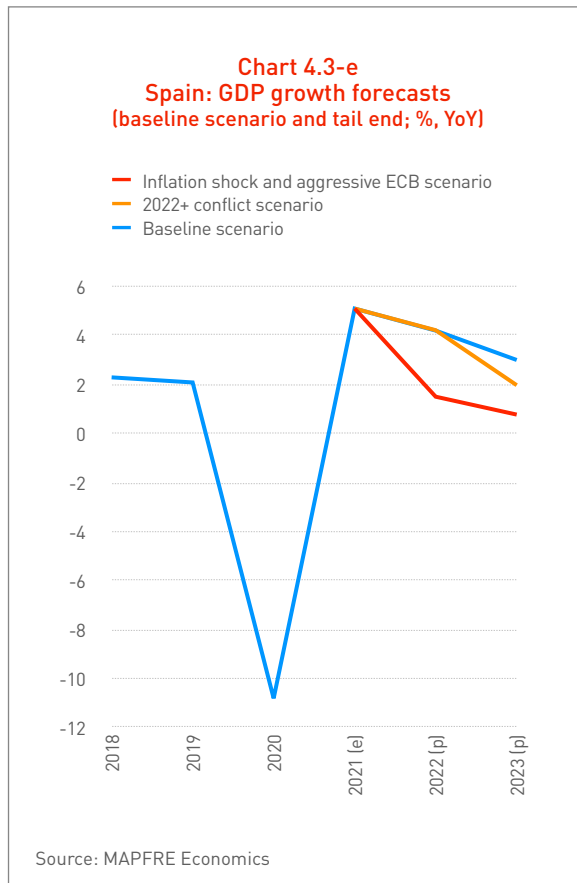
Source: MAPFRE Economics

**Chart 4.3-d**  
 Component model: premium growth forecast before and after the Ukraine conflict, pessimistic scenario, Non-Life (% YoY)



Source: MAPFRE Economics





In this context, three fundamental changes have come about in the global and European economic environment, especially that of Spain. A slowdown in economic growth expected for 2022, which will postpone the recovery of pre-pandemic levels of activity further still, a slightly higher inflationary environment before the onset of the conflict in Ukraine (but clearly stressed due to the effect on raw material prices) and a more restrictive interest-rate environment in the face of monetary normalization and the tightening of credit spreads, particularly in vulnerable countries like Spain. Finally, and more importantly, not only is the central scenario more pessimistic, but the alternative scenarios are more downward biased and more probable than before.

For the purposes of premium growth forecasts in the Spanish market, the two scenarios that we now consider (in addition to the central one) are: on one hand, a possible prolonging of the war beyond 2022 with

greater inflation and a moderate but continued impairment of activity and no effect on financial costs and, on the other hand, an even worse scenario in which monetary policy also quickly becomes restrictive, turning the previous inflationary sluggishness into a recessionary sudden stop with inflation and high financial costs (see Charts 4.3-e and 4.3-f).

As shown above, these scenarios have implications for income, consumption, and savings and will therefore directly affect the outlook for the future performance of Life and Non-Life premiums in the Spanish market. First, in the case of the Life insurance segment, a gradual but limited moderation in demand for savings products was expected in early 2022, which would remain in positive territory as the monetary bias and recovery gained traction. Thus, as shown in Table 4.3 and Chart 4.3-g, it was estimated that by the end of 2022 this segment would show around 8% growth and, in the long term, would revert to values close

**Table 4.3**  
**Component model: growth forecast scenarios of premiums before and after the conflict**  
 (% YoY)

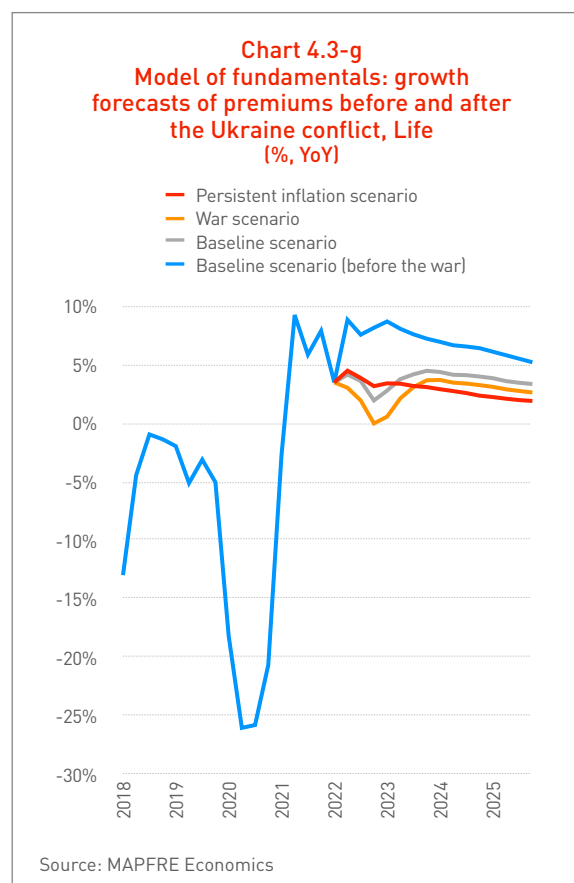
Year	Life				Non-Life			
	Baseline scenario	Pre-conflict scenario	Conflict scenario 2022+	Inflationary shock scenario	Baseline scenario	Pre-conflict scenario	Conflict scenario 2022+	Inflationary shock scenario
December 2021		7.9%				3.3%		
December 2022	1.9%	8.1%	3.1%	-0.1%	2.3%	3.0%	1.4%	-0.1%
December 2023	4.4%	7.2%	3.1%	3.6%	3.3%	3.2%	2.5%	3.6%
December 2024	3.9%	6.4%	2.3%	3.2%	3.1%	3.0%	2.2%	3.2%
December 2025	3.3%	5.2%	1.9%	2.6%	2.7%	2.8%	1.8%	2.6%

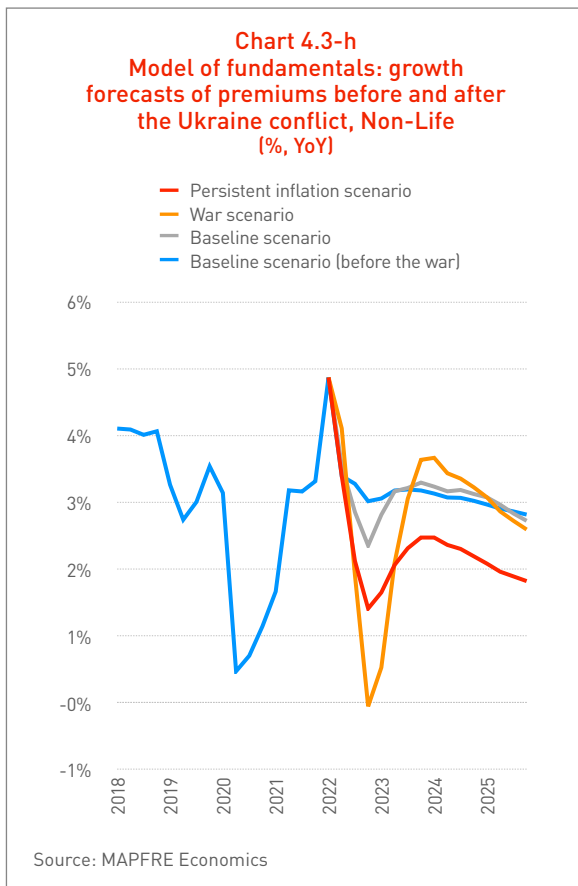
Source: MAPFRE Economics (based on ICEA data)

to 5%. However, the economic and monetary environment unleashed since Q1 2022 tempers these prospects to half of the anticipated growth, as a result of the greater difficulties in this line of business with higher but flat yield curves, weaker demand due to the drop in activity levels, and greater erosion of savings due to the energy crisis. Thus, the tail scenarios assume a downward or strongly downward outlook in the short term, and a long term similar or somewhat lower than central scenario; i.e., premium growth in the Life segment close to 2% by December 2022, with limited nominal upside risk if inflation persists (around 3%). In a situation of abrupt monetary and sovereign tightening (inflation shock scenario with monetary tightening) may be close to 0%. In the long term, however, Life segment growth is expected to be in the range of 1.9% and 3.3%: half or less of what was forecast at the beginning of 2022.

In the case of the Life insurance segment, the outlook is even more antagonistic. Despite posting close to 5% growth in Q1 2022, it was anticipated that the moderation of prices and activity as well as a gradual normalization of monetary and financial conditions would bring premium growth to around 3% in 2022 and, in the long term, very close to or slightly below this same environment. However, the new central scenario is less optimistic and, with it, the premium growth forecast for 2022

drops to 2.3%, although the business outlook is essentially the same in the long term. The tail scenarios, however, are increasingly more probable. The conflict in Ukraine may become entrenched and maintain price levels and dislocation of economic activity that depress demand (conflict scenario 2022+); moreover, the possibility that sovereign-financial conditions may deteriorate (as is happening with





the risk of fragmentation in the face of the ECB's interest rate hike) could be expected. Therefore, the alternative view places premium growth in the Non-Life segment at the end of 2022 at 1.4% in the first sce-

nario, and in stagnation or even contraction (-0.1%) in the second. In the long term, however, the central scenario and the monetary shock scenario turn out to be essentially similar to what was anticipated before the beginning of the conflict (around 2.8%), while the conflict perpetuation scenario would depress demand to stagnate below 2% (see Table 4.3 and Chart 4.3-h).

In short, the new macro-financial context has further stressed the central view of the economy and deteriorated downside risks, making alternative scenarios significantly negative. Therefore, the growth forecast for insurance activity has been negatively affected, in line with the growth forecast for the Spanish economy, and the tail risks for the short term are of stagnation or even contraction of the sector if the war goes on and sovereign-financial conditions deteriorate. In the long term, however, it is foreseeable that growth in the three scenarios will be relatively similar, since no structural changes to the contrary are in sight so far.



## 5. Analysis of capital requirements, shareholders' equity and solvency ratios

### 5.1. 2021 Solvency and Financial Condition Report

Solvency II, the standardized solvency regulation system for insurance companies operating in the European Union, establishes a regulatory scheme based on three pillars, Pillar 1 focused on determining the quantitative aspects that maintain company solvency positions; Pillar 2 oversees the appropriate company governance and supervision; and Pillar 3 was conceived to pass transparency and reporting requirements on to the market. This regulatory system, currently undergoing a review process, seeks to create incentives for insurance companies to be able to appropriately manage risks so as to protect policyholder interests, and ensure that the insurance industry contributes to economic and social development and, as a result, to the stability of the financial system.

The regulations that apply to Pillar 3 state that insurance companies must publish annual information on their financial and solvency position, providing consistent, comparable, detailed information on the market through a Solvency and Financial Condition Report (SFCR). Thus, the goal of the regulation is that, as interested economic agents gather information allowing them to comprehend each company's implicit risk, they are in a better position to evaluate the risk assessment and management procedure, the sufficiency of technical provisions and shareholders' equity and, therefore, the solvency position of a given company.

Over the course of Q1 2022, insurance companies operating in the Spanish market published their SFCR for the fifth year. Based on the published information, the following is an analysis of the ratios published for a sample of the leading insur-

ance providers operating in the Life segment, in both the Life and Non-Life segments (Composites), and those mainly operating in the Non-Life line. A comparison of these companies' positions at the end of the previous year is also shown<sup>18</sup>. Furthermore, in order to strengthen this transparency commitment toward the market by insurance companies operating in the Spanish market, Pillar 3 regulations establish the obligation for such companies to disclose in their SFCR the impact that the non-application of transitional and adjustment measures (LTGs) would have had on their solvency ratio. The above LTG measures were introduced by the Directive to offset any potential damage to businesses with long-term guarantees arising as a result of Solvency II. The most relevant are:

- *Transitional measure of technical provisions.* This measure allows the difference between the technical provision estimated under the parameters of Solvency II and the one calculated in line with the previous standards under Solvency I to be phased in gradually over an initial 16-year period, until January 1, 2032 (six years having now elapsed).
- *Volatility adjustment measure.* This adjustment allows the discount rate used when valuing technical provisions to be corrected in order to mitigate the effects of one-time volatilities in investment portfolio spreads. The adjustment amount is calculated monthly by the European Insurance and Occupational Pensions Authority (EIOPA), taking into account the investment portfolio profile at the sector-level in each country. It consists of an adjustment for each currency, to which an additional adjustment is added for the country in which the insurance company is located, if there is a rise in the volatility of that specific market

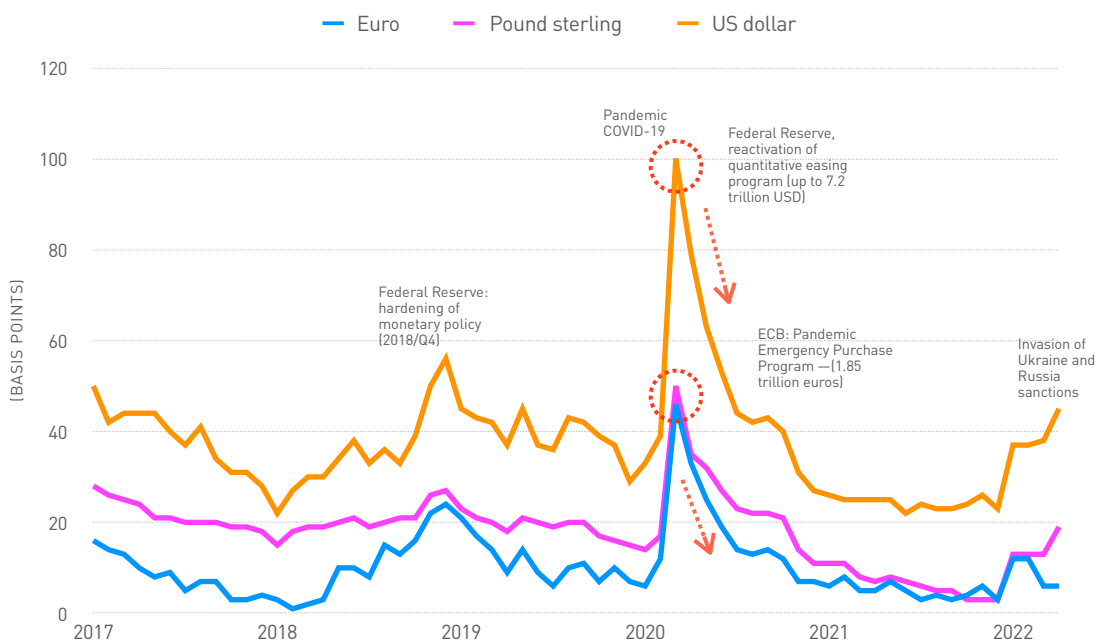
above a certain threshold. Chart 5.1 shows the volatility adjustment for the Spanish market from January 2017 to the present, providing insight into the oscillations of the adjustment over a period of five fiscal years, including several periods with strong disturbances in the financial markets.

- *Matching adjustment measure between assets and liabilities.* When certain requirements are met, this measure makes it possible to adjust the discount curve for technical provisions for companies with held-to-maturity fixed-income assets with durations similar to their liabilities which are, therefore, not exposed to market spread volatility. This adjustment depends on the characteristics of the portfolio of assets that cover the insurance obligations that profit from this measure, meaning that it is a singular adjustment calculated by the insurance company itself.

It should be noted that this commitment to transparency is especially relevant for Life insurance companies and those who operate in both Life and Non-Life lines (Composites), which offer products with long-term guarantees and to which the aforementioned transitional and adjustment measures (LTG) are therefore applicable. For companies mainly operating in the Non-Life insurance sector, the potential effects of not applying measures designed for products with long-term guarantees are negligible.

Chart 5.1 shows that the level of the volatility adjustment for the calculation of technical provisions for investment portfolios in the major currencies at fiscal year end was slightly lower than at the beginning of the year, with no major fluctuations over the course of the year, unlike in 2020, when the outbreak of the COVID-19 pandemic substantially increased the level of uncertainty

**Chart 5.1**  
Major currencies: trends in volatility adjustment, 2017-2022



Source: MAPFRE Economics (based on EIOPA, ECB and Federal Reserve data)

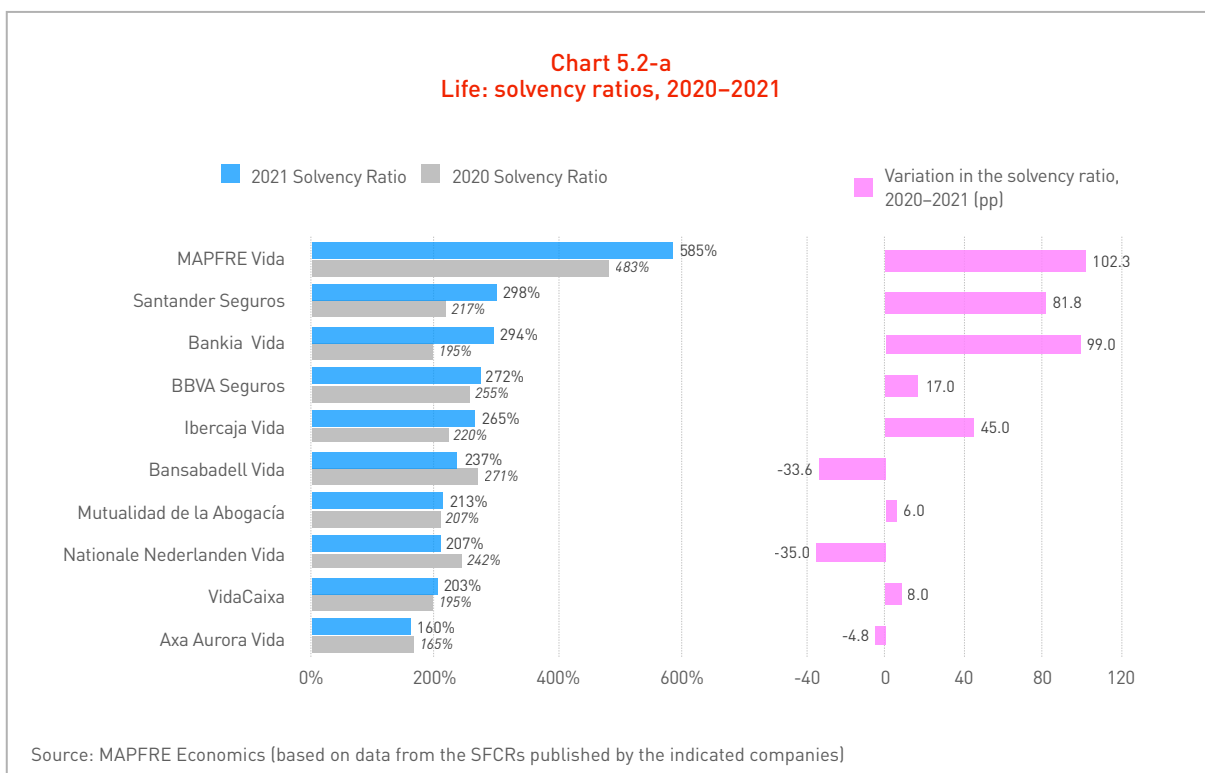
as reflected in the volatility adjustments in that year. However, as a result of the outbreak of war in Ukraine in February 2022 and the sanctions imposed on Russia, the level of uncertainty and, therefore, the volatility adjustment, have risen again (although to a lesser extent than in the early stages of the pandemic), highlighting once again the importance of this adjustment as a mechanism to (at least partially) offset the effect that these occasional volatility spikes in the financial markets may have on the solvency position of insurance companies and their groups, taking into account their nature as medium and long-term institutional investors.

### 5.2. Solvency ratios

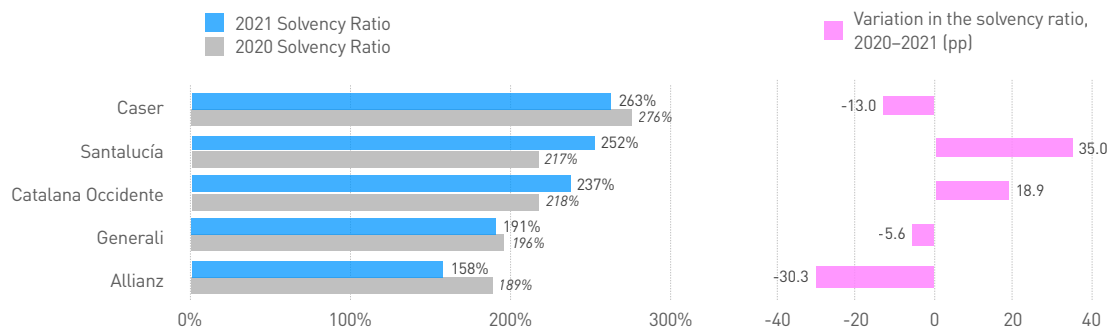
The aggregate total solvency ratio for the selected sample of insurance companies operating in the Spanish market in 2021 was 252%, 11 percentage points (pp) above the value recorded in 2020 (241%). An analysis of shareholders' equity reveals that almost all eligible funds were of the highest quality (99% were Tier 1 at the ag-

gregate level in the analyzed sample, a percentage similar to the previous year).

Charts 5.2-a, 5.2-b, and 5.2-c show the solvency ratios published in the SFCRs by all the selected insurance companies operating in the Spanish insurance market (representing 69.6% of insurance premiums and 76.3% of market technical provisions in 2021), accompanied by comparisons with the previous year. Firstly, the aggregate solvency ratio for the sample of insurance companies mainly operating in the Life line during 2021 was 257% (234% in 2020), which represents a 23-pp improvement compared to the previous year. Chart 5.2-a shows that MAPFRE Vida still boasts the highest solvency ratio in this market segment, standing at 585% (102.3 pp above 2020). The improvement in the ratios of Bankia Vida (+99.0 pp) and Santander Seguros (+81.8 pp) is also noteworthy. The remaining companies considered in this analysis showed improvement in their solvency ratio with respect to the previous year, with the exception of Bansabadell Vida (-33.6 pp), Nationale Nederlanden Vida (-35.0 pp), and Axa Aurora Vida (-4.8 pp).



**Chart 5.2-b**  
**Composites: solvency ratios, 2020-2021**



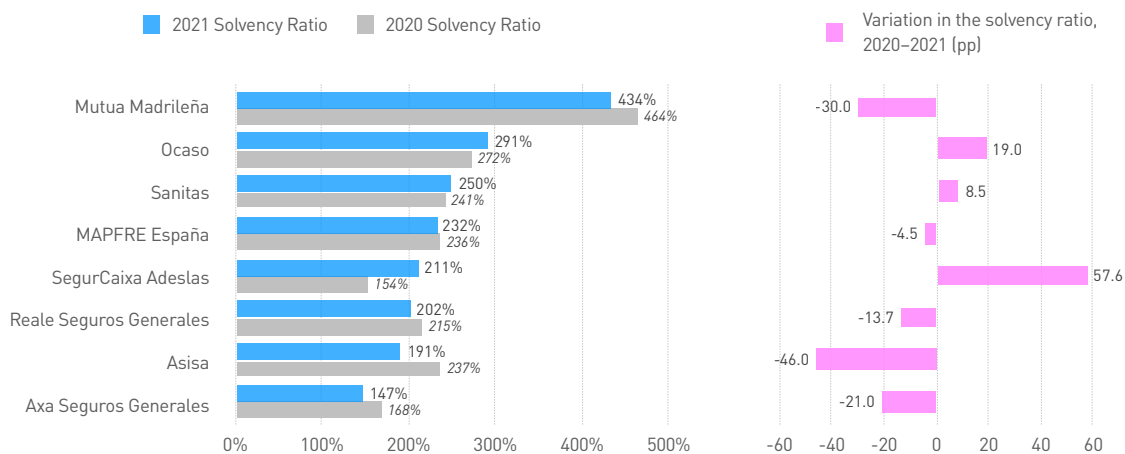
Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

For the sample of companies considered in this report operating in both the Life and Non-Life insurance sectors (Composites), the total aggregate solvency ratio for 2021 was 221% (216% in 2020), a 5-pp improvement compared to the previous fiscal year. Chart 2-b shows that, with the exception of Santalucía and Catalana Occidente, which improved their solvency ratios 35.0 and 18.9 pp, respectively, the remaining companies' ratios declined compared with the previous year. Of particular note is the case of Allianz (with a solvency ratio of 158% in 2021) which experienced a significant decline of -

30.3 pp and Caser (which had the highest ratio in the sample of composite entities at 263%) whose solvency ratio fell by -13.0 pp.

Finally, the companies analyzed in this report operating solely or mainly in the Non-Life insurance industry had a total aggregate solvency ratio of 273% in 2021, a ratio similar to the previous fiscal year. For these types of companies, Chart 2-c shows, in general terms, drops in the solvency ratio between 2020 and 2021, highlighting the cases of Asisa, which fell -46.0 pp vs. 2020 (to a solvency ratio of 191% in 2021) and

**Chart 5.2-c**  
**Non-Life: solvency ratios, 2020-2021**



Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)



Mutua Madrileña (which had the highest solvency ratio in the sample of Non-Life companies with 434%), which experienced a 30.0 pp drop with respect to the 2020 figure. MAPFRE España, in turn, had a ratio of 232% [-4.5 pp from the previous year] at the end of 2021. Of the remaining companies considered in this section of the analysis, only three saw improvements in their solvency ratio: Ocaso, with a ratio of 291% (+19.0 pp compared to 2020), Sanitas, with a solvency ratio of 250% in 2021 (+8.5 pp vs. 2020), and SegurCaixa Adeslas with a ratio of 211% (+57.6 pp compared to the previous year).

### 5.3. Life: Comparative SCR analysis and the effect of transitional and adjustment measures

Table 5.3-a shows the SCR (solvency capital requirement) results and the solvency ratios for each company operating in the Life segment considered in this analysis, along with a few other figures provided for comparison. Chart 3-a shows the adjusted solvency ratios without the benefit of the LTG

measures in 2021 and 2020, as well as their variation over that period. This information shows generalized improvement in the adjusted solvency ratio (without LTG measures) for almost all the insurance companies considered in this analysis. In addition, the relative benefit obtained from the application of transitional and LTG measures was uneven between 2020 and 2021. As illustrated in Chart 3-c (which shows the effect of the measures applied by each company on solvency ratios, on a disaggregated basis, and the variation in the overall benefit of the measures with respect to the previous year), the relative benefit obtained from the application of the transitional and LTG measures fell for all the insurance companies analyzed.

Finally, as supplementary information for the sample of insurance companies operating in the Life segment, Charts 5.3-b and 5.3-c, as well as Tables 5.3-b and 5.3-c, show a breakdown of the potential impact on shareholders' equity and SCR if they were not entitled to apply the transitional and LTG measures provided for in the Sol-

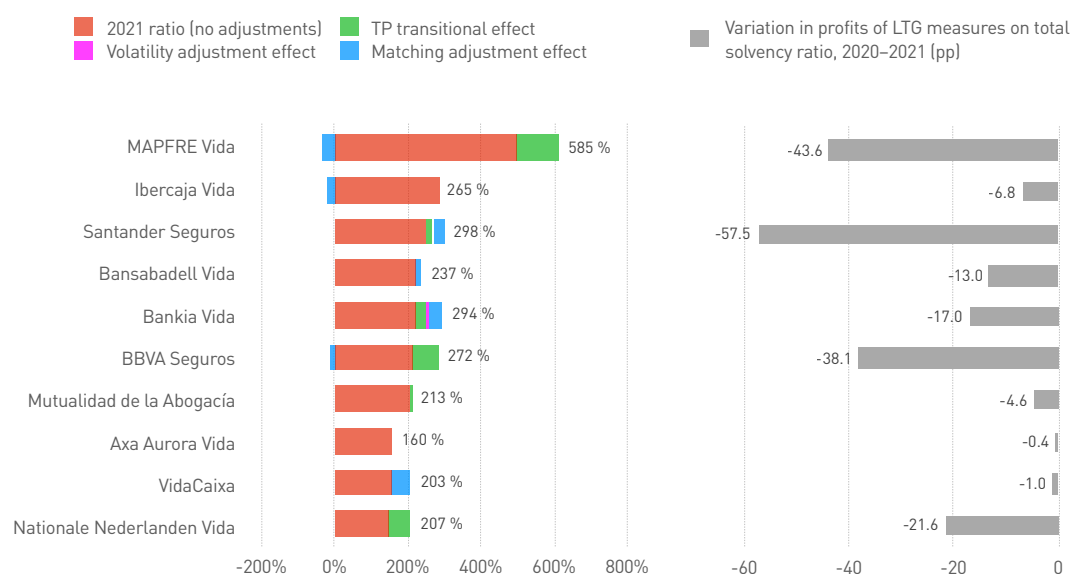
**Table 5.3-a**  
Life: SCR result and solvency ratio, 2021  
(thousands of euros)

Company	Technical provisions (TP)	Premiums*	Eligible Own Funds	SCR Required	Solvency ratio	SCR over TP	Eligible own funds over assets	SCR over premiums
VidaCaixa	69,488,480	8,522,701	4,064,470	2,004,011	202.8%	2.9%	2.3%	23.5%
MAPFRE Vida	12,339,756	1,661,403	2,894,807	494,983	584.8%	4.0%	2.7%	29.8%
Bansabadell Vida	8,778,142	1,319,165	761,017	320,437	237.5%	3.7%	3.0%	24.3%
Ibercaja Vida	6,832,854	901,794	643,399	242,705	265.1%	3.6%	3.1%	26.9%
BBVA Seguros	11,604,470	859,973	1,895,517	697,368	271.8%	6.0%	3.7%	81.1%
Axa Aurora Vida	6,662,730	755,137	730,341	456,031	160.2%	6.8%	5.3%	60.4%
Santander Seguros	13,253,215	728,664	1,789,215	599,458	298.5%	4.5%	3.1%	82.3%
Mutualidad de la Abogacía	8,785,241	618,636	1,801,291	843,871	213.5%	9.6%	7.6%	136.4%
Nationale Nederlanden Life	3,826,031	558,728	432,352	208,441	207.4%	5.4%	4.6%	37.3%
Bankia Life	5,538,483	146,516	553,822	188,148	294.4%	3.4%	2.5%	128.4%

Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

\* Taken from figures on premiums, loss ratio and expense tables.

**Chart 5.3-a**  
**Life: effect of LTG measures on 2021 solvency ratios and variation vs. 2020**



Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

vency II Directive for insurance products with long-term guarantees.

#### 5.4. Composites: comparative SCR analysis and the effect of transitional and adjustment measures

Table 5.4-a shows the results of the SCR and the solvency ratios for each of the companies operating in both the Life and Non-Life segments (Composites) considered in this analysis, along with a few other figures provided for comparison. Chart 5.4-a shows a breakdown of the weight of the LTG measures applied by each company on solvency ratios, as well as any variation in the overall profit of these measures compared to the previous year.

Additionally, as supplementary information, Charts 5.4-b and 5.4-c, as well as Tables 5.4-b and 5.4-c, provide a summary of the comparative analysis of the potential impact on own funds and SCR if the insurance companies considered in this segment were not entitled to apply the transitional

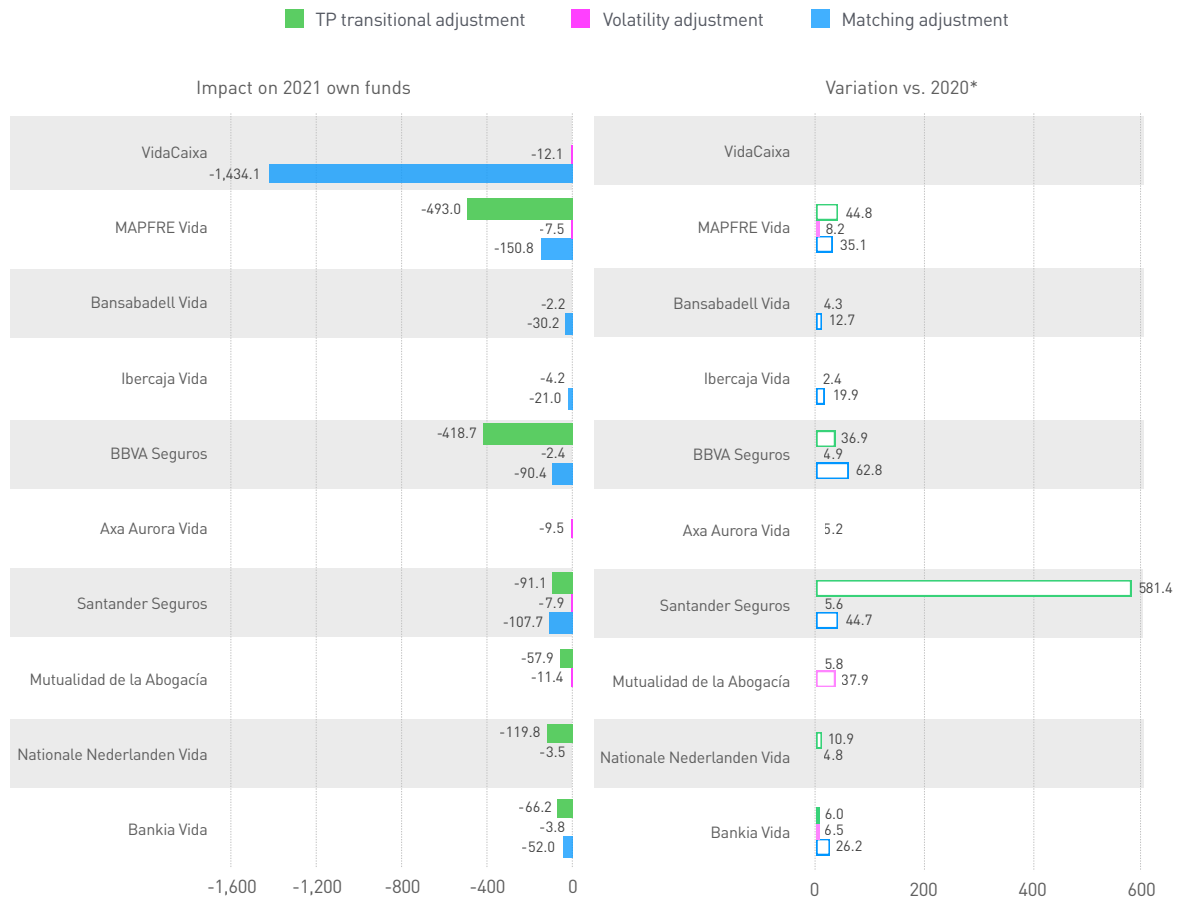
and adjustment measures provided for in the Solvency II Directive for insurance products with long-term guarantees.

This information shows that the company benefiting most from LTG measures in 2021 was Caser, whose solvency ratio went up 81.0 pp, mainly due to the application of the transitional measure of technical provisions.

#### 5.5. Non-Life: Comparative Analysis of the SCR

Finally, for companies included in this report that operate solely or mainly in the Non-Life insurance sector, Table 5.5 shows the results of SCR and solvency ratios in 2021. This information is accompanied by other figures for comparison purposes. It should be noted that the analysis of the variation in the solvency ratio between 2021 and 2020 for the insurance companies considered in the sample for this segment of the Spanish market is presented in point 5.2 of this report (see aforementioned Chart 5.2-c).

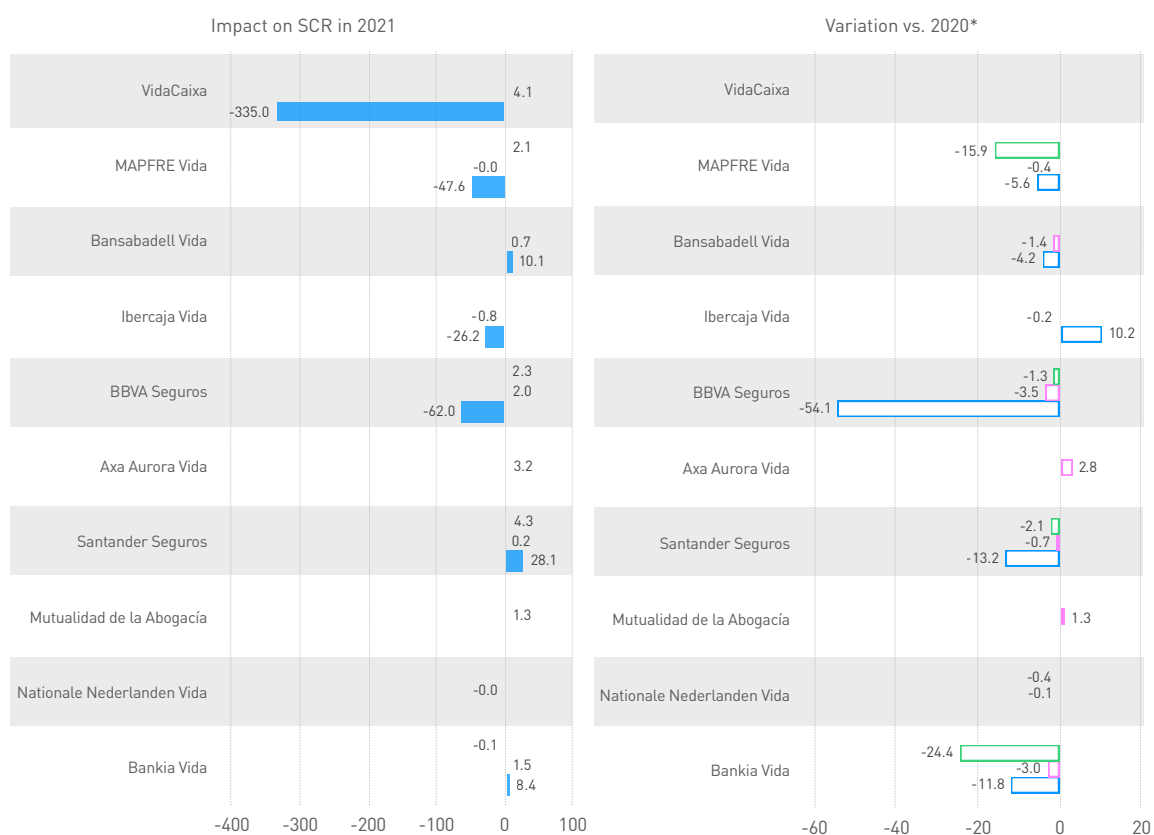
**Chart 5.3-b**  
**Life: Impact of transitional and adjustment measures on own funds, 2021**  
 (millions of euros)



Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)  
 \* Negative variation implies increased impact of adjustment.

**Chart 5.3-c**  
**Life: Effect of transitional and adjustment measures on SCR, 2021**  
 (millions of euros)

TP transitional adjustment    Volatility adjustment    Matching adjustment



Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

\* Negative variation implies increased impact of adjustment.

**Table 5.3-b**  
**Life: impact on shareholders' equity from the application of measures in the**  
**Directive for long-term products, 2021**  
 (thousands of euros)

Company	Eligible Own Funds*	Impact on own funds of the TP transitional adjustment	Impact on own funds of the volatility adjustment	Impact on own funds of the marriage adjustment
VidaCaixa	4,064,470	-	-12,148	-1,434,102
MAPFRE Vida	2,894,807	-492,970	-7,483	-150,835
Bansabadell Vida	761,017	-	-2,238	-30,218
Ibercaja Vida	643,399	-	-4,239	-21,044
BBVA Seguros	1,895,517	-418,686	-2,374	-90,407
Axa Aurora Vida	730,341	-	-9,477	-
Santander Seguros	1,789,215	-91,100	-7,923	-107,695
Mutualidad de la Abogacía	1,801,291	-57,887	-11,395	-
Nationale Nederlanden Life	432,352	-119,773	-3,488	-
Bankia Life	553,822	-66,232	-3,773	-51,953

Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

\*For the effects shown in this Table we have used the effects on the "Eligible Own Funds" indicated for each company in its report.

**Table 5.3-c**  
**Life: impact on SCR from the application of measures in the**  
**Directive for long-term products, 2021**  
 (thousands of euros)

Company	SCR Required	Impact on SCR of the transitory TP adjustment	Impact on SCR of the volatility adjustment	Impact on SCR of the marriage adjustment
VidaCaixa	2,004,011	-	4.101	-334,976
MAPFRE Vida	494,983	2.059	-5	-47,569
Bansabadell Vida	320,437	-	746	10,073
Ibercaja Vida	242,705	-	-774	-26,209
BBVA Seguros	697,368	2.298	1.984	-62,031
Axa Aurora Vida	456,031	-	3.242	-
Santander Seguros	599,458	4.268	166	28,128
Mutualidad de la Abogacía	843,871	-	1.340	-
Nationale Nederlanden Life	208,441	-	-46	-
Bankia Life	188,148	-99	1.516	8,356

Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

**Table 5.4-a**  
**Composites: SCR result and solvency ratio, 2021**  
 (thousands of euros)

Company	Technical provisions (TP)	Premiums*	Eligible Own Funds	SCR Required	Solvency ratio	SCR over TP	SCR over premiums	Eligible own funds over assets
Allianz	8,001,501	2,893,458	1,006,680	635,711	158.4%	7.9%	22.0%	5.9%
Generali	6,840,698	2,152,708	1,934,992	1,014,167	190.8%	14.8%	47.1%	9.7%
Santalucía	5,330,429	1,621,175	2,277,813	904,526	251.8%	17.0%	55.8%	10.5%
Caser	4,071,314	1,438,585	1,644,414	626,025	262.7%	15.4%	43.5%	9.6%
Catalana Occidente	4,154,752	1,192,519	2,346,422	990,268	236.9%	23.8%	83.0%	13.2%

Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

\* Taken from figures on premiums, loss ratio and expense tables.

As previously mentioned, the potential impact of not applying measures designed for products with long-term guarantees (LTG) is not shown for the Non-Life segment as it is negligible; these measures are effective for companies operating in the Life line, or in Composite scenarios with significant elements of this businesses type.

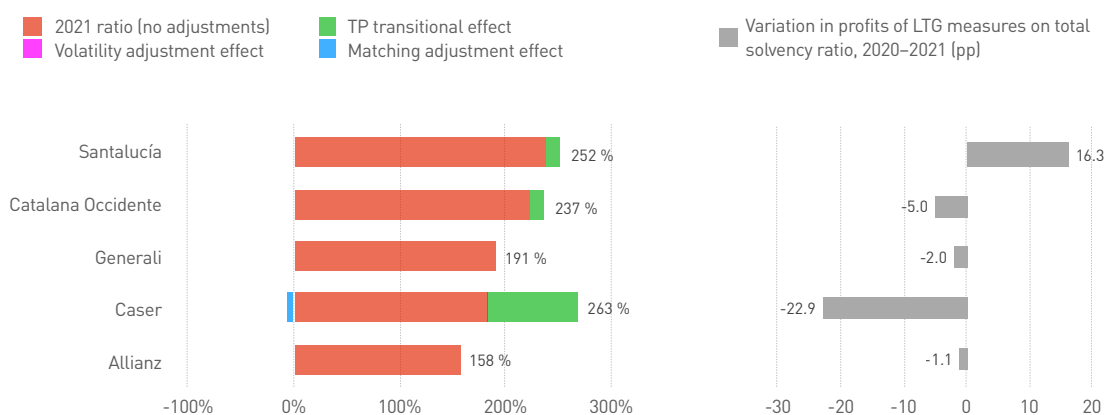
## 5.6. Relative weights of the different SCR risk modules

The relative weight of each of the risk modules comprising the SCR (market,

credit, underwriting, and operational risk) in 2021 for all the insurance companies considered in this report is reflected in Table 5.6. Likewise, this information shows the positive effect that diversification has had in each case, as well as the beneficial impact of the loss-absorbing capacity of both deferred taxes (LAC DT) and of technical provisions (LAC TP) for products involved in discretionary profit sharing.

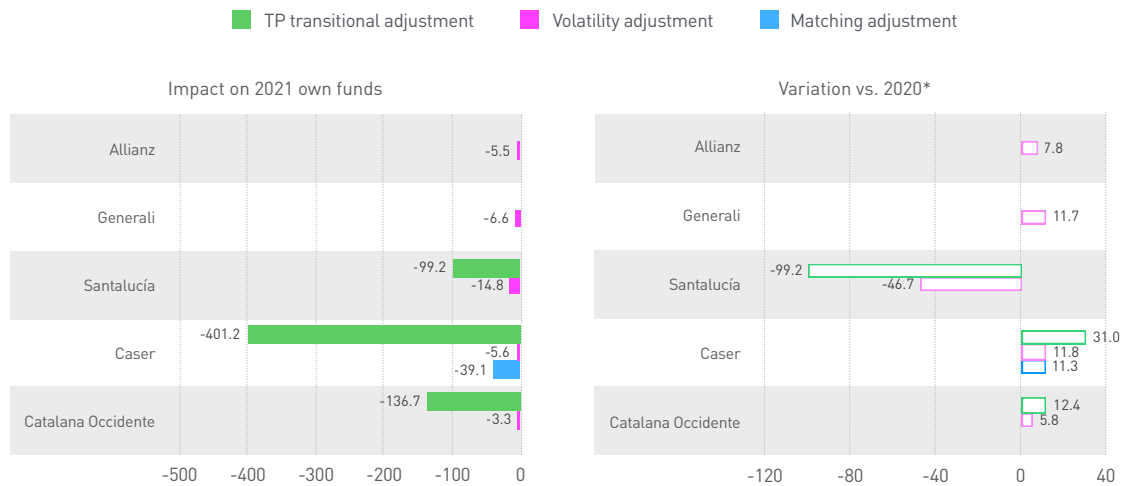
In this regard, it should be noted that all companies considered in this report use

**Chart 5.4-a**  
**Composite: effect of LTG measures on 2021 solvency ratios and variation vs. 2020**



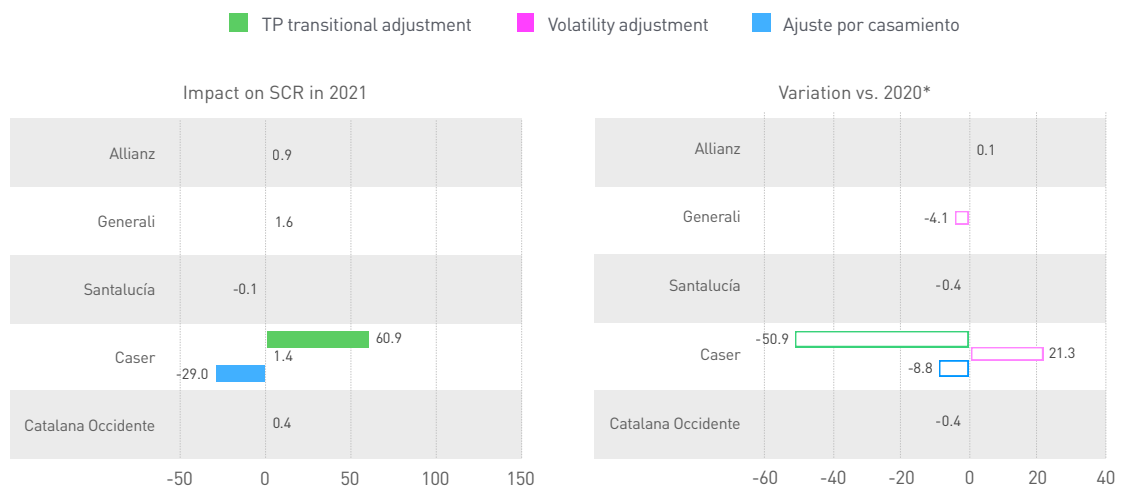
Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

**Chart 5.4-b**  
Composites: Impact of transitional and adjustment measures on own funds, 2021  
(millions of euros)



Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)  
\* Negative variation implies increased impact of adjustment.

**Chart 5.4-c**  
Composites: Impact of transitional and adjustment measures on SCR, 2021  
(millions of euros)



Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)  
\* Negative variation implies increased impact of adjustment.

**Table 5.4-b**  
Composites: impact on equity from the application of measures in the Directive for long-term products, 2021 (thousands of euros)

Company	Eligible Own Funds*	Impact on own funds of the TP transitional adjustment	Impact on own funds of the volatility adjustment	Impact on own funds of the marriage adjustment
Allianz	1,006,680	-	-5,500	-
Generali	1,934,992	-	-6,606	-
Santalucía	2,277,813	-99,244	-14,781	-
Caser	1,644,414	-401,185	-5,592	-39,122
Catalana Occidente	2,346,422	-136,694	-3.326	-

Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

\*For the effects shown in this Table we have used the effects on the "Eligible Own Funds" indicated for each company in its report.

**Table 5.4-c**  
Composites: impact on SCR from the application of measures in the Directive for long-term products, 2021 (thousands of euros)

Company	SCR Required	Impact on SCR of the transitory TP adjustent	Impact on SCR of the volatility adjustment	Impact on SCR of the marriage adjustent
Allianz	635,711	-	853	-
Generali	1,014,167	-	1,577	-
Santalucía	904,526	-	-70	-
Caser	626,025	60,906	1,423	-28,982
Catalana Occidente	990,268	-	422	-

Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

**Table 5.5**  
Non-Life: SCR result and solvency ratio, 2021 (thousands of euros)

Company	Premiums*	Technical provisions (TP)	Eligible Own Funds	SCR Required	Solvency ratio	SCR over premiums	Eligible own funds over assets	SCR over TP
MAPFRE España	5,207,898	4,265,631	2,636,520	1,138,124	231.7%	21.9%	12.3%	26.7%
SegurCaixa Adeslas	4,141,848	1,296,732	1,337,369	633,576	211.1%	15.3%	17.4%	48.9%
Axa Seguros Generales	1,928,401	1,710,093	902,124	615,060	146.7%	31.9%	17.5%	36.0%
Sanitas	1,559,507	74,826	469,832	188,119	249.8%	12.1%	25.4%	251.4%
Mutua Madrileña	1,558,824	2,247,760	5,307,310	1,223,748	433.7%	78.5%	14.6%	54.4%
Asisa	1,321,140	286,861	484,534	253,209	191.4%	19.2%	28.5%	88.3%
Ocaso	1,024,354	2,262,165	1,493,258	512,903	291.1%	50.1%	12.9%	22.7%
Reale Seguros Generales	945,103	775,472	479,620	237,767	201.7%	25.2%	15.6%	30.7%

Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

\* Taken from figures on premiums, loss ratio and expense tables.



the standard formula to calculate their solvency capital requirement in all their modules, with the following exceptions: VidaCaixa, which applies a partial internal model for longevity and fatality risks; BBVA Seguros and MAPFRE Vida, which have a partial internal model for longevity risks; and SegurCaixa, Adeslas, and Sanitas, which use specific parameters to calculate their underwriting risk for medical expense insurance premiums.

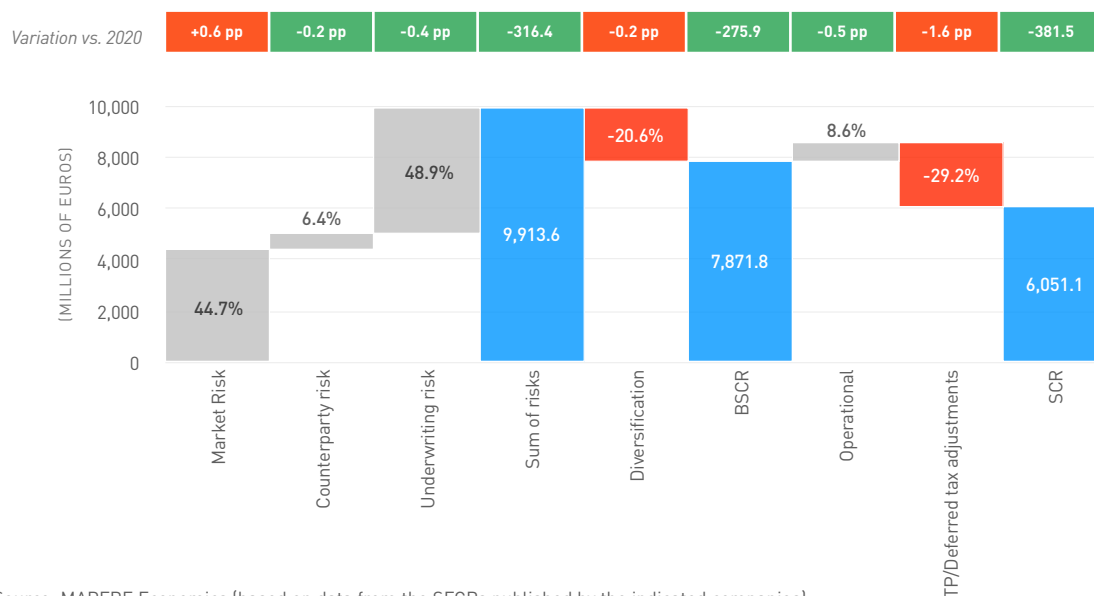
The relevant weight of each of the risk modules comprising the SCR (market, credit, underwriting and operational risk) for the group of insurance companies analyzed in this report is broken down by Life, Composite and Non-Life segments and detailed in Charts 5.6-a, 5.6-b, 5.6-c, and 5.6-d. Likewise, said charts show the positive effect of diversification in each case, as well as the positive impact of loss-absorbing capacity (LAC) of both deferred taxes and technical provisions for products involving profit-sharing schemes. Additional-

**Table 5.6**  
Relative weight of the risk modules, of diversification,  
and of loss absorption capacity, 2021

Company	Market	Credit	Underwriting	Diversification	Operational	LAC (Fiscal)	LAC (TP)
VidaCaixa	29.5%	3.4%	67.1%	-18.9%	12.7%	-30.0%	
MAPFRE Vida	62.6%	10.4%	27.1%	-22.9%	6.2%	-25.0%	-24.0%
Bansabadell Vida	57.4%	4.4%	38.3%	-22.0%	12.4%	-24.9%	-11.5%
Ibercaja Vida	31.0%	13.3%	55.7%	-24.2%	7.0%	-30.0%	
BBVA Seguros	26.1%	5.9%	68.0%	-21.4%	6.7%	-30.0%	
Axa Aurora Vida	52.9%	4.8%	42.3%	-22.8%	4.2%	-17.0%	-3.4%
Santander Seguros	49.9%	17.0%	33.1%	-22.9%	9.3%	-17.2%	
Mutualidad de la Abogacía	74.0%	4.6%	21.4%	-16.5%	3.5%	-25.0%	-2.5%
Nationale Nederlanden Vida	46.8%	4.6%	48.6%	-23.0%	6.2%	-25.0%	
Bankia Vida	43.7%	1.2%	55.1%	-22.4%	9.9%	-30.0%	-1.8%
Allianz	30.2%	6.1%	63.7%	-34.8%	10.3%	-24.5%	-2.1%
Generali	40.8%	8.9%	50.2%	-32.7%	5.1%	-21.3%	-3.3%
Santalucía	68.3%	3.1%	28.6%	-21.1%	5.0%	-22.9%	-2.6%
Caser	46.5%	8.6%	45.0%	-27.8%	7.3%	-12.8%	
Catalana Occidente	65.7%	1.6%	32.7%	-22.2%	3.0%	-25.0%	
MAPFRE España	41.2%	8.9%	49.9%	-29.8%	11.7%	-25.0%	
SegurCaixa Adeslas	37.6%	3.9%	58.5%	-26.3%	8.5%	-17.0%	
Axa Seguros Generales	27.3%	8.2%	64.4%	-36.5%	16.8%	-24.3%	
Sanitas	19.3%	7.7%	73.0%	-17.5%	27.3%	-12.2%	
Mutua Madrileña	72.1%	3.6%	24.3%	-17.5%	3.8%	-12.8%	
Asisa	38.4%	6.3%	55.3%	-25.4%	14.3%	-20.1%	
Ocaso	47.9%	2.7%	49.4%	-30.5%	5.7%	-22.8%	
Reale Seguros Generales	37.5%	4.9%	57.6%	-23.5%	9.9%	-23.5%	

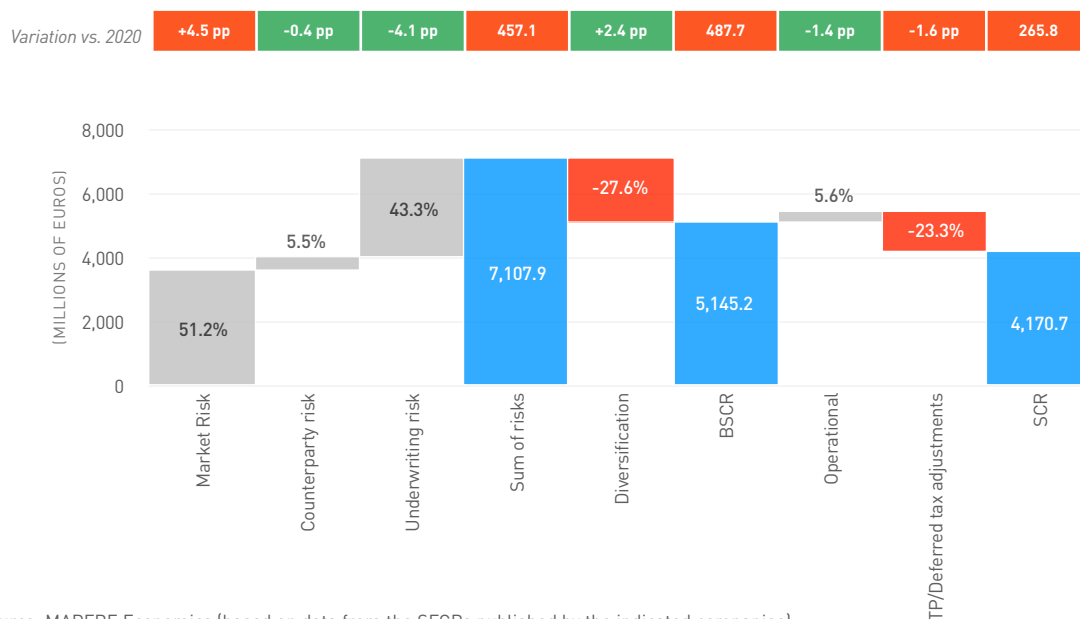
Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

**Chart 5.6-a**  
**Life: Relative weight of separate SCR components**  
**for the sample analyzed, 2021**

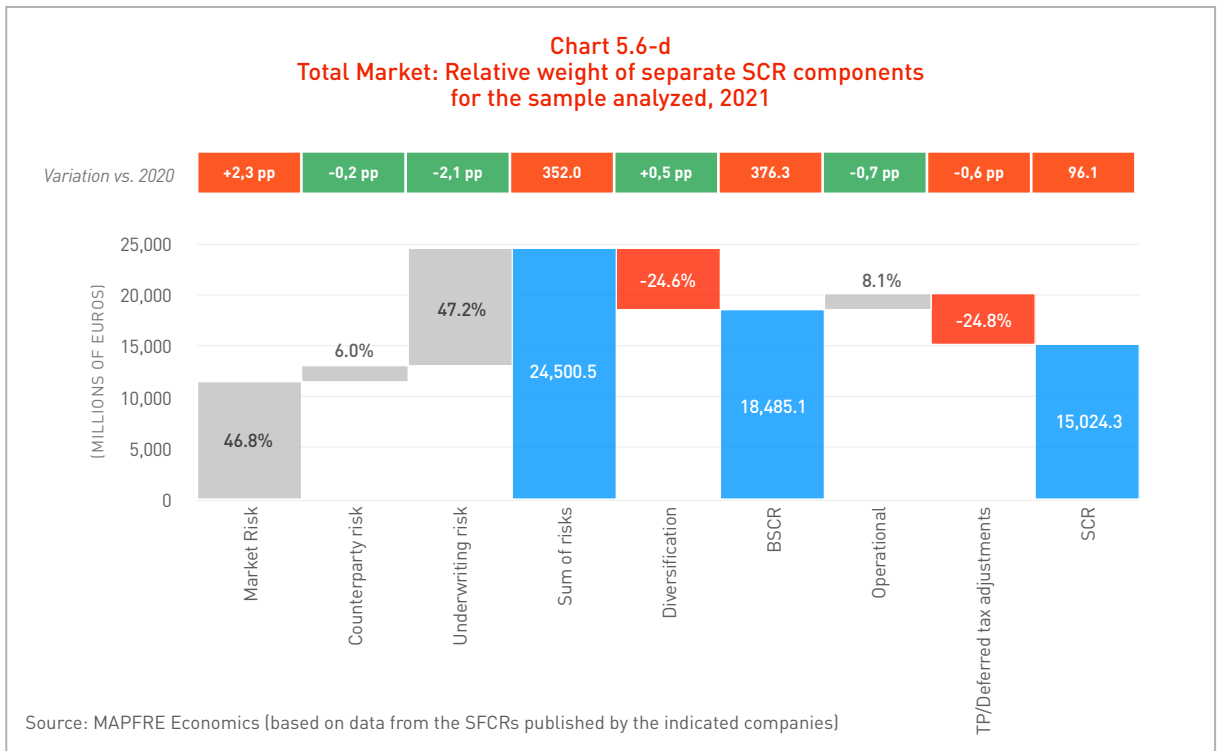
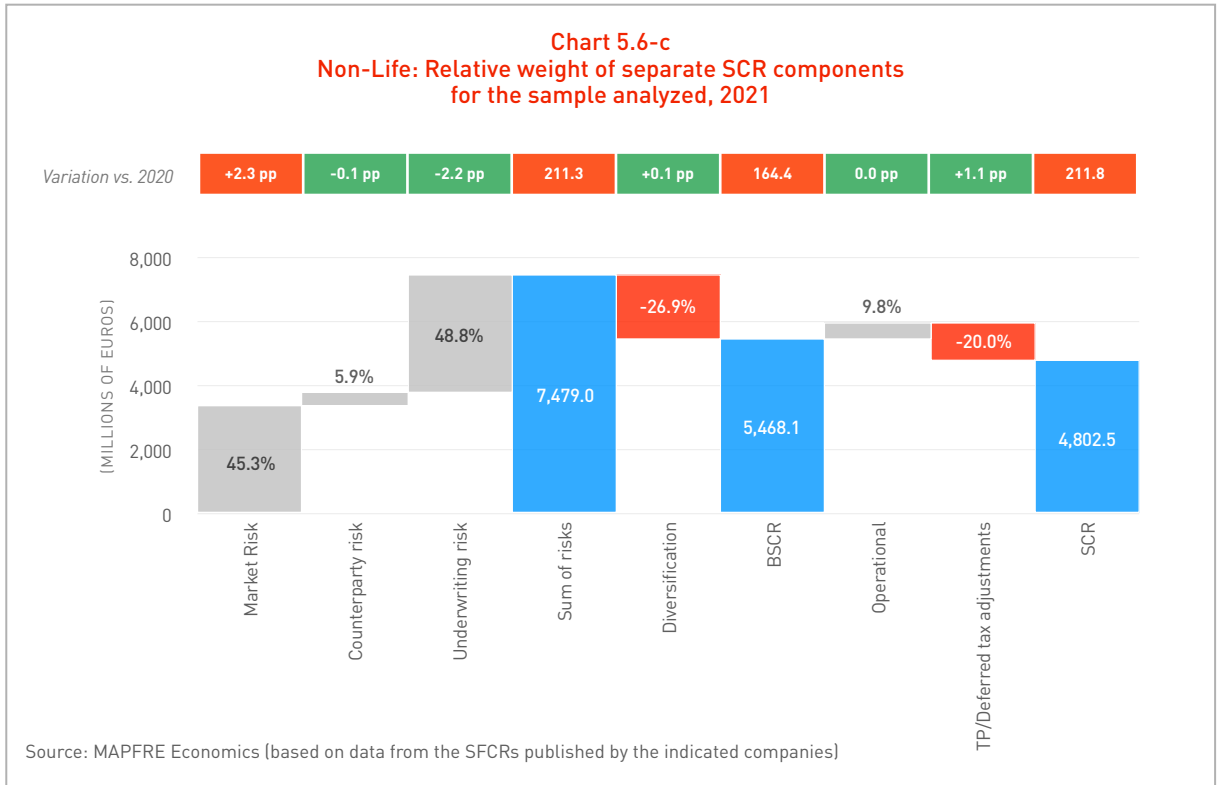


Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

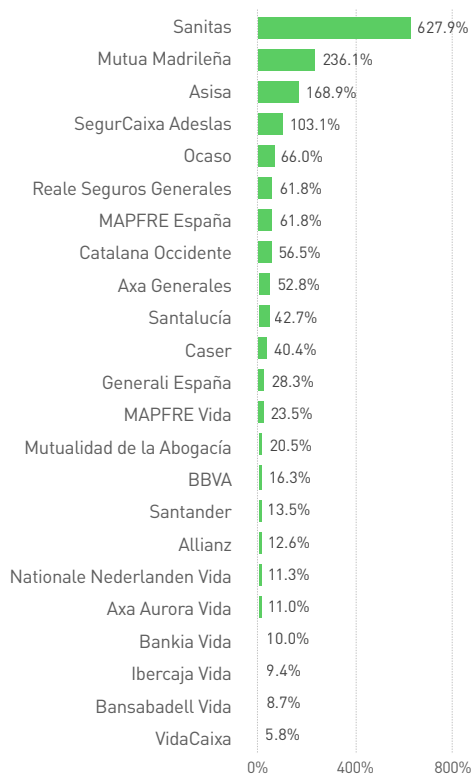
**Chart 5.6-b**  
**Composite: Relative weight of separate SCR components**  
**for the sample analyzed, 2021**



Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

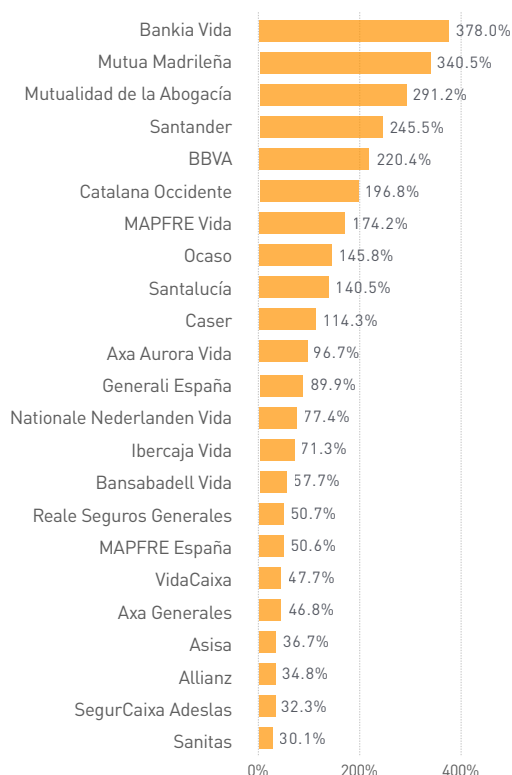


**Chart 5.6-e**  
Relative weight of own funds  
vs technical provisions, 2021



Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

**Chart 5.6-f**  
Relative weight of own funds  
vs premiums, 2021



Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)

ly, any variation compared to 2020 in the relative weight of each module is reflected at the top of each Chart.

An analysis of this information shows that, in 2021, the Life segment (Chart 5.6-a) saw a slight increase in the relative weight of market risk (+0.6 pp) and a decrease in the weight of underwriting risk (-0.4 pp). The entities that predominantly operate Non-Life insurance (Chart 6-c), in turn, have experienced an increase in the relative weight of market risk (+2.3 pp) and growth in the weights of counterparty (-0.1 pp) and underwriting (-2.2 pp) risk, as well as a higher benefit from the adjustment of deferred taxes (+1.1 pp) between 2020 and 2021. In the case of the Composite companies segment (Chart 5.6-b), there was an increase

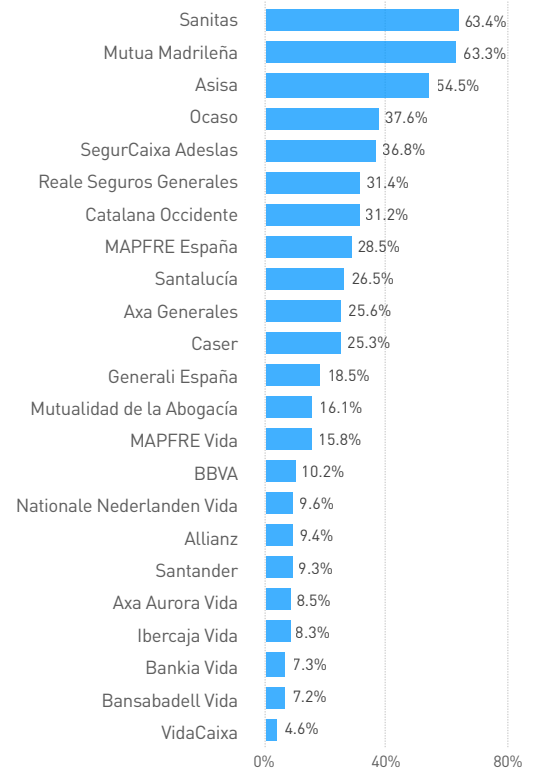
in the relative weight of the market risk module (+4.5 pp) between 2020 and 2021, with a decrease in the relative weight of underwriting risk (-4.1 pp).

Thus, for the market as a whole (Chart 6-d), there was a greater weight of the market risk component (+2.3 pp) and a reduction in counterparty and underwriting risks (-0.2 pp and -2.1 pp, respectively), while the benefits of diversification increased slightly (+0.5 pp) and there was a reduction in the weight of the operational risk module (-0.7 pp).

Finally, as a general benchmark for the insurance companies considered in this analysis, Charts 5.6-e, 5.6-f, and 5.6-g present a comparison of the relative weight

of the eligible shareholders' equity for the insurance companies considered, based on certain representative figures of their size, such as total volume of assets, technical provisions, and premiums.

**Chart 5.6-g**  
Relative weight of own funds vs assets, 2021



Source: MAPFRE Economics (based on data from the SFCRs published by the indicated companies)



## 6. Regulatory outlook

### 6.1. Global trends

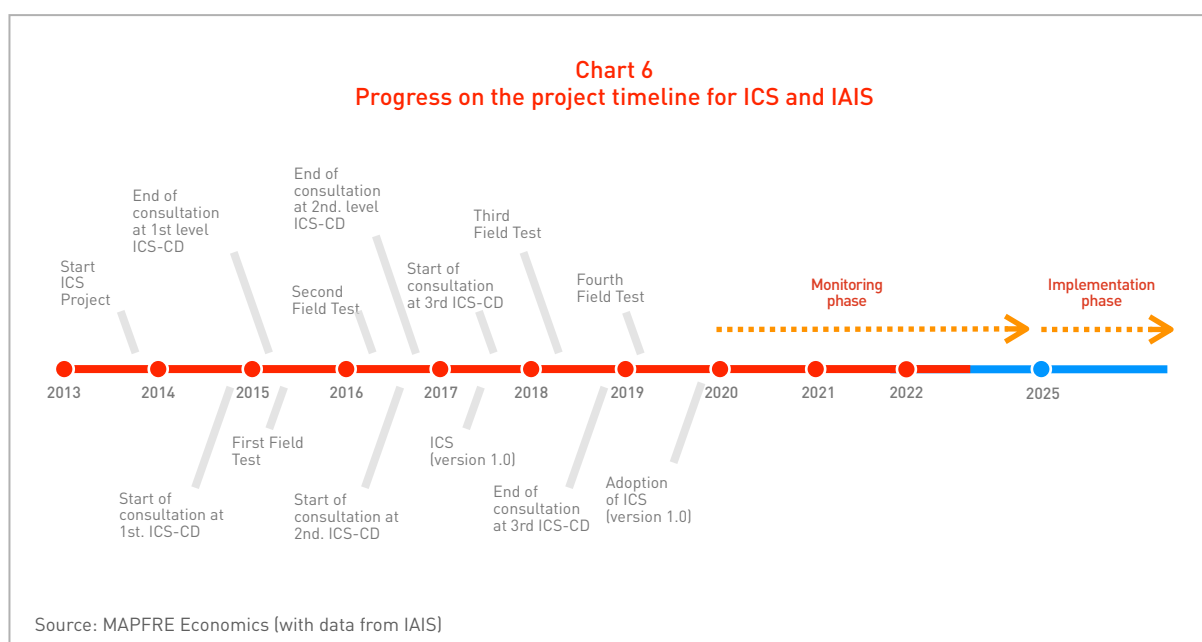
#### IAIS global capital standard

According to the timetable approved by the International Association of Insurance Supervisors (IAIS) shown in Chart 6, the monitoring phase of the harmonized Common Framework (ComFrame)<sup>19</sup>, developed for the cross-border supervision of the solvency of *Internationally Active Insurance Groups* (IAIGs), is now in its third year. In this phase, the calculation of the solvency capital under the IAIS standard (called "Insurance Capital Standard" or ICS) is used for discussion in the associations of supervisors, which will help to make the necessary improvements prior to its implementation as a Prescribed Capital Requirement (PCR).

The underlying idea behind this standard is to achieve a convergence of group capital standards, in pursuit of its ultimate goal of a single capital requirement that achieves

comparable results across jurisdictions. As part of the agreement adopted in 2019, a singularity was recognized in the development by the United States of an aggregation method (AM) for the calculation of group capital. Although the AM is not part of the ICS, the IAIS is in the process of assessing whether it provides comparable results to the ICS, in which case an equivalence approach will be used for the application of the prescribed capital requirement (PCR). In April 2021, the IAIS started to develop the comparability criteria for which it opened a public consultation period in June 2022 in order to gather views from stakeholders to make a decision on comparability, scheduled for next year.

Within the measures aimed at contributing to the preservation of global financial stability, the IAIS applies the so-called "Holistic Framework". As part of this regulatory and supervisory framework, on November 30, 2021, the IAIS published the result of its second Global Monitoring Exercise (GME),



in which it points to the low interest rate environment (it should be noted that this exercise took place prior to the outbreak of the war in Ukraine and the announcement of the tightening of monetary policy by the major central banks around the world) and the corresponding growth of private equity investments by insurance companies, the increase in credit risk and cyber risk (the details of the result of this exercise can be found in the document called 2021 GIMAR<sup>20</sup>) as the principal risks.

## 6.2. European Union and Spanish market

### Sustainability legislation in the European Union

In 2021 and so far this year, there have been many pieces of legislation related to sustainability, including implementing rules for the Regulation of sustainability disclosures in the financial services sector (known as SFDR<sup>21</sup>, which amends the Accounting Directive), the Directive on disclosure of non-financial information and diversity information by certain large companies and certain groups<sup>22</sup> (known as the NFRD or "non-financial reporting directive"), the proposed Directive on corporate sustainability reporting<sup>23</sup> (known as the CSRD, which will replace the NFRD when adopted) and the Regulation on the establishment of a framework to facilitate sustainable investments<sup>24</sup> (known as the Taxonomy Regulation or "TR").

In addition to the three previous rules that constitute the applicable regulatory framework in relation to disclosure requirements, on February 23, 2022 the European Commission adopted a proposal for a directive on corporate sustainability due diligence and amending Directive (EU) 2019/1937 which affects substantive aspects, beyond disclosure requirements, including civil liability and sanctioning rules, known as CSDD ("Corporate Sustainability Due Diligence Directive"), cur-

rently under discussion by the European co-legislators, Parliament and Council<sup>25</sup>.

In addition, on August 2, 2021, Commission Delegated Regulation (EU) 2021/1257 of April 21, 2021 was published, amending Delegated Regulations (EU) 2017/2358 and (EU) 2017/2359 related to the integration of factors, risks and sustainability preferences in the product control and governance requirements applicable to insurance companies and insurance distributors, and in the conduct of business and investment advice rules relating to insurance-based investment products. This standard is closely related to the SFDR and the insurance distribution directive (IDD).

### Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (SFDR)

The deadline for mandatory application of the SFDR expired on March 10, 2021, and the delegated regulations complementing certain aspects of this Regulation have not yet been approved. It is a transversal regulation applicable not only to insurance companies and insurance brokers, but also to credit institutions, fund managers, and, to practically all players involved in the financial markets in general.

In 2022, progress was made in this direction with the adoption by the European Commission on April 6, 2022 of the proposal for delegated regulatory technical standards on SFCR. This was done by grouping them in a single act<sup>26</sup> specifying the details of the information in relation to the no significant harm principle, methodologies and presentation of information in relation to sustainability indicators, adverse sustainability impacts, promotion of environmental or social features, and sustainable investment objectives in pre-contractual documents on websites and in regular reports. This proposal is currently under scrutiny by the European Parliament and the European Council. In principle, this act should be applied as of July 1,



2022, but because of its length and the technical detail of the 13 technical regulatory standards included, it has been difficult for the co-legislators to complete its ratification on time. Therefore, the proposed application has been postponed until January 1, 2023.

### **Corporate Sustainability Reporting Directive (CSRD/NFRD)**

On April 21, 2021, the Commission adopted the draft Corporate Sustainability Reporting Directive (CSRD), which will amend current NFRD reporting requirements<sup>27</sup>. The proposal expands the scope of application to all large companies and all companies traded on regulated markets (except traded micro enterprises), introduces audit requirements, expands the information required and demands that companies digitally “label” the information presented, such that it is mechanically legible and is included on the unique European access point provided for in the Capital Markets Union action plan. It is worth noting that on June 21, 2022, the Council and the European Parliament announced they had reached an agreement on this proposal.

### **TR – Taxonomy Regulation (EU Regulation 2020/852)**

The European Union (EU) taxonomy system is a classification system that establishes a list of economic activities that can be considered environmentally sustainable based on six objectives<sup>28</sup>. (i) climate change mitigation; (ii) climate change adaptation; (iii) the sustainable use and protection of water and marine resources; (iv) the transition to a circular economy; (v) pollution prevention and control; and (vi) the protection and restoration of biodiversity and ecosystems.

This Regulation contains a series of delegations for regulatory development in some aspects. With guidance from the Platform on Sustainable Finance<sup>29</sup> and following the proper legislative process, the

following delegated acts were published in the Official Gazette in December 2021:

- On December 9, Commission Delegated Regulation (EU) 2021/2139 of June 4, 2021 was published, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council and establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any other environmental objectives<sup>30</sup>.
- On December 10, Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021 was published, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of the information to be disclosed by undertakings subject to Articles 19bis or 29bis of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology for complying with the disclosure obligation<sup>31</sup>.
- On March 9, 2022, the Commission adopted a proposal for a Supplementary Delegated Act including, under strict conditions, specific nuclear power and gas activities in the list of economic activities covered by the EU taxonomy, which is currently under scrutiny by the co-legislators.

An additional delegated act for the remaining objectives is expected to be published in 2022. It is also noteworthy that, in order to give market participants and financial advisors sufficient time with the necessary information and adjust their practices to apply the specific requirements of the forthcoming Delegated Regulation, including the product-specific disclosures derived from EU Regulation 2020/852, the Commission announced on November 25,

2021 that the date of application of these rules would be delayed until January 1, 2023.

## Solvency II

On September 22, 2021, the European Commission shared its proposal to amend the Solvency II Directive with the Council and the European Parliament, including aspects of the regulatory framework to be reviewed, such as: measures relating to proportionality, quality of supervision, information disclosure, long-term guarantee measures, macroprudential tools, adaptation of the framework to the European Green Deal, supervision of groups and cross-border insurance activities, and transitional measures. The proposal was part of a package that also included a proposal for a directive establishing a framework for the recovery and resolution of insurance and reinsurance companies, and a communication on the review of the EU prudential framework for insurers and reinsurers in the context of the EU's post-pandemic recovery.

### Position of the European Parliament

On March 7, 2022, the European Parliament published its position on the European Commission's legislative proposal amending the Solvency II Directive and the proposed Insurance Recovery and Resolution Directive (IRRD). The scope of debate includes<sup>32</sup>:

- The four general objectives of good regulation of insurance in the EU: (i) further developing the internal (re)insurance market by ensuring a level playing field within the EU, while allowing fair competition with the rest of the world; (ii) ensuring that insurance companies are solvent and stable and that policyholders are protected; (iii) ensuring that policyholders who use insurance policies for investment purposes can earn a reasonable return; and (iv) enabling insurance companies to fulfill their role

as long-term investors. The document states that the European legislature shall determine the adequate balance among these objectives:

- Support economic recovery and other EU policy objectives, including sustainability factors;
- Level 1 versus Level 2 legislation: weighing up which key policy decisions should be determined in the Directive itself and which decisions can be delegated to the European Commission by means of delegated or implementing acts;
- Proportionality in insurance regulation: the document refers to the European Commission's intention to address the shortcomings of the Solvency II regime in relation to proportionality by introducing a new category of low-risk companies. A relevant question is whether the thresholds for insurance companies subject to the scope of Solvency II are adequate;
- Examine the extent to which it is possible to rely on banking industry models when establishing an insurance recovery and resolution regime.

### Position of the European Council

On June 17, 2022, the European Council resolved its position on the amendments to the Solvency II Directive<sup>33</sup>. The Council has emphasized that the insurance and reinsurance industry can provide private sources of financing to European companies and can make the economy more solid by providing protection from a broad range of risks. With this double role, the sector has great potential to contribute to the realization of the Capital Markets Union and the financing of the green and digital transitions.

In its position, the Council considers the specificities of the national insurance sec-

tors to update the capital requirements regime for the entire EU insurance industry. It also seeks to strike the right balance by reducing the administrative burden on insurers, especially small and non-complex companies, for example, in the context of reporting requirements.

As for the role of the European Insurance and Pension Authority (EIOPA), the Council considered it useful to assign new tasks: (i) prepare a risk assessment report related to biodiversity loss by insurers, along with natural disasters and climate-related risks, in line with the European Green Deal, and (ii) define consistent guidelines for the national standards followed by insurers assessing their macroprudential risks, i.e., risks affecting an entire sector or the economy as a whole.

### **International Financial Reporting Standard 17 for insurance contracts**

In December 2021, the text of the International Financial Reporting Standards 17 on Insurance Contracts (IFRS 17), as adopted by the EU<sup>34</sup>, was published. It must be applied by the listed groups (or publicly traded companies) as of January 1, 2023, for the preparation of their consolidated financial statements. Also, on the same date, another accounting standard important to the aforementioned groups will also become mandatory: the new International Financial Reporting Standard 9 (IFRS 9) on financial instruments.



# Index of Tables and Charts

## Tables

Table 2.3	Ranking of the major Spanish insurance groups internationally assets by total insurance premiums globally, 2021 . . . . .	40
Table 2.4-a	Non-Life: business distribution structure by channel . . . . .	44
Table 2.4-b	Life: business distribution structure by channel . . . . .	45
Table 3.1-a	Size of the world's largest insurance markets, 2021 . . . . .	47
Table 3.1-b	Distribution of business by line, 2020-2021 . . . . .	49
Table 3.1-c	Contribution to insurance market growth, 2011-2021 . . . . .	51
Table 3.1-d	Contribution to growth of the Life and Non-Life insurance market growth, 2011-2021. . . . .	51
Table 3.1-e	Spanish insurance industry results, 2020-2021 . . . . .	53
Table 3.1-f	Basic Non-Life insurance indicators, 2020-2021 . . . . .	53
Table 3.1-g	Basic Life insurance indicators, 2020-2021 . . . . .	53
Table 3.1-h	Premium volume by Autonomous Community, 2021. . . . .	58
Table 3.1-i	Activity of the Insurance Compensation Consortium, 2020-2021 . . . . .	60
Table 3.2-a	Trends in average Automobile insurance premium, 2011-2021 . . . . .	61
Table 3.2-b	Basic Automobile insurance indicators, 2020-2021. . . . .	62
Table 3.2-c	Average frequencies and costs by coverage in Automotive insurance, 2020-2021 . . . . .	63
Table 3.2-d	Basic Health insurance indicators, 2020-2021 . . . . .	64
Table 3.2-e	Basic indicators in Multitisk insurance, 2020-2021 . . . . .	66
Table 3.2-f	Basic indicators in Homeowners Multirisk insurance, 2020-2021 . . . . .	67
Table 3.2-g	Basic indicators in Industrial Multirisk insurance, 2020-2021 . . . . .	68
Table 3.2-h	Basic indicators in Trade Multirisk insurance, 2020-2021 . . . . .	69
Table 3.2-i	Basic indicators in Condominium Multirisk line, 2020-2021 . . . . .	70
Table 3.2-j	Basic indicators in Burial insurance, 2020-2021 . . . . .	71
Table 3.2-k	Basic indicators in Third-Party Liability insurance, 2020-2021 . . . . .	73
Table 3.2-l	Basic indicators in Personal Accident insurance 2020-2021 . . . . .	74
Table 3.2-m	Basic indicators in Credit insurance, 2020-2021 . . . . .	75
Table 3.2-n	Basic indicators in Surety insurance, 2020-2021 . . . . .	77
Table 3.2-o	Basic indicators in Basic Hull Transport insurance, 2020-2021 . . . . .	78
Table 3.2-p	Basic indicators in Basic Hull Transport insurance, 2020-2021 . . . . .	78
Table 3.2-q	Breakdown of Engineering insurance by modality, 2021 . . . . .	79
Table 3.3-a	Breakdown of Life insurance and provisions by modality, 2020-2021 . . . . .	81
Table 3.3-b	Breakdown of Life insurance policyholders by modality, 2020-2021 . . . . .	81
Table 4.3	Component model: growth forecast scenarios of premiums before and after the conflict . . . . .	98
Table 5.3-a	Life: SCR result and solvency ratio, 2021 . . . . .	105
Table 5.3-b	Life: Impact on shareholders' equity from the application of the measures in the Directive for long term products, 2021 . . . . .	109
Table 5.3-c	Life: impact on SCR from the application of measures in the Directive for long-term products, 2021 . . . . .	109
Table 5.4-a	Composites: SCR result and solvency ratio, 2021. . . . .	110
Table 5.4-b	Composites: impact on equity from the application of the measures in the Directive for long term products, 2021 . . . . .	112

Table 5.4-c	Composites: impact on SCR from the application of the measures in the Directive for long term products, 2021	112
Table 5.5	Non-Life: SCR result and solvency ratio, 2021	112
Table 5.6	Relative weight of the risk modules, diversification, and loss absorption capacity, 2021	113

## Charts

Chart 1.1-a	Global: economic growth and inflation	19
Chart 1.1-b	Spain: economic growth and insurance demand, 2011-2021	21
Chart 1.1-c	Spain: trends in direct insurance, 2011-2021	21
Chart 1.1-d	Spain: sale of homes, 2007-2021	22
Chart 1.1-e	Spain: housing stock, 2001-2021	22
Chart 1.1-f	Spain: sales of new homes vs. sales of existing homes, 2005-2021	23
Chart 1.1-g	Spain: real estate transactions involving foreigners, 2007-2021	24
Chart 1.1-h	Spain: trends in the number of mortgages, 2017-2021	24
Chart 1.1-i	Spain: mortgages vs. total properties, 2003-2021	25
Chart 1.1-j	Spain: trends in ownership of homes, rentals and occupancy free of charge, 1950-2011	26
Chart 1.1-k	Spain: breakdown of homes by type of occupancy, 2007-2020	26
Chart 1.1-l	Spain: vehicle fleet, 2005-2021	27
Chart 1.1-m	Eurozone: risk-free interest rate curve	29
Chart 1.2-a	Spain: changes in the population pyramid, 1950-2100	31
Chart 1.2-b	Spain: fertility rate and life expectancy at birth, 1950-2100	32
Chart 1.2-c	Spain: population changes, 2011-2021	32
Chart 1.2-d	Spain: distribution of the population by age and gender, 2021	33
Chart 2.1	Spain: concentration indexes, 2011-2021	35
Chart 2.2-a	Spain: overall ranking of insurance groups by premium volume, 2020-2021	36
Chart 2.2-b	Spain: overall ranking of Non-Life insurance groups by premium volume, 2020-2021	37
Chart 2.2-c	Spain: overall ranking of Life insurance groups by premium volume, 2020-2021	37
Chart 2.2-d	Spain: overall ranking of insurance groups by Life technical provisions, 2020-2021	38
Chart 2.3-a	Spain: number of companies by legal structure, 2011-2021	39
Chart 2.3-b	Ranking of the major Spanish insurance groups internationally assets by premium volume, 2021	40
Chart 2.4-a	Spain: number of insurance brokers, 2010-2020	43
Chart 2.4-b	Spain: percent distribution of the business portfolio in the Non-Life business by channel	44
Chart 2.4-c	Spain: percent distribution of the business portfolio in the Life business by channel	44
Chart 3.1-a	Trends in direct insurance in Spain, 2011-2021	48
Chart 3.1-b	Contribution to insurance market growth, 2011-2021	51
Chart 3.1-c	Trends in the total combined ratio, 2011-2021	52
Chart 3.1-d	Trends in the Non-Life combined ratio, 2011-2021	52
Chart 3.1-e	Trends in return on equity (ROE), 2011-2021	54

Chart 3.1-f	Trends in return on assets (ROA), 2011-2021	54
Chart 3.1-g	Trends in investment structure in the insurance market, 2011-2021	55
Chart 3.1-h	Structure of investments relating to technical provisions, 2021	55
Chart 3.1-i	Trends in the Life segment trading portfolio, 2011-2021	55
Chart 3.1-j	Return on the insurance industry's financial investments, 2011-2021	56
Chart 3.1-k	Life insurance technical provisions, 2011-2021	57
Chart 3.2-a	Trends in direct Automobile insurance in Spain, 2011-2021	61
Chart 3.2-b	Trends in Automobile insurance line results, 2011-2021	62
Chart 3.2-c	Trends in direct Health insurance in Spain, 2011-2021	64
Chart 3.2-d	Trends in results in the Health insurance line, 2011-2021	64
Chart 3.2-e	Trends in direct Multirisk insurance in Spain, 2011-2021	65
Chart 3.2-f	Distribution of Multirisk premiums by modality, 2021	66
Chart 3.2-g	Trends in results in the Multirisk insurance line, 2011-2021	66
Chart 3.2-h	Trends in results in the Homeowners Multirisk line, 2011-2021	67
Chart 3.2-i	Trends in results in the Industrial Multirisk line, 2011-2021	68
Chart 3.2-j	Trends in results in the Trade Multirisk line, 2011-2021	69
Chart 3.2-k	Trends in results in the Condominium Multirisk line, 2011-2021	70
Chart 3.2-l	Trends in direct Burial insurance in Spain, 2011-2021	71
Chart 3.2-m	Trends in results in the Burial line, 2011-2021	71
Chart 3.2-n	Trends in direct Third-Party Liability insurance in Spain, 2011-2021	72
Chart 3.2-o	Trends in results in the Third-Party Liability line, 2011-2021	73
Chart 3.2-p	Trends in direct Personal Accident insurance in Spain, 2011-2021	74
Chart 3.2-q	Trends in results in the Personal Accidents line, 2011-2021	74
Chart 3.2-r	Trends in direct Credit insurance in Spain, 2011-2021	75
Chart 3.2-s	Trends in results in the Credit insurance line, 2011-2021	75
Chart 3.2-t	Trends in direct Surety insurance in Spain, 2011-2021	76
Chart 3.2-u	Trends in results in the Surety line, 2011-2021	77
Chart 3.2-v	Trends in direct Transport insurance in Spain, 2011-2021	77
Chart 3.2-w	Trends in results in the Hull Transport line, 2011-2021	78
Chart 3.2-x	Trends in results in the Basic Goods Transport line, 2011-2021	78
Chart 3.2-y	Breakdown of Engineering insurance premiums by modality, 2021	79
Chart 3.3-a	Trends in direct Life insurance in Spain, 2011-2021	80
Chart 3.3-b	Trends in equity in Pension Funds, 2011-2021	82
Chart 3.3-c	Trends in shares in Pension Funds, 2011-2021	82
Chart 3.3-d	Trends in equity in Investment Funds 2011-2021	83
Chart 3.3-e	Trends in shares in Investment Funds 2011-2021	83
Chart 3.3-f	Structure of financial savings of Spanish families	84
Chart 4.1-a	Trends in penetration, 2011-2021	85
Chart 4.1-b	Trends in changes of penetration 2011-2021	86
Chart 4.1-c	Trends in Life insurance penetration, 2011-2021	86
Chart 4.1-d	Trends in Non-Life insurance penetration, 2011-2021	87
Chart 4.1-e	Trends in density, 2011-2021	87
Chart 4.1-f	Trends in changes of density 2011-2021	88
Chart 4.1-g	Trends in Life insurance density, 2011-2021	88
Chart 4.1-h	Trends in Non-Life insurance density, 2011-2021	89
Chart 4.1-i	Trends in depth, 2011-2021	89
Chart 4.2-a	Trends in the Spanish insurance market, 2008-2021	90
Chart 4.2-b	Market Development Index (MDI) for Spain, 2005-2021	91
Chart 4.2-c	Trends in the Insurance Protection Gap, 2011-2021	92
Chart 4.2-d	Insurance Protection Gap and potential market, 2011-2021	92
Chart 4.2-e	Trends in the IPG as a multiple of the actual market, 2011-2021	93
Chart 4.2-f	Spain: medium-term trends in the IPG, 2011 and 2021	93
Chart 4.2-g	Capacity to close the Insurance Protection Gap, 2011-2021	94
Chart 4.3-a	Component model: premium growth forecast before and after the Ukraine conflict, baseline scenario, Life	96
Chart 4.3-b	Component model: premium growth forecast before and after the Ukraine conflict, baseline scenario, Non-Life	96

Chart 4.3-c	Component model: premium growth forecast before and after the Ukraine conflict, pessimistic scenario, Life	96
Chart 4.3-d	Component model: premium growth forecast before and after the Ukraine conflict, pessimistic scenario, Non-Life	96
Chart 4.3-e	Spain: GDP growth forecasts	97
Chart 4.3-f	Eurozone: GDP growth forecasts	97
Chart 4.3-g	Model of fundamentals: growth forecasts of premiums before and after the Ukraine conflict, Life	98
Chart 4.3-h	Model of fundamentals: growth forecasts of premiums before and after the Ukraine conflict, Non-Life	99
Chart 5.1	Major currencies: trends in volatility adjustment, 2019-2022	102
Chart 5.2-a	Life: solvency ratios, 2020-2021	103
Chart 5.2-b	Composites: solvency ratios, 2020-2021	104
Chart 5.2-c	Non-Life: solvency ratios, 2020-2021	104
Chart 5.3-a	Life: Effect of LTG measures on 2021 solvency ratios and variation vs. 2020	106
Chart 5.3-b	Life: impact of transitional and adjustment measures on own funds, 2021	107
Chart 5.3-c	Life: Effect of transitional and adjustment measures on SCR, 2021	108
Chart 5.4-a	Composites: Effect of LTG measures on 2021 solvency ratios and variation vs. 2020	110
Chart 5.4-b	Composites: impact of transitional and adjustment measures on own funds, 2021	111
Chart 5.4-c	Composites: Impact of transitional and adjustment measures on SCR, 2021	111
Chart 5.6-a	Life: relative weight of separate SCR components for the sample analyzed, 2021	114
Chart 5.6-b	Composites: relative weight of separate SCR components for the sample analyzed, 2021	114
Chart 5.6-c	Non-Life: relative weight of separate SCR components for the sample analyzed, 2021	115
Chart 5.6-d	Total market: relative weight of separate SCR components for the sample analyzed, 2021	115
Chart 5.6-e	Relative weight of own funds vs. technical provisions, 2021	116
Chart 5.6-f	Relative weight of own funds vs premiums, 2021	116
Chart 5.6-g	Relative weight of own funds vs assets, 2021	117
Chart 6	Progress of project timeline for the ICS and IAIS	119



## References

1/ It is important to note that the Ministry of Transportation, Mobility, and Urban Agenda has modified the residency criterion throughout the historical series. It is now based on tax residency, which justifies the differences of weights in the number of transactions shown in previous versions of this report.

2/ See: <https://www.bde.es/f/webbde/SES/Secciones/Publicaciones/InformesBoletinesRevistas/ArticulosAnaliticos/21/T2/Fich/be2102-art16.pdf>

3/ See: [https://sedeapl.dgt.gob.es/WEB\\_IEST\\_CONSULTA/informePredefinidoCaptcha.faces](https://sedeapl.dgt.gob.es/WEB_IEST_CONSULTA/informePredefinidoCaptcha.faces)

4/ See: <https://ec.europa.eu/eurostat/web/population-demography/population-projections>

5/ See: <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20220506-2>

6/ See: <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/edn-20210407-1>

7/ See: <https://www.airef.es/wp-content/uploads/2020/09/PREVIS-DEMOGRAFICAS/200928-Documento-T%C3%A9cnico-previsiones-demogr%C3%A1ficas-y-gasto-en-pensiones.pdf>

8/ See: MAPFRE Economics (2022), *COVID-19: A Preliminary Analysis of Demographic and Insurance Industry Impacts*, Madrid, Fundación MAPFRE.

9/ See: MAPFRE Economics (2021), *The Spanish Insurance Market in 2020*, Madrid, Fundación MAPFRE.

10/ Despite the density increase between 2020 and 2021, penetration did not increase due to the rapid recovery of the global GDP in 2021.

11/ See the analysis of insurance market performance in Spain in 2020 at: MAPFRE Economics (2021), *The Spanish Insurance Market in 2020*

12/ It is important to note that the medium-term performance of investment portfolios was marked by the entry into force of the Solvency II Directive in 2016, which changed the capital requirements for investments based on implicit risk. The entry into force of new capital requirements brought a change in perceptions regarding investment portfolios, which until 2015, had only included assets used to hedge technical provisions, to widen the scope to other portfolios commencing that year onward, as the new requirements became applicable to all investments, including the asset portfolio corresponding to insurance companies' own funds.

13/ The data presented in this report used to measure penetration, density, and depth indices, as well as figures used to determine the Insurance Protection Gap (IPG) for 2020 and previous years may reflect discrepancies when compared with information presented in last year's report (MAPFRE Economics [2021], *The Spanish Insurance Market in 2020*, Madrid, Fundación MAPFRE). This is due to updated premium figures for the Spanish insurance market reported by ICEA, adjustments in data on Spain's GDP published by the Instituto Nacional de Estadística (INE — the Spanish national institute of statistics), and adjustments to the penetration parameters for European insurance markets used in IPG estimates arising from a review of the data on insurance premiums and gross domestic product.

14/ From a methodological standpoint, the IPG can be determined in two ways. The first, in an *ex post* approach, is based on observed losses. In this case, the IPG will be calculated as the difference between the economic losses recorded during a specific period and the portion of those losses that were covered by insurance compensation. The second, which is used for the purposes of this report, is an *ex-ante* approach based on an analysis of optimal protection levels, which are estimated based on a comparison between the level of coverage that is socially and economically adequate to cover the risks and the actual level of protection.

15/ The use of an *ex-ante* approach in this report, involved using the spread between the optimal and real level of protection as a benchmark, contemplated as the difference between penetration indices in Spain compared to the top 15 economies within the European Union.

16/ From highest to lowest dynamism, the order of the different lines was: Commercial Multirisk, Other Non-Life lines (5.6%), Health (4.9%), Individual Multirisk (4.6%), while the Auto line structure continued to deteriorate (-0.9%)

17/ Up to 2.7% in the case of Automobiles, 7.3% in Health, and 6.6% in Other Non-Life lines.

18/ The Solvency and Financial Condition Reports referred to in this report were consulted at the following links. For 2020 reports:

VidaCaixa: <https://www.vidacaixa.es/informacion-corporativa/informe-de-situacion-financiera-y-de-solvencia>

MAPFRE Vida: <https://www.mapfre.com/solvencia/>

Bankia Vida: <https://www.mapfre.com/media/accionistas/2021/2020%E2%80%90sfcr%E2%80%90bankia%E2%80%90mapfre%E2%80%90vida.pdf>

BBVA Seguros: <http://www.bbvasseguros.com/informacion-societaria/situacion-financiera-y-de-solvencia/>

Zurich Vida (Sabadell): <https://www.zurich.es/conocenos>

Ibercaja Vida: <https://www.ibercajavid.com/>

Axa Aurora Vida: <https://www.axa.es/axa-espana/informes-sfcr>

Axa Vida: <https://www.axa.es/axa-espana/informes-sfcr>

Mutualidad de la Abogacía: <https://www.mutualidadabogacia.com/institucional/empresa/informe-gestion/>

Nationale Nederlanden Vida: <https://www.nnseguros.es/mas-info/informe-situacion-financiera-y-solvencia>

Allianz: <https://www.allianz.es/descubre-allianz/allianz-seguros>

Generali España: <https://www.generali.es/quienes-somos/espana/datos-economicos>

Caser: <https://www.caser.es/conocenos/informacion-legal>

Catalana Occidente: <https://www.segurosatalanaoccidente.com/esp/informacion-corporativa>

Santalucía: <https://www.santalucia.es/sobre-santalucia/publicaciones>

MAPFRE España: <https://www.mapfre.com/solvencia/>

AXA Seguros Generales: <https://www.axa.es/axa-espana/informes-sfcr>

SegurCaixa Adeslas: <https://www.segurcaixaadeslas.es/es/informacion-corporativa/informe-de-solvencia>

Sanitas: <http://corporativo.sanitas.es/sala-de-comunicacion/informes-y-publicaciones/>

Asisa: <https://www.asisa.es/informacion/solvencia>

Mutua Madrileña: <https://www.grupomutua.es/corporativa/informes-regulatorios.jsp>

Reale Seguros Generales: <https://www.reale.es/es/quienes-somos/la-compania/informacion-economica>

Ocaso: <https://www.ocaso.es/es/corporativa/datos-economicos>

Santander Seguros Generales: <https://www.santanderseguros.es/san/sanseguros/informacion-financiera-solvencia>

The following links refer to 2021 reports:

VidaCaixa: <https://www.vidacaixa.es/informacion-corporativa/informe-de-situacion-financiera-y-de-solvencia>

MAPFRE Vida: <https://www.mapfre.com/solvencia/>

Bankia Vida: <https://www.mapfre.com/solvencia/>

BBVA Seguros: <http://www.bbvasseguros.com/informacion-societaria/situacion-financiera-y-de-solvencia/>

Zurich Vida (Sabadell): <https://www.zurich.es/conocenos>

Ibercaja Vida: <https://www.ibercajavid.com/>

Axa Aurora Vida: <https://www.axa.es/axa-espana/informes-sfcr>

Axa Vida: <https://www.axa.es/axa-espana/informes-sfcr>

- Mutualidad de la Abogacía: <https://www.mutualidadabogacia.com/institucional/empresa/informe-gestion/> or <https://www.mutualidadabogacia.com/memorias-e-informes/>
- Nationale Nederlanden Vida: <https://www.nnseguros.es/mas-info/informe-situacion-financiera-y-solvencia>
- Allianz: <https://www.allianz.es/descubre-allianz/allianz-seguros>
- Generali España: <https://www.generali.es/quienes-somos/espana/datos-economicos>
- Caser: <https://www.caser.es/conocenos/informacion-legal>
- Catalana Occidente: <https://www.seguroscatalanaoccidente.com/esp/informacion-corporativa>
- Santalucía: <https://www.santalucia.es/sobre-santalucia/publicaciones>
- MAPFRE España: <https://www.mapfre.com/solvencia/>
- AXA Seguros Generales: <https://www.axa.es/axa-espana/informes-sfcr>
- SegurCaixa Adeslas: <https://www.segurcaixaadeslas.es/es/informacion-corporativa/informe-de-solvencia>
- Sanitas: <http://corporativo.sanitas.es/sala-de-comunicacion/informes-y-publicaciones/>
- Asisa: <https://www.asisa.es/informacion/solvencia>
- Mutua Madrileña: <https://www.grupomutua.es/corporativa/informes-regulatorios.jsp>
- Reale Seguros Generales: <https://www.reale.es/es/quienes-somos/la-compania/informacion-economica>
- Ocaso: <https://www.ocaso.es/es/corporativa/datos-economicos>
- Santander Seguros Generales: <https://www.santanderseguros.es/san/sanseguros/informacion-financiera-solvencia>
- 19/ See: <https://www.iaisweb.org/page/supervisory-material/insurance-core-principles-and-comframe>
- 20/ See: <https://www.iaisweb.org/activities-topics/financial-stability/gimar/>
- 21/ See: <https://eur-lex.europa.eu/legal-content/ES/TXT/?uri=CELEX%3A32019R2088>
- 22/ See: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014L0095>
- 23/ See: <https://eur-lex.europa.eu/legal-content/ES/TXT/PDF/?uri=CELEX:52021PC0189&from=EN>
- 24/ See: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32020R0852>
- 25/ See: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022PC0071>
- 26/ See: [https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/sustainability-related-disclosure-financial-services-sector\\_en](https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/sustainability-related-disclosure-financial-services-sector_en)
- 27/ See: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021PC0189>
- 28/ See: [https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities\\_en](https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/eu-taxonomy-sustainable-activities_en)
- 29/ See: [https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/overview-sustainable-finance/platform-sustainable-finance\\_en](https://ec.europa.eu/info/business-economy-euro/banking-and-finance/sustainable-finance/overview-sustainable-finance/platform-sustainable-finance_en)
- 30/ See: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R2139>
- 31/ See: <https://www.boe.es/boe/2021/443/L00009-00067.pdf>
- 32/ See: [https://www.europarl.europa.eu/doceo/document/ECON-DT-719922\\_EN.pdf](https://www.europarl.europa.eu/doceo/document/ECON-DT-719922_EN.pdf)
- 33/ See: <https://www.consilium.europa.eu/en/press/press-releases/2022/06/17/solvency-ii-council-agrees-its-position-on-updated-rules-for-insurance-companies/>
- 34/ See: <https://www.icac.gob.es/contabilidad/normativas/internacionales#portada>



## Statistical appendix

Table A.1.	Size of the leading global insurance markets, 2010-2021 .....	135
Table A.2.	Trends in direct insurance premiums in the Spanish insurance market, 2011-2021 .....	138
Table A.3.	Trends in direct insurance premium growth in the Spanish insurance market, 2011-2021 .....	139
Table A.4.	Contributions to the growth of direct insurance premiums in the Spanish insurance market, 2011-2021 .....	140
Table A.5.	Trends in the total and Non-Life combined ratio of the Spanish insurance market, 2011-2021 .....	141
Table A.6.	Trends in the structure of Spanish insurance industry investment, 2011-2021 .....	142
Table A.7.	Spanish insurance industry results and profitability, 2011-2021 .....	143
Table A.8.	Basic Non-Life insurance indicators in the Spanish insurance industry, 2011-2021 .....	144
Table A.9.	Trends in number of operating companies by legal structure in the Spanish insurance industry, 2011-2021 .....	145
Table A.10.	Trends in the number of brokers per type in the Spanish insurance industry, 2011-2021 .....	146
Table A.11.	Premium volume by autonomous community, 2011-2021 .....	147
Table A.12.	Premiums per capita by autonomous community, 2011-2021 .....	148
Table A.13.	Overall ranking of the ten largest insurance groups in Spain by premium volume, 2010-2021 .....	149
Table A.14.	Overall ranking of the ten largest Non-Life insurance groups in Spain by premium volume, 2010-2021 .....	152
Table A.15.	Overall ranking of the ten largest Life insurance groups in Spain by premium volume, 2010-2021 .....	155
Table A.16.	Trends in concentration in the Spanish insurance industry, 2011-2021 .....	158
Table A.17.	Activity of the Insurance Compensation Consortium: premiums and surcharges allocated, 2011-2021 .....	159
Table A.18.	Activity of the Insurance Compensation Consortium: direct and accepted loss ratio, 2011-2021 .....	160
Table A.19.	Trends in average Automobile insurance premium, 2011-2021 .....	161
Table A.20.	Average frequencies and costs by coverage in Automotive insurance, 2011-2021 .....	162
Table A.21.	Basic Automobile insurance indicators, 2011-2021 .....	164
Table A.22.	Basic Multirisk insurance indicators, 2011-2021 .....	165
Table A.23.	Basic Homeowners Multirisk insurance indicators, 2011-2021 .....	166
Table A.24.	Basic Industrial Multirisk insurance indicators, 2011-2021 .....	167
Table A.25.	Basic Commercial Multirisk insurance indicators, 2011-2021 .....	168
Table A.26.	Basic Condominium Multirisk insurance indicators, 2011-2021 .....	169
Table A.27.	Other basic Multirisk insurance indicators, 2011-2021 .....	170
Table A.28.	Basic Health insurance indicators, 2011-2021 .....	171
Table A.29.	Basic Third-Party Liability insurance indicators, 2011-2021 .....	172
Table A.30.	Basic Hull Transport insurance indicators, 2011-2021 .....	173
Table A.31.	Basic Goods in Transit insurance indicators, 2011-2021 .....	174
Table A.32.	Basic Burial insurance indicators, 2011-2021 .....	175
Table A.33.	Basic Credit insurance indicators, 2011-2021 .....	176
Table A.34.	Basic Surety insurance indicators, 2011-2021 .....	177
Table A.35.	Basic Personal Accident insurance indicators, 2011-2021 .....	178
Table A.36.	Trends in penetration in the Spanish insurance industry, 2011-2021 .....	179
Table A.37.	Trends in density and depth in the Spanish insurance industry, 2011-2021 .....	180
Table A.38.	Trends in the Insurance Protection Gap in the Spanish insurance market, 2011-2021 .....	181



**Table A.1.**  
**Size of the leading global insurance markets, 2010-2021**  
 (premiums, billions of US dollars, premiums per capita, US dollars; premiums/GDP, %)

Country / Region	2010			2011			2012			2013		
	Pre-miums	Pre-miums per capita	Pre-miums/GDP	Pre-miums	Pre-miums per capita	Pre-miums/GDP	Pre-miums	Pre-miums per capita	Pre-miums/GDP	Pre-miums	Pre-miums per capita	Pre-miums/GDP
United States	1,162	3,757	7.8%	1,221	3,920	7.9%	1,272	4,052	7.9%	1,255	3,969	7.5%
Japan	570	4,479	10.2%	637	5,006	10.6%	627	4,930	11.0%	498	3,926	10.4%
United Kingdom	300	4,257	11.1%	320	4,509	11.0%	329	4,596	11.1%	326	4,512	10.7%
France	282	4,189	10.3%	272	4,007	9.1%	245	181	2.9%	280	205	2.9%
Germany	235	2,892	6.8%	246	3,022	6.5%	238	3,501	8.5%	255	3,730	8.7%
China	215	160	3.6%	222	164	3.0%	232	2,850	6.5%	248	3,030	6.5%
Italy	174	2,852	8.0%	161	2,593	6.8%	153	3,059	12.3%	169	2,672	7.6%
Canada	116	3,429	7.2%	124	3,618	6.9%	144	2,276	6.5%	146	2,905	11.0%
South Korea	107	2,176	9.6%	124	2,484	10.2%	127	3,649	6.9%	128	3,646	7.0%
Holland	102	6,152	12.2%	109	6,515	12.2%	96	5,719	11.6%	99	5,915	11.5%
Taiwan	76	3,302	17.7%	82	1,747	5.5%	88	3,769	18.3%	91	3,896	18.4%
India	75	60	4.4%	80	396	3.0%	82	406	3.3%	83	406	3.4%
Spain	73	1,558	5.1%	78	3,380	16.7%	76	3,353	4.9%	78	3,399	5.2%
Australia	65	2,963	5.2%	75	3,372	5.0%	72	1,529	5.3%	72	1,565	5.3%
Brazil	65	327	2.9%	72	58	3.9%	66	52	3.6%	65	51	3.5%
<b>Europe</b>	<b>1,592</b>	<b>1,818</b>	<b>7.2%</b>	<b>1,627</b>	<b>1,864</b>	<b>6.7%</b>	<b>1,540</b>	<b>1,745</b>	<b>6.6%</b>	<b>1,618</b>	<b>1,829</b>	<b>6.6%</b>
<b>UE15</b>	<b>1,433</b>	<b>3,325</b>	<b>8.5%</b>	<b>1,450</b>	<b>3,367</b>	<b>8.0%</b>	<b>1,363</b>	<b>3,124</b>	<b>7.9%</b>	<b>1,434</b>	<b>3,274</b>	<b>7.9%</b>
<b>UE27</b>	<b>1,476</b>	<b>2,733</b>	<b>8.1%</b>	<b>1,497</b>	<b>2,773</b>	<b>7.6%</b>	<b>1,407</b>	<b>2,577</b>	<b>7.5%</b>	<b>1,478</b>	<b>2,699</b>	<b>7.5%</b>
<b>Global</b>	<b>4,304</b>	<b>604</b>	<b>6.4%</b>	<b>4,559</b>	<b>634</b>	<b>6.1%</b>	<b>4,603</b>	<b>632</b>	<b>6.1%</b>	<b>4,588</b>	<b>622</b>	<b>5.9%</b>

Source: SwissRe

**Table A.1. (Continued)**  
**Size of the leading global insurance markets, 2010-2021**  
 (premiums, billions of US dollars; premiums per capita, US dollars; premiums/GDP, %)

Country / Region	2014			2015			2016			2017		
	Pre-miums	Pre-miums per capita	Pre-miums / GDP	Pre-miums	Pre-miums per capita	Pre-miums / GDP	Pre-miums	Pre-miums per capita	Pre-miums / GDP	Pre-miums	Pre-miums per capita	Pre-miums / GDP
United States	1,271	3,987	7.3%	1,316	4,096	7.3%	1,352	4,174	7.3%	1,377	4,216	7.1%
Japan	477	3,759	10.7%	450	3,554	10.8%	471	3,732	9.5%	541	384	4.6%
United Kingdom	338	4,625	10.0%	387	281	3.6%	466	337	4.1%	422	3,312	8.6%
China	328	240	3.2%	320	4,359	10.0%	304	4,064	10.2%	283	3,810	9.6%
France	270	3,924	9.1%	231	3,392	9.3%	238	3,395	9.2%	242	3,446	8.9%
Germany	255	3,091	6.5%	213	2,562	6.2%	215	2,548	6.1%	223	2,687	6.0%
Italy	195	3,069	8.7%	165	2,580	8.7%	171	3,362	12.1%	181	3,522	11.6%
South Korea	159	3,151	11.2%	154	3,034	11.4%	162	2,499	8.2%	156	2,660	8.3%
Canada	127	3,579	7.1%	115	3,209	7.4%	115	3,161	7.5%	120	3,260	7.2%
Holland	97	5,771	11.0%	96	4,094	19.0%	101	4,321	20.0%	117	4,997	21.3%
Taiwan	96	4,086	18.6%	81	4,763	10.7%	82	3,397	6.5%	98	73	3.7%
Australia	88	3,746	6.1%	72	55	3.4%	80	4,717	10.4%	83	398	4.1%
Brazil	88	426	3.6%	71	2,958	5.7%	79	60	3.5%	80	3,247	5.8%
Spain	71	1,538	5.2%	69	332	3.9%	73	346	4.0%	79	4,631	9.6%
India	68	52	3.3%	61	1,322	5.1%	69	1,482	5.6%	71	1,519	5.4%
<b>Europe</b>	<b>1,695</b>	<b>1,889</b>	<b>6.8%</b>	<b>1,469</b>	<b>1,634</b>	<b>6.9%</b>	<b>1,470</b>	<b>1,620</b>	<b>6.7%</b>	<b>1,479</b>	<b>1,651</b>	<b>6.5%</b>
<b>UE15</b>	<b>1,515</b>	<b>3,408</b>	<b>8.1%</b>	<b>1,315</b>	<b>2,951</b>	<b>8.0%</b>	<b>1,316</b>	<b>2,911</b>	<b>7.9%</b>	<b>1,315</b>	<b>2,953</b>	<b>7.6%</b>
<b>UE27</b>	<b>1,558</b>	<b>2,806</b>	<b>7.6%</b>	<b>1,351</b>	<b>2,430</b>	<b>7.6%</b>	<b>1,353</b>	<b>2,401</b>	<b>7.5%</b>	<b>1,357</b>	<b>2,446</b>	<b>7.2%</b>
<b>Global</b>	<b>4,755</b>	<b>635</b>	<b>5.9%</b>	<b>4,554</b>	<b>603</b>	<b>6.0%</b>	<b>4,732</b>	<b>621</b>	<b>6.1%</b>	<b>4,892</b>	<b>650</b>	<b>6.1%</b>

Source: SwissRe



**Table A.1. (Continued)**  
**Size of the leading global insurance markets, 2010-2021**  
 (premiums, billions of US dollars, premiums per capita, US dollars; premiums/GDP, %)

Country / Region	2018			2019			2020			2021		
	Pre-mi-ums	Pre-mi-ums / capita	Pre-mi-ums / GDP	Pre-mi-ums	Pre-mi-ums / capita	Pre-mi-ums / GDP	Pre-mi-ums	Pre-mi-ums / capita	Pre-mi-ums / GDP	Pre-mi-ums	Pre-mi-ums / capita	Pre-mi-ums / GDP
United States	1,469	4,481	7.1%	2,460	7,495	11.4%	2,531	7,673	12.0%	2,719	8,193	11.8%
China	575	406	4.2%	617	430	4.3%	656	455	4.5%	696	482	4.0%
Japan	441	3,466	8.9%	459	3,621	9.0%	415	3,280	8.1%	404	3,202	8.2%
United Kingdom	337	4,503	10.6%	366	4,362	10.3%	338	4,523	11.1%	399	5,945	12.5%
France	258	3,667	8.9%	262	3,719	9.2%	259	3,108	6.8%	296	4,376	10.1%
Germany	241	2,908	6.0%	244	2,934	6.3%	231	3,317	8.6%	276	3,313	6.5%
South Korea	179	3,465	11.2%	175	3,366	10.8%	194	3,741	11.6%	193	3,735	10.7%
Italy	170	2,754	8.0%	168	2,764	8.3%	162	2,692	8.6%	193	3,253	9.2%
Canada	128	3,457	7.5%	133	3,548	7.7%	143	3,775	8.7%	161	4,217	8.1%
Taiwan	122	5,161	20.9%	118	4,993	20.0%	113	4,800	17.4%	127	91	4.2%
India	100	74	3.7%	106	78	3.8%	108	78	4.2%	113	4,804	14.4%
Holland	84	4,890	9.2%	84	4,822	9.2%	88	5,022	9.6%	93	5,301	9.1%
Australia	79	3,160	5.6%	74	351	4.0%	73	9,746	20.8%	74	1,551	5.1%
Spain	74	1,588	5.2%	72	9,706	19.7%	66	1,396	5.2%	73	2,817	4.4%
Brazil	73	345	3.9%	71	1,508	5.1%	63	2,448	4.7%	72	9,556	19.6%
<b>Europe</b>	<b>1,621</b>	<b>1,794</b>	<b>6.6%</b>	<b>1,063</b>	<b>2,784</b>	<b>7.1%</b>	<b>1,022</b>	<b>2,723</b>	<b>7.2%</b>			
<b>UE15</b>	<b>1,449</b>	<b>3,226</b>	<b>7.7%</b>	<b>1,172</b>	<b>2,374</b>	<b>6.8%</b>	<b>1,133</b>	<b>2,335</b>	<b>6.9%</b>			
<b>UE27</b>	<b>1,494</b>	<b>2,673</b>	<b>7.3%</b>	<b>4,985</b>	<b>3,680</b>	<b>9.0%</b>	<b>4,965</b>	<b>3,695</b>	<b>9.3%</b>			
<b>Global</b>	<b>5,193</b>	<b>663</b>	<b>5.9%</b>	<b>6,293</b>	<b>818</b>	<b>7.2%</b>	<b>6,287</b>	<b>809</b>	<b>7.4%</b>	<b>6,861</b>	<b>874</b>	<b>7.1%</b>

Source: Swiss Re

**Table A.2.**  
**Trends in direct insurance premiums in the Spanish insurance market, 2011-2021**  
(millions of euros)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>NON-LIFE INSURANCE</b>	<b>31,718.7</b>	<b>31,095.3</b>	<b>30,386.4</b>	<b>30,646.5</b>	<b>31,297.9</b>	<b>32,693.0</b>	<b>34,027.1</b>	<b>35,429.7</b>	<b>36,652.1</b>	<b>37,051.6</b>	<b>38,279.1</b>
<b>Automobiles</b>	<b>11,269.5</b>	<b>10,607.4</b>	<b>10,021.5</b>	<b>9,882.1</b>	<b>10,052.1</b>	<b>10,565.9</b>	<b>10,923.3</b>	<b>11,137.5</b>	<b>11,311.9</b>	<b>11,086.5</b>	<b>10,989.5</b>
<i>Automobile TPL</i>	5,847.9	5,485.3	5,177.7	5,029.6	5,169.0	5,508.8	5,716.6	5,850.7	5,875.4	5,658.7	5,558.3
<i>Automobile Other Guarantees</i>	5,421.6	5,122.0	4,843.8	4,852.5	4,883.0	5,057.1	5,206.7	5,286.8	5,436.5	5,427.8	5,431.2
<b>Multirisk</b>	<b>6,578.7</b>	<b>6,626.8</b>	<b>6,537.1</b>	<b>6,550.4</b>	<b>6,564.5</b>	<b>6,734.3</b>	<b>6,964.7</b>	<b>7,234.3</b>	<b>7,521.1</b>	<b>7,752.7</b>	<b>8,116.9</b>
<i>Home</i>	3,655.6	3,763.8	3,779.0	3,836.5	3,916.4	4,058.9	4,196.3	4,347.7	4,528.6	4,652.2	4,878.2
<i>Trade</i>	648.8	625.3	596.2	594.5	565.1	574.6	584.8	595.5	602.0	603.6	622.8
<i>Communities</i>	794.2	814.5	823.4	826.6	836.0	852.8	872.1	898.5	926.5	952.8	983.6
<i>Industrial</i>	1,420.5	1,344.4	1,265.3	1,220.0	1,176.0	1,169.8	1,233.6	1,316.1	1,385.2	1,462.9	1,548.3
<i>Other</i>	59.6	78.8	73.2	72.7	71.0	78.2	77.8	76.5	78.8	81.2	84.0
<b>Health</b>	<b>6,596.6</b>	<b>6,785.6</b>	<b>6,936.9</b>	<b>7,181.1</b>	<b>7,360.8</b>	<b>7,735.8</b>	<b>8,068.7</b>	<b>8,516.3</b>	<b>8,935.3</b>	<b>9,386.4</b>	<b>9,854.9</b>
<i>Healthcare Assistance</i>	5,663.1	6,011.2	6,192.0	6,429.7	6,450.0	6,761.4	7,100.8	7,526.4	7,912.3	8,334.1	8,774.2
<i>Reimbursement</i>	653.6	516.4	504.4	519.6	665.9	700.4	708.8	722.1	745.6	785.6	809.1
<i>Subsidy</i>	279.9	258.0	240.5	231.7	244.9	273.9	259.1	267.8	277.3	266.7	271.6
<b>Other Non-Life Lines</b>	<b>7,273.9</b>	<b>7,075.6</b>	<b>6,890.9</b>	<b>7,033.0</b>	<b>7,320.5</b>	<b>7,657.0</b>	<b>8,070.4</b>	<b>8,541.6</b>	<b>8,883.8</b>	<b>8,826.0</b>	<b>9,317.8</b>
<i>Accidents</i>	897.3	852.5	880.1	885.5	926.3	983.8	1,114.3	1,152.3	1,152.1	1,123.2	1,121.2
<i>Assistance</i>	315.5	309.4	312.2	335.2	340.3	364.6	402.7	433.3	460.9	399.0	359.7
<i>Surety</i>	78.0	65.3	62.6	60.9	85.7	62.2	63.2	84.1	122.5	136.1	154.3
<i>Credit</i>	694.9	677.4	645.8	630.5	608.8	593.1	570.3	584.4	606.9	602.3	669.9
<i>Burials</i>	1,761.5	1,890.7	1,940.5	2,087.2	2,150.4	2,167.2	2,277.0	2,367.0	2,458.9	2,490.4	2,570.6
<i>Legal/Defense</i>	102.7	96.7	89.6	92.2	93.1	96.7	100.5	106.2	109.5	112.4	115.0
<i>Fire</i>	102.2	90.6	95.9	108.8	179.9	206.8	118.4	194.5	180.7	228.1	228.6
<i>Other Damage to P&amp;C</i>	964.2	935.2	819.8	841.2	870.8	1,047.8	1,105.7	1,241.9	1,321.3	1,313.2	1,397.9
<i>Pecuniary Losses</i>	339.7	249.4	233.3	232.3	276.1	336.0	350.9	386.2	375.4	317.9	360.9
<i>Third-Party Liability</i>	1,531.0	1,447.8	1,352.4	1,342.1	1,359.8	1,385.0	1,508.3	1,532.1	1,597.6	1,640.1	1,800.2
<i>Transport</i>	486.8	460.6	438.8	417.0	429.4	413.8	459.0	459.7	497.9	523.4	539.5
<i>Aviation</i>	75.7	61.5	55.1	47.7	46.0	43.3	67.6	46.0	57.0	73.7	59.8
<i>Maritime</i>	200.6	194.9	185.3	175.3	178.9	163.6	161.4	169.9	186.1	193.1	210.8
<i>Goods</i>	210.5	204.1	198.4	194.0	204.5	206.9	230.0	243.9	254.9	256.5	269.0
<b>LIFE INSURANCE</b>	<b>28,871.7</b>	<b>26,288.9</b>	<b>25,509.9</b>	<b>24,839.3</b>	<b>25,566.7</b>	<b>31,139.3</b>	<b>29,406.8</b>	<b>28,994.8</b>	<b>27,523.4</b>	<b>21,837.1</b>	<b>23,551.8</b>
<b>Risk</b>	<b>3,609.7</b>	<b>3,510.8</b>	<b>3,350.4</b>	<b>3,471.5</b>	<b>3,773.8</b>	<b>4,205.4</b>	<b>4,205.6</b>	<b>4,721.0</b>	<b>4,865.3</b>	<b>4,847.9</b>	<b>5,019.7</b>
<b>Savings</b>	<b>25,261.9</b>	<b>22,778.0</b>	<b>22,159.5</b>	<b>21,367.7</b>	<b>21,793.0</b>	<b>26,933.9</b>	<b>25,201.3</b>	<b>24,273.8</b>	<b>22,658.1</b>	<b>16,989.3</b>	<b>18,532.1</b>
<b>TOTAL MARKET</b>	<b>60,590.3</b>	<b>57,384.2</b>	<b>55,896.3</b>	<b>55,485.8</b>	<b>56,864.6</b>	<b>63,832.2</b>	<b>63,433.9</b>	<b>64,424.5</b>	<b>64,175.5</b>	<b>58,888.7</b>	<b>61,830.9</b>

Source: ICEA. Historic series of direct business premiums

**Table A.3.**  
**Trends in direct insurance premium growth in the Spanish insurance market, 2011-2021**  
 (annual growth rates, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>NON-LIFE INSURANCE</b>	<b>-0.3%</b>	<b>-2.0%</b>	<b>-2.3%</b>	<b>0.9%</b>	<b>2.1%</b>	<b>4.5%</b>	<b>4.1%</b>	<b>4.1%</b>	<b>3.5%</b>	<b>1.1%</b>	<b>3.3%</b>
<b>Automobiles</b>	<b>-2.3%</b>	<b>-5.9%</b>	<b>-5.5%</b>	<b>-1.4%</b>	<b>1.7%</b>	<b>5.1%</b>	<b>3.4%</b>	<b>2.0%</b>	<b>1.6%</b>	<b>-2.0%</b>	<b>-0.9%</b>
Automobile TPL	-1.9%	-6.2%	-5.6%	-2.9%	2.8%	6.6%	3.8%	2.3%	0.4%	-3.7%	-1.8%
Automobile Other Guarantees	-2.7%	-5.5%	-5.4%	0.2%	0.6%	3.6%	3.0%	1.5%	2.8%	-0.2%	0.1%
<b>Multirisk</b>	<b>4.5%</b>	<b>0.7%</b>	<b>-1.4%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>2.6%</b>	<b>3.4%</b>	<b>3.9%</b>	<b>4.0%</b>	<b>3.1%</b>	<b>4.7%</b>
Home	4.3%	3.0%	0.4%	1.5%	2.1%	3.6%	3.4%	3.6%	4.2%	2.7%	4.9%
Trade	-0.2%	-3.6%	-4.6%	-0.3%	-4.9%	1.7%	1.8%	1.8%	1.1%	0.3%	3.2%
Communities	5.2%	2.6%	1.1%	0.4%	1.1%	2.0%	2.3%	3.0%	3.1%	2.8%	3.2%
Industrial	7.0%	-5.4%	-5.9%	-3.6%	-3.6%	-0.5%	5.5%	6.7%	5.3%	5.6%	5.8%
Other	1.2%	32.3%	-7.2%	-0.6%	-2.4%	10.2%	-0.6%	-1.7%	3.1%	3.0%	3.4%
<b>Health</b>	<b>3.1%</b>	<b>2.9%</b>	<b>2.2%</b>	<b>3.5%</b>	<b>2.5%</b>	<b>5.1%</b>	<b>4.3%</b>	<b>5.5%</b>	<b>4.9%</b>	<b>5.0%</b>	<b>5.0%</b>
Healthcare Assistance	3.7%	6.1%	3.0%	3.8%	0.3%	4.8%	5.0%	6.0%	5.1%	5.3%	5.3%
Reimbursement	2.2%	-21.0%	-2.3%	3.0%	28.1%	5.2%	1.2%	1.9%	3.3%	5.4%	3.0%
Subsidy	-5.3%	-7.8%	-6.8%	-3.7%	5.7%	11.9%	-5.4%	3.4%	3.5%	-3.8%	1.8%
<b>Other Non-Life Lines</b>	<b>-4.1%</b>	<b>-2.7%</b>	<b>-2.6%</b>	<b>2.1%</b>	<b>4.1%</b>	<b>4.6%</b>	<b>5.4%</b>	<b>5.8%</b>	<b>4.0%</b>	<b>-0.7%</b>	<b>5.6%</b>
Accidents	-2.6%	-5.0%	3.2%	0.6%	4.6%	6.2%	13.3%	3.4%	0.0%	-2.5%	-0.2%
Assistance	1.7%	-2.0%	0.9%	7.4%	1.5%	7.1%	10.4%	7.6%	6.4%	-26.4%	6.1%
Surety	-7.3%	-16.2%	-4.1%	-2.8%	40.6%	-27.4%	1.6%	33.2%	45.6%	11.1%	13.4%
Credit	-3.3%	-2.5%	-4.7%	-2.4%	-3.4%	-2.6%	-3.8%	2.5%	3.8%	-0.8%	11.2%
Burials	3.4%	7.3%	3.7%	6.5%	3.0%	0.8%	5.1%	4.0%	3.9%	1.3%	3.2%
Legal/Defense	2.5%	-5.9%	-7.3%	2.9%	1.0%	3.8%	4.0%	5.6%	3.1%	2.7%	2.3%
Fire	-44.2%	-11.4%	5.9%	13.4%	65.4%	15.0%	-42.7%	64.3%	-7.1%	26.2%	0.2%
Other Damage to P&C	-11.4%	-3.0%	-12.3%	2.6%	3.5%	20.3%	5.5%	12.3%	6.4%	-0.6%	6.5%
Pecuniary Losses	-3.3%	-26.6%	-6.5%	-0.4%	18.8%	21.7%	4.4%	10.1%	-2.8%	-15.3%	13.5%
Third-Party Liability	-5.7%	-5.4%	-6.6%	-0.8%	1.3%	1.9%	8.9%	1.6%	4.3%	2.7%	9.8%
Transport	-2.3%	-5.4%	-4.7%	-5.0%	3.0%	-3.6%	10.9%	0.2%	8.3%	5.1%	3.1%
Aviation	-13.8%	-18.7%	-10.5%	-13.4%	-3.6%	-5.8%	56.1%	-32.0%	23.9%	29.4%	-19.0%
Maritime	-0.6%	-2.8%	-4.9%	-5.4%	2.0%	-8.5%	-1.4%	5.3%	9.5%	3.8%	9.1%
Goods	0.0%	-3.0%	-2.8%	-2.2%	5.4%	1.2%	11.2%	6.0%	4.5%	0.6%	4.9%
<b>LIFE INSURANCE</b>	<b>9.5%</b>	<b>-8.9%</b>	<b>-3.0%</b>	<b>-2.6%</b>	<b>2.9%</b>	<b>21.8%</b>	<b>-5.6%</b>	<b>-1.4%</b>	<b>-5.1%</b>	<b>-20.7%</b>	<b>7.9%</b>
Risk	-4.5%	-2.7%	-4.6%	3.6%	8.7%	11.4%	0.0%	12.3%	3.1%	-0.4%	3.5%
Savings	11.8%	-9.8%	-2.7%	-3.6%	2.0%	23.6%	-6.4%	-3.7%	-6.7%	-25.0%	9.1%
<b>TOTAL MARKET</b>	<b>4.1%</b>	<b>-5.3%</b>	<b>-2.6%</b>	<b>-0.7%</b>	<b>2.5%</b>	<b>12.3%</b>	<b>-0.6%</b>	<b>1.6%</b>	<b>-0.4%</b>	<b>-8.2%</b>	<b>5.0%</b>

Source: MAPFRE Economics (based on ICEA data, Historic series of direct business premiums)

**Table A.4.**  
**Contributions to the growth of direct insurance premiums in the Spanish insurance market, 2001-2021**  
 (percentage points, pp)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>NON-LIFE INSURANCE</b>	-0.159	-1.029	-1.235	0.465	1.174	2.453	2.090	2.211	1.897	0.622	2.084
Automobiles	-0.455	-1.093	-1.021	-0.249	0.306	0.904	0.560	0.388	0.271	-0.351	-0.165
Automobile TPL	-0.199	-0.598	-0.536	-0.265	0.251	0.597	0.326	0.211	0.038	-0.338	-0.170
Automobile Other Guarantees	-0.256	-0.494	-0.485	0.016	0.055	0.306	0.234	0.126	0.232	-0.014	0.006
Multirisik	0.483	0.079	-0.156	0.024	0.025	0.299	0.361	0.425	0.445	0.361	0.618
Home	0.258	0.178	0.027	0.103	0.144	0.251	0.215	0.239	0.281	0.193	0.384
Trade	-0.003	-0.039	-0.051	-0.003	-0.053	0.017	0.016	0.017	0.010	0.003	0.033
Communities	0.067	0.034	0.015	0.006	0.017	0.030	0.030	0.042	0.043	0.041	0.052
Industrial	0.160	-0.126	-0.138	-0.081	-0.079	-0.011	0.100	0.130	0.107	0.121	0.145
Other	0.001	0.032	-0.010	-0.001	-0.003	0.013	-0.001	-0.002	0.004	0.004	0.005
<b>Health</b>	0.344	0.312	0.264	0.437	0.324	0.659	0.522	0.706	0.650	0.703	0.796
Healthcare Assistance	0.347	0.574	0.315	0.425	0.037	0.548	0.532	0.671	0.599	0.657	0.747
Reimbursement	0.024	-0.226	-0.021	0.027	0.264	0.061	0.013	0.021	0.037	0.062	0.040
Subsidy	-0.027	-0.036	-0.030	-0.016	0.024	0.051	-0.023	0.014	0.015	-0.017	0.008
<b>Other Non-Life Lines</b>	-0.532	-0.327	-0.322	0.254	0.518	0.592	0.648	0.743	0.531	-0.090	0.835
Accidents	-0.042	-0.074	0.048	0.010	0.073	0.101	0.204	0.060	0.000	-0.045	-0.003
Assistance	0.009	-0.010	0.005	0.041	0.009	0.043	0.060	0.048	0.043	-0.190	0.035
Surety	-0.011	-0.021	-0.005	-0.003	0.045	-0.041	0.002	0.033	0.060	0.021	0.031
Credit	-0.041	-0.029	-0.055	-0.027	-0.039	-0.028	-0.036	0.022	0.035	-0.007	0.115
Burials	0.101	0.213	0.122	0.227	0.114	0.030	0.172	0.142	0.143	0.049	0.136
Legal/Defense	0.004	-0.010	-0.012	0.005	0.002	0.006	0.006	0.009	0.005	0.005	0.004
Fire	-0.139	-0.019	0.009	0.023	0.128	0.047	-0.139	0.120	-0.021	0.074	0.001
Other Damage to P&C	-0.214	-0.048	-0.201	0.038	0.053	0.311	0.091	0.215	0.123	-0.013	0.144
Pecuniary Losses	-0.020	-0.149	-0.028	-0.002	0.079	0.105	0.023	0.056	-0.017	-0.090	0.073
Third-Party Liability	-0.160	-0.137	-0.166	-0.018	0.032	0.044	0.193	0.037	0.102	0.066	0.272
Transport	-0.020	-0.043	-0.038	-0.039	0.022	-0.027	0.071	0.001	0.059	0.040	0.027
Aviation	-0.021	-0.023	-0.011	-0.013	-0.003	-0.005	0.038	-0.034	0.017	0.026	-0.024
Maritime	-0.002	-0.009	-0.017	-0.018	0.006	-0.027	-0.004	0.013	0.025	0.011	0.030
Goods	0.003	-0.011	-0.010	-0.008	0.019	0.004	0.036	0.022	0.017	0.003	0.021
<b>LIFE INSURANCE</b>	4.288	-4.263	-1.357	-1.200	1.311	9.800	-2.714	-0.650	-2.284	-8.861	2.912
Risk	-0.291	-0.163	-0.279	0.217	0.545	0.759	0.000	0.813	0.224	-0.027	0.292
Savings	4.578	-4.099	-1.078	-1.416	0.766	9.041	-2.714	-1.462	-2.508	-8.833	2.620
<b>TOTAL MARKET</b>	4.128	-5.292	-2.593	-0.734	2.485	12.253	-0.624	1.562	-0.386	-8.238	4.996

Source: MAPFRE Economics (based on ICEA data, *Historic series of direct business premiums*)

**Table A.5.**  
**Trends in the total and Non-Life combined ratios in the Spanish insurance market, 2011-2021**  
 (combined ratio, %)

Year	Total combined ratio			Non-Life Combined Ratio				
	Combined Ratio	Loss Ratio	Administrative expense ratio	Acquisition expense ratio	Ratio combined	Loss Ratio	Administrative expense ratio	Acquisition expense ratio
2011	103.47	90.01	2.30	11.16	92.59	71.25	3.56	17.78
2012	104.70	91.60	2.43	10.67	93.22	71.00	3.51	18.71
2013	107.85	94.01	2.60	11.25	94.61	71.93	3.67	19.01
2014	109.17	94.25	2.73	12.19	93.93	71.52	3.85	18.56
2015	109.10	94.07	2.64	12.39	94.73	72.28	3.81	18.64
2016	105.58	91.71	2.84	11.03	93.57	71.26	4.56	17.75
2017	104.85	91.83	2.97	10.05	94.02	71.95	4.47	17.60
2018	101.72	86.88	3.16	11.68	93.67	71.50	4.60	17.57
2019	107.99	92.43	3.45	12.11	92.90	70.68	5.02	17.20
2020	103.99	85.36	4.25	14.38	90.46	67.04	5.34	18.08
2021	108.52	90.67	3.99	13.86	92.93	69.24	5.34	18.34

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry)

Table A.6.  
Trends in the structure of Spanish insurance industry investment, 2011-2021  
(investments, millions of euros)

Year	Investments					Other investments
	Fixed income	Equities	Deposits and cash	Real estate	Investment Funds	
2011	64.9%	2.6%	12.4%	4.4%	5.2%	10.6%
2012	67.2%	2.5%	10.8%	4.1%	4.9%	10.5%
2013	67.2%	3.0%	11.1%	3.8%	5.1%	9.8%
2014	68.1%	3.1%	15.4%	3.8%	6.2%	3.3%
2015	69.3%	3.4%	13.7%	3.7%	6.7%	3.4%
2016	75.7%	4.8%	8.6%	3.7%	6.5%	0.7%
2017	74.1%	5.1%	8.8%	3.6%	7.8%	0.6%
2018	75.7%	5.2%	7.6%	3.6%	7.8%	0.1%
2019	75.5%	5.6%	6.4%	3.5%	9.1%	-0.2%
2020	74.9%	5.7%	6.5%	3.5%	10.0%	-0.6%
2021	72.5%	6.7%	6.0%	3.5%	12.7%	-1.3%

Source: MAPFRE Economics (based on ICEA data. Insurance company investments)

**Table A.7.**  
**Spanish insurance industry results and profitability, 2011-2021**  
 (results, millions of euros, profitability, %)

Year	Industry results <sup>1</sup> (millions of euros)	Profitability	
		ROE <sup>2</sup> (%)	ROA <sup>3</sup> (%)
2011	4,210,777	15.90	1.82
2012	4,458,874	15.58	1.84
2013	4,575,276	13.92	1.81
2014	4,901,842	12.98	1.77
2015	3,482,377	8.82	1.20
2016	4,313,052	10.82	1.48
2017	4,873,347	12.02	1.64
2018	4,512,506	11.23	1.49
2019	4,732,846	11.40	1.49
2020	5,493,444	12.32	1.62
2021	4,797,911	10.45	1.42

Source: MAPFRE Economics (based on ICEA data, *Economic report on the insurance industry*)

<sup>1</sup> The data differs from that presented in the Report in that it refers to a representative sample and not the entire industry.

<sup>2</sup> Net result / Average net equity.

<sup>3</sup> Net result / Average asset.

**Table A.8.**  
**Basic Non-Life insurance indicators in the Spanish insurance industry, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

Year	Written premiums	Basic indicators (% of premiums)									
		Variations in premiums	Retention	Gross loss ration	Gross expenses	Net loss ratio	Net Expenses	Net combined ratio	Financial result	Technical financial result	
2011	31,719	-0.3%	88.6%	69.1%	21.3%	71.2%	21.3%	92.6%	4.0%	11.4%	
2012	31,095	-2.0%	88.6%	68.9%	22.0%	71.0%	22.2%	93.2%	2.9%	9.7%	
2013	30,386	-2.3%	87.6%	70.2%	22.2%	71.9%	22.7%	94.6%	3.9%	9.3%	
2014	30,647	0.9%	87.9%	69.6%	22.3%	71.5%	22.4%	93.9%	4.8%	10.8%	
2015	31,298	2.1%	87.6%	70.2%	22.4%	72.3%	22.5%	94.7%	4.2%	9.4%	
2016	32,693	4.5%	84.8%	68.9%	22.6%	71.3%	22.3%	93.6%	3.9%	10.3%	
2017	34,027	4.1%	84.9%	71.0%	22.3%	72.0%	22.1%	94.0%	3.5%	9.5%	
2018	35,430	4.1%	84.9%	69.8%	22.4%	71.5%	22.2%	93.7%	3.1%	9.4%	
2019	36,652	3.5%	85.6%	69.4%	22.9%	70.7%	22.2%	92.9%	3.1%	10.2%	
2020	37,052	1.1%	85.3%	66.1%	23.7%	67.0%	23.4%	90.5%	2.6%	12.1%	
2021	38,279	3.3%	85.0%	67.1%	23.9%	69.2%	23.7%	92.9%	2.4%	9.5%	

Source: MAPFRE Economics (based on ICEA data, Economic report on the insurance industry)



**Table A 9.**  
**Trends in the number of companies operating, by legal structure, in the Spanish insurance industry, 2011-2021**  
 (number of companies)

Year	Limited liability companies	Mutual companies	Mutual provident societies <sup>1</sup>	Reinsurance companies
2011	188	34	55	2
2012	183	32	53	2
2013	178	32	52	2
2014	168	31	53	3
2015	156	31	50	3
2016	147	31	50	3
2017	145	31	48	3
2018	134	30	48	3
2019	126	30	47	4
2020 <sup>2</sup>	126	30	47	4
2021 <sup>2</sup>	126	28	43	4

Source: MAPFRE Economics (based on data from the General Directorate for Insurance and Pension Funds — DGSFP. Annual report on insurance and pension funds)

<sup>1</sup> Subject to control by the General Directorate for Insurance and Pension Funds.

<sup>2</sup> In 2020 and 2021, the data is as of March 31 of the respective year.

Table A.10.  
Trends in the number of brokers per type in the Spanish insurance industry, 2010-2020  
(number of people and companies)

Year	Insurance brokers		Tied agents		Associated bancassurance operators		Reinsurance brokers		Exclusive agents		Exclusive bancassurance operators		Totals		
	DGSFP	Autonomous Communities	DGSFP	Autonomous Communities	DGSFP	Autonomous Communities	DGSFP	Autonomous Communities	DGSFP	Autonomous Communities	DGSFP	Autonomous Communities	Total brokers	Total DGSFP	
2010	3,010	1,574	125	197	61	1	37	1	91,580	801	24	-	97,411	94,837	2,574
2011	3,025	1,631	163	231	59	1	38	-	88,377	959	20	-	94,504	91,682	2,822
2012	3,017	1,635	186	242	59	1	43	-	89,596	924	11	-	95,714	92,912	2,802
2013	3,046	1,673	199	258	53	1	51	-	86,027	489	15	-	91,812	89,391	2,421
2014	3,078	1,725	205	280	41	1	60	-	87,591	579	14	-	93,574	90,989	2,585
2015	3,151	1,749	224	285	38	1	63	1	83,584	483	15	-	89,594	87,075	2,519
2016	3,259	1,782	234	285	35	1	65	1	77,556	642	15	-	83,875	81,164	2,711
2017	3,272	1,766	233	272	35	1	64	1	75,811	666	14	-	82,135	79,429	2,706
2018	3,386	1,762	240	261	34	1	62	1	71,770	596	14	-	78,127	75,506	2,621
2019	3,462	1,713	237	247	38	1	71	1	69,174	482	14	-	75,440	72,996	2,444
2020	3,552	1,693	244	243	39	1	73	1	68,695	442	11	-	74,994	72,614	2,380

Source: MAPFRE Economics (based on data from the General Directorate for Insurance and Pension Funds — DGSFP: Annual report on insurance and pension funds)

**Table A.11.**  
**Premium volume by autonomous community, 2011-2021**  
 (millions of euros)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Andalusia</b>	5,982	5,717	5,824	6,045	6,237	6,949	7,394	7,276	7,338	6,802	6,907
<b>Aragon</b>	1,916	1,680	1,512	1,710	1,656	1,909	1,808	1,892	1,820	1,609	1,629
<b>Asturias (Principality of)</b>	835	866	837	956	854	871	904	907	912	852	877
<b>Balearic Islands</b>	1246	1,175	1,270	1,283	1,326	1,383	1,526	1,404	1,410	1,257	1,261
<b>Canary Islands</b>	1,241	1,269	1,212	1,269	1,367	1,641	1,602	1,583	1,628	1,539	1,604
<b>Cantabria</b>	462	495	485	497	503	524	529	534	544	513	558
<b>Castile-La Mancha</b>	1,647	1,708	1,616	1,766	1,705	1,734	1,743	1,796	1,768	1,649	1,680
<b>Castile-Leon</b>	2,393	2,331	2,211	2,275	2,482	2,653	2,758	2,805	2,766	2,465	2,411
<b>Catalonia</b>	11,226	10,079	9,677	10,237	10,121	11,295	11,345	10,809	10,832	10,433	12,618
<b>Valencia Community</b>	4,222	4,096	4,373	4,305	4,059	4,406	4,556	4,497	4,613	4,457	4,474
<b>Extremadura</b>	674	773	724	696	799	898	868	878	868	820	850
<b>Galicia</b>	2,616	2,226	2,151	2,167	2,279	2,515	2,614	2,647	2,665	2,418	2,460
<b>Community of Madrid</b>	10,178	9,896	9,369	9,165	9,422	10,379	10,570	10,865	12,340	11,089	11,158
<b>Region of Murcia</b>	1,087	1,033	1,031	1,041	1,063	1,162	1,179	1,158	1,198	1,126	1,156
<b>Navarre (Autonomous Community of)</b>	619	622	838	1003	952	961	961	884	918	812	778
<b>Basque Country</b>	2,477	2,429	2,323	2,352	2,394	2,461	2,524	2,499	2,560	2,435	2,431
<b>La Rioja</b>	380	356	356	359	345	373	374	382	381	358	351
<b>Autonomous Cities of Ceuta and Melilla</b>	94	95	97	98	97	114	113	114	117	107	103

Source: ICEA, The insurance market by province.

Table A.12.  
 Premiums per capita by autonomous community, 2011-2021  
 (euros)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Andalusia</b>	707.9	677.4	693.2	719.8	744.1	830.2	882.4	865.1	867.3	803.5	813.1
<b>Aragon</b>	1,419.8	1,247.0	1,140.8	1,297.3	1,266.7	1,460.0	1,382.4	1,434.6	1,369.4	1,213.9	1,229.2
<b>Asturias (Principality of)</b>	775.5	810.4	788.4	909.0	819.4	841.8	878.9	887.2	895.2	842.1	873.2
<b>Balearic Islands</b>	1,113.4	1,056.7	1,151.0	1,161.8	1,198.2	1,239.8	1,352.6	1,222.0	1,203.9	1,072.6	1,072.2
<b>Canary Islands</b>	585.7	598.7	576.0	604.3	651.0	779.2	753.5	735.5	748.8	708.7	736.9
<b>Cantabria</b>	777.4	835.6	823.2	849.5	864.3	903.1	911.9	919.6	934.2	878.0	954.0
<b>Castile-La Mancha</b>	776.2	813.0	777.5	857.5	835.3	854.0	860.4	884.1	864.6	805.3	818.4
<b>Castile-Leon</b>	939.9	925.0	886.3	920.4	1,015.0	1,094.4	1,145.5	1,169.6	1,155.6	1,035.1	1,017.5
<b>Catalonia</b>	1,482.8	1,334.3	1,287.0	1,363.4	1,346.6	1,495.7	1,493.6	1,408.7	1,392.6	1,345.0	1,621.2
<b>Valencia Community</b>	823.1	801.0	873.8	864.3	819.4	892.8	918.8	899.3	912.5	882.8	878.9
<b>Extremadura</b>	608.2	700.4	658.8	636.7	735.2	832.1	809.8	822.9	815.8	774.6	806.1
<b>Galicia</b>	940.4	804.6	782.7	793.2	838.4	928.7	967.8	980.8	986.9	897.6	914.9
<b>Community of Madrid</b>	1,566.3	1,523.5	1,451.5	1,423.8	1,457.6	1,595.7	1,607.4	1,631.0	1,820.5	1,643.9	1,654.3
<b>Region of Murcia</b>	736.9	701.6	703.2	709.3	726.2	790.6	797.6	775.6	792.8	741.5	754.7
<b>Navarre (Autonomous Community of)</b>	961.1	965.5	1,307.6	1,565.5	1,487.1	1,494.8	1,485.4	1,352.5	1,388.7	1,227.8	1,172.0
<b>Basque Country</b>	1,129.3	1,108.2	1,061.2	1,074.2	1,093.7	1,122.2	1,148.0	1,132.3	1,153.1	1,100.7	1,101.5
<b>La Rioja</b>	1,175.8	1,105.9	1,114.8	1,132.7	1,092.1	1,184.3	1,184.6	1,207.4	1,191.2	1,120.6	1,098.0
<b>Autonomous Cities of Ceuta and Melilla</b>	572.7	565.4	571.5	579.8	569.7	665.0	657.7	665.4	685.5	632.9	611.7

Source: MAPFRE Economics (based on INE and ICEA data. The insurance market by province)

Table A. 13.  
Overall ranking of the ten largest insurance groups in Spain by premium volume, 2010-2021  
(premiums, millions of euros; market share, %)

2010			2011			2012			2013		
Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market
MAPFRE	8,455	14.7	MAPFRE	8,307	13.7	MAPFRE	7,956	13.9	MAPFRE	7,060	12.7
CAIXA	5,640	9.8	CAIXA	5,068	8.4	CAIXA	5,165	9.0	CAIXA	5,298	9.5
ZURICH	4,646	8.1	MUTUA MADRILEÑA	3,472	5.7	MUTUA MADRILEÑA	3,645	6.4	MUTUA MADRILEÑA	3,873	6.9
AXA	3,117	5.4	ZURICH	2,943	4.9	SANTANDER	3,512	6.1	ALLIANZ	3,199	5.7
ALLIANZ	2,962	5.1	ALLIANZ	3,001	5.0	ALLIANZ	3,046	5.3	SANTANDER SEGUROS	3,136	5.6
CASER	2,582	4.5	SANTANDER	2,950	4.9	AXA	2,683	4.7	AXA	2,712	4.9
GENERALI	2,282	4.0	AXA	2,943	4.9	GENERALI	2,513	4.4	BBVA SEGUROS	2,300	4.1
SANTANDER	2,159	3.7	CASER	2,818	4.7	BBVA	2,109	3.7	GENERALI	2,293	4.1
CATALANA OCCIDENTE	2,044	3.5	GENERALI	2,416	4.0	CASER	1,997	3.5	CATALANA OCCIDENTE	2,014	3.6
AVIVA	1,792	3.1	CATALANA OCCIDENTE	2,039	3.4	CATALANA OCCIDENTE	1,971	3.4	CASER	1,713	3.1
<b>Total market</b>	<b>57,587</b>		<b>Total market</b>	<b>60,592</b>		<b>Total market</b>	<b>57,398</b>		<b>Total market</b>	<b>55,773</b>	

Source: MAPFRE Economics (based on ICEA data. Ranking of total direct insurance by group and entity)

Table A.13. (Continued)  
Overall ranking of the ten largest insurance groups in Spain by premium volume, 2010-2021  
(premiums, millions of euros; market share, %)

2014			2015			2016			2017		
Group	Premiums	% of market	Group	Premiums	% of market	Group	Premiums	% of market	Group	Premiums	% of market
MAPFRE	7,266	13.1	VIDACAIXA	7,189	12.6	VIDACAIXA	9,492	14.9	VIDACAIXA	9,666	15.2
CAIXA	5,538	10.0	MAPFRE	6,416	11.3	MAPFRE	6,708	10.5	MAPFRE	6,749	10.6
MUTUA MADRILEÑA	4,165	7.5	MUTUA MADRILEÑA	4,333	7.6	ZURICH	5,571	8.7	MUTUA MADRILEÑA	5,005	7.9
ALLIANZ	3,287	5.9	ZURICH	4,069	7.2	MUTUA MADRILEÑA	4,751	7.4	ZURICH	3,806	6.0
AXA	2,660	4.8	ALLIANZ	3,526	6.2	ALLIANZ	3,566	5.6	ALLIANZ	3,515	5.5
ZURICH	2,507	4.5	CATALANA OCCIDENTE	2,867	5.0	CATALANA OCCIDENTE	2,908	4.6	CATALANA OCCIDENTE	2,826	4.5
GENERALI	2,259	4.1	AXA	2,502	4.4	AXA	2,577	4.0	SANTALUCIA	2,536	4.0
CATALANA OCCIDENTE	2,162	3.9	GENERALI	2,306	4.1	GENERALI	2,501	3.9	GENERALI	2,445	3.9
BBVA SEGUROS	2,088	3.8	BBVA SEGUROS	2,085	3.7	BBVA SEGUROS	1,932	3.0	GRUPO AXA	2,411	3.8
SANTANDER SEGUROS	1,903	3.4	SANTALUCIA	1,287	2.3	CASER	1,438	2.3	BBVA SEGUROS	1,837	2.9
<b>Total market</b>	<b>55,486</b>		<b>Total market</b>	<b>56,905</b>		<b>Total market</b>	<b>63,892</b>		<b>Total market</b>	<b>63,410</b>	

Source: MAPFRE Economics (based on ICEA data. Ranking of total direct insurance by group and entity)

**Table A.13. (Continued)**  
**Overall ranking of the ten largest insurance groups in Spain by premium volume, 2010-2021**  
 (premiums, millions of euros; market share, %)

2018			2019			2020			2021		
Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market
VIDACAIXA	8,218	12.8	VIDACAIXA	8,582	13.4	VIDACAIXA	7,144	12.1	VIDACAIXA	8,523	13.8
MAPFRE	7,291	11.3	MAPFRE	7,335	11.4	MAPFRE	6,673	11.3	MAPFRE	7,336	11.9
MUTUA MADRILEÑA	5,270	8.2	MUTUA MADRILEÑA	5,455	8.5	MUTUA MADRILEÑA	5,526	9.4	MUTUA MADRILEÑA	5,715	9.2
ALLIANZ	3,612	5.6	ALLIANZ	3,430	5.3	CATALANA OCCIDENTE	3,019	5.1	ALLIANZ	3,242	5.2
ZURICH	3,560	5.5	CATALANA OCCIDENTE	3,051	4.8	ALLIANZ	2,998	5.1	CATALANA OCCIDENTE	3,136	5.1
CATALANA OCCIDENTE	2,854	4.4	ZURICH	2,954	4.6	AXA	2,880	4.9	AXA	3,060	4.9
GRUPO AXA	2,599	4.0	GRUPO AXA	2,952	4.6	ZURICH	2,469	4.2	ZURICH	2,539	4.1
SANTALUCIA	2,584	4.0	SANTALUCIA	2,456	3.8	GENERALI	2,249	3.8	GENERALI	2,342	3.8
GENERALI	2,409	3.7	GENERALI	2,440	3.8	SANTALUCIA	2,147	3.6	SANTALUCIA	1,965	3.2
SANTANDER SEGUROS	1,977	3.1	SANTANDER SEGUROS	1,694	2.6	HELVETIA	1,883	3.2	HELVETIA	1,951	3.2
<b>Total market</b>	<b>64,377</b>		<b>Total market</b>	<b>64,156</b>		<b>Total market</b>	<b>58,889</b>		<b>Total market</b>	<b>61,831</b>	

Source: MAPFRE Economics (based on ICEA data. Ranking of total direct insurance by group and entity)

Table A.14.  
Overall ranking of the ten largest Non-Life insurance groups in Spain by premium volume, 2010-2021  
(premiums, millions of euros; market share, %)

2010			2011			2012			2013		
Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market
MAPFRE	5,166	16.2	MAPFRE	5,136	16.2	MAPFRE	4,973	16.0	MAPFRE	4,634	15.3
AXA	2,402	7.5	MUTUA MADRILEÑA	3,393	10.7	MUTUA MADRILEÑA	3,557	11.4	MUTUA MADRILEÑA	3,677	12.1
ALLIANZ	2,031	6.4	AXA	2,305	7.3	AXA	2,126	6.8	AXA	2,021	6.7
CAIXA	1,921	6.0	ALLIANZ	2,032	6.4	ALLIANZ	1,971	6.3	ALLIANZ	1,975	6.5
CATALANA OCCIDENTE	1,476	4.6	CATALANA OCCIDENTE	1,439	4.5	GENERALI	1,369	4.4	GENERALI	1,290	4.3
GENERALI	1,362	4.3	GENERALI	1,365	4.3	CATALANA OCCIDENTE	1,366	4.4	CATALANA OCCIDENTE	1,290	4.3
MUTUA MADRILEÑA	1,305	4.1	ZURICH	1,170	3.7	SANITAS	1,137	3.7	SANITAS	1,178	3.9
ZURICH	1,258	4.0	CASER	1,106	3.5	ZURICH	1,097	3.5	ZURICH	1,040	3.4
CASER	1,137	3.6	SANITAS	1,099	3.5	SANTALUCIA	1,045	3.4	SANTALUCIA	1,029	3.4
SANITAS	1,068	3.4	SANTALUCIA	992	3.1	ASISA	1,021	3.3	ASISA	968	3.2
<b>Total market</b>	<b>31,820</b>		<b>Total market</b>	<b>31,724</b>		<b>Total market</b>	<b>31,116</b>		<b>Total market</b>	<b>30,268</b>	

Source: MAPFRE Economics (based on ICEA data. Ranking of total Non-Life by group and entity)



Table A.14. (Continued)  
Overall ranking of the ten largest Non-Life insurance groups in Spain by premium volume, 2010-2021  
(premiums, millions of euros; market share, %)

2014			2015			2016			2017		
Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market
MAPFRE	4,629	15.1	MAPFRE	4,686	15.0	MAPFRE	4,761	14.5	MAPFRE	4,845	14.2
MUTUA MADRILEÑA	3,927	12.8	MUTUA MADRILEÑA	4,169	13.3	MUTUA MADRILEÑA	4,506	13.8	MUTUA MADRILEÑA	4,816	14.2
ALLIANZ	2,028	6.6	ALLIANZ	2,152	6.9	ALLIANZ	2,272	6.9	ALLIANZ	2,373	7.0
AXA	1,927	6.3	CATALANA OCCIDENTE	1,939	6.2	CATALANA OCCIDENTE	2,043	6.2	CATALANA OCCIDENTE	2,061	6.1
CATALANA OCCIDENTE	1,294	4.2	AXA	1,755	5.6	AXA	1,793	5.5	AXA	1,851	5.4
GENERALI	1,275	4.2	GENERALI	1,348	4.3	GENERALI	1,459	4.5	GENERALI	1,509	4.4
SANITAS	1,160	3.8	SANITAS	1,165	3.7	SANITAS	1,216	3.7	SANITAS	1,271	3.7
SANTALUCIA	1,062	3.5	ZURICH	1,072	3.4	SANTALUCIA	1,073	3.3	SANTALUCIA	1,129	3.3
ZURICH	1,055	3.4	ASISA	1,059	3.4	ASISA	1,069	3.3	ASISA	1,099	3.2
ASISA	1,012	3.3	SANTALUCIA	1,050	3.4	ZURICH	1,027	3.1	ZURICH	1,001	2.9
<b>Total market</b>	<b>30,647</b>		<b>Total market</b>	<b>31,338</b>		<b>Total market</b>	<b>32,755</b>		<b>Total market</b>	<b>34,003</b>	

Source: MAPFRE Economics (based on ICEA data. Ranking of total Non-Life by group and entity)

Table A.14. (Continued)  
Overall ranking of the ten largest Non-Life insurance groups in Spain by premium volume, 2010-2021  
(premiums, millions of euros; market share, %)

2018			2019			2020			2021		
Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market
MUTUA MADRILEÑA	5,046	14.3	MUTUA MADRILEÑA	5,268	14.4	MUTUA MADRILEÑA	5,419	14.6	MUTUA MADRILEÑA	5,573	14.6
MAPFRE	5,006	14.1	MAPFRE	5,156	14.1	MAPFRE	5,161	13.9	MAPFRE	5,342	14.0
ALLIANZ	2,507	7.1	ALLIANZ	2,448	6.7	ALLIANZ	2,369	6.4	ALLIANZ	2,563	6.7
CATALANA OCCIDENTE	2,104	5.9	CATALANA OCCIDENTE	2,225	6.1	AXA	2,245	6.1	CATALANA OCCIDENTE	2,312	6.0
AXA	1,927	5.4	AXA	2,216	6.0	CATALANA OCCIDENTE	2,229	6.0	AXA	2,306	6.0
GENERALI	1,548	4.4	GENERALI	1,590	4.3	GENERALI	1,577	4.3	GENERALI	1,649	4.3
SANITAS	1,344	3.8	SANITAS	1,396	3.8	SANITAS	1,442	3.9	SANITAS	1,530	4.0
ASISA	1,162	3.3	ASISA	1,211	3.3	HELVETIA	1,425	3.8	HELVETIA	1,491	3.9
SANTALUCIA	1,157	3.3	SANTALUCIA	1,208	3.3	ASISA	1,258	3.4	ASISA	1,315	3.4
CASER	1,022	2.9	ZURICH	1,056	2.9	SANTALUCIA	1,230	3.3	SANTALUCIA	1,247	3.3
<b>Total market</b>	<b>35,382</b>		<b>Total market</b>	<b>36,632</b>		<b>Total market</b>	<b>37,052</b>		<b>Total market</b>	<b>38,279</b>	

Source: MAPFRE Economics (based on ICEA data. Ranking of total Non-Life by group and entity)

Table A.15.  
Overall ranking of the ten largest Life insurance groups in Spain by premium volume, 2010-2021  
(premiums, millions of euros; market share, %)

2010			2011			2012			2013		
Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market
CAIXA	3,719	14.4	CAIXA	5,036	17.4	CAIXA	5,131	19.5	CAIXA	5,271	20.7
ZURICH	3,389	13.2	MAPFRE	3,171	11.0	SANTANDER	3,366	12.8	SANTANDER SEGUROS	3,068	12.0
MAPFRE	3,289	12.8	SANTANDER	2,795	9.7	MAPFRE	2,983	11.3	MAPFRE	2,426	9.5
SANTANDER	2,003	7.8	ZURICH	2,060	7.1	BBVA	1,865	7.1	BBVA SEGUROS	2,030	8.0
AVIVA	1,779	6.9	AVIVA	1,787	6.2	AVIVA	1,349	5.1	ALLIANZ	1,224	4.8
CASER	1,445	5.6	CASER	1,712	5.9	IBERCAJA	1,159	4.4	AVIVA	1,155	4.5
AEGON	1,360	5.3	BBVA	1,622	5.6	GENERALI	1,144	4.4	GENERALI	1,003	3.9
IBERCAJA	1,139	4.4	AEGON	1,613	5.6	ALLIANZ	1,075	4.1	IBERCAJA	933	3.7
ALLIANZ	930	3.6	IBERCAJA	1,501	5.2	CASER	976	3.7	CASER	871	3.4
GENERALI	920	3.6	GENERALI	1,051	3.6	AEGON	924	3.5	CATALANA OCCIDENTE	724	2.8
<b>Total market</b>	<b>25,768</b>		<b>Total market</b>	<b>28,869</b>		<b>Total market</b>	<b>26,282</b>		<b>Total market</b>	<b>25,505</b>	

Source: MAPFRE Economics (based on ICEA data. Ranking of total Life premiums by group)

Table A.15. (Continued)  
Overall ranking of the ten largest Life insurance groups in Spain by premium volume, 2010-2021  
(premiums, millions of euros; market share, %)

2014			2015			2016			2017		
Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market
CAIXA	5,515	22.2	VIDACAIXA	7,166	28.0	VIDACAIXA	9,473	30.4	VIDACAIXA	9,646	32.8
MAPFRE	2,638	10.6	ZURICH	2,997	11.7	ZURICH	4,544	14.6	ZURICH	2,805	9.5
SANTANDER SEGUROS	1,884	7.6	BBVA SEGUROS	1,737	6.8	MAPFRE	1,948	6.3	MAPFRE	1,904	6.5
BBVA SEGUROS	1,799	7.2	MAPFRE	1,730	6.8	BBVA SEGUROS	1,562	5.0	SANTANDER SEGUROS	1,481	5.0
ZURICH	1,451	5.8	ALLIANZ	1,374	5.4	IBERCAJA	1,328	4.3	BBVA SEGUROS	1,431	4.9
ALLIANZ	1,259	5.1	IBERCAJA	990	3.9	ALLIANZ	1,294	4.2	SANTALUCIA	1,407	4.8
IBERCAJA	1,123	4.5	GENERALI	958	3.7	SANTANDER SEGUROS	1,189	3.8	IBERCAJA	1,148	3.9
AVIVA	1,075	4.3	CATALANA OCCIDENTE	927	3.6	GENERALI	1,041	3.3	ALLIANZ	1,142	3.9
GENERALI	984	4.0	AXA	747	2.9	CATALANA OCCIDENTE	865	2.8	GENERALI	936	3.2
CATALANA OCCIDENTE	868	3.5	SANTANDER SEGUROS	678	2.7	AVIVA	856	2.7	CATALANA OCCIDENTE	766	2.6
<b>Total market</b>	<b>24,839</b>		<b>Total market</b>	<b>25,567</b>		<b>Total market</b>	<b>31,136</b>		<b>Total market</b>	<b>29,407</b>	

Source: MAPFRE Economics (based on ICEA data. Ranking of Total Life premiums by group)

Table A.15. (Continued)  
Overall ranking of the ten largest Life insurance groups in Spain by premium volume, 2010-2021  
(premiums, millions of euros; market share, %)

2018			2019			2020			2021		
Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market	Group	Pre- miums	% of market
VIDACAIXA	8,200	28.3	VIDACAIXA	8,562	31.1	VIDACAIXA	7,125	32.6	VIDACAIXA	8,506	36.1
ZURICH	2,551	8.8	MAPFRE	2,180	7.9	MAPFRE	1,521	6.9	MAPFRE	1,994	8.5
MAPFRE	2,285	7.9	ZURICH	1,898	6.9	ZURICH	1,436	6.6	ZURICH	1,445	6.1
SANTANDER SEGUROS	1,949	6.7	SANTANDER SEGUROS	1,662	6.0	IBERCAJA	958	4.4	IBERCAJA	902	3.8
SANTALUCIA	1,427	4.9	SANTALUCIA	1,247	4.5	SANTALUCIA	918	4.2	CATALANA OCCIDENTE	825	3.5
IBERCAJA	1,325	4.6	ALLIANZ	982	3.6	SANTANDER SEGUROS	806	3.7	AXA	754	3.2
BBVA SEGUROS	1,217	4.2	IBERCAJA	938	3.4	CATALANA OCCIDENTE	790	3.6	SANTALUCÍA	719	3.1
ALLIANZ	1,106	3.8	BBVA SEGUROS	929	3.4	GENERALI	672	3.1	GENERALI	693	2.9
GENERALI	861	3.0	GENERALI	850	3.1	BBVA SEGUROS	656	3.0	ALLIANZ	679	2.9
CATALANA OCCIDENTE	750	2.6	CATALANA OCCIDENTE	827	3.0	AXA	634	2.9	SANTANDER SEGUROS	654	2.8
<b>Total market</b>	<b>28,995</b>		<b>Total market</b>	<b>27,523</b>		<b>Total market</b>	<b>21,837</b>		<b>Total market</b>	<b>23,552</b>	

Source: MAPFRE Economics (based on ICEA data. Ranking of total Life premiums by group)

**Table A.16.**  
**Trends in concentration in the Spanish insurance industry, 2011-2021**  
 (Herfindahl and CR5 indices)

Year	Herfindahl index	CR5 index (%)		
		Total	Life	Non-Life
2011	496.4	37.6%	51.4%	45.1%
2012	508.3	40.6%	55.9%	45.0%
2013	489.6	40.5%	55.0%	44.9%
2014	509.6	41.3%	51.0%	45.0%
2015	549.6	44.9%	58.7%	46.9%
2016	595.5	47.1%	60.6%	46.9%
2017	587.0	45.3%	58.7%	46.9%
2018	569.7	43.4%	56.6%	46.9%
2019	581.9	43.4%	56.5%	47.3%
2020	567.4	43.1%	54.7%	47.0%
2021	615.7	45.2%	58.1%	47.3%

Source: MAPFRE Economics (based on ICEA data, Ranking of total direct insurance by group and company, Ranking of total Non-Life by group and company, Ranking of total Life premiums by group)

Table A.17.  
Activity of the Insurance Compensation Consortium: Premiums and surcharges allocated, 2011-2021  
(millions of euros)

Year	General activity: Premiums and surcharges allocated									
	Extraordinary risks	Property	People	Pecuniary losses	Traffic risks	SOA Guarantee Fund	Private vehicles	Official vehicles		
2011	672.9	605.4	23.4	44.1	128.8	113.9	5.8	9.1		
2012	687.6	618.8	23.5	45.3	123.4	109.0	3.5	10.8		
2013	704.4	638.1	22.0	44.3	114.2	102.5	1.9	9.8		
2014	709.5	648.6	16.8	44.2	107.6	98.1	1.0	8.5		
2015	726.7	661.8	17.4	47.6	105.8	96.6	0.6	8.6		
2016	745.7	673.3	18.6	53.8	106.7	98.1	0.5	8.0		
2017	753.4	677.7	19.8	55.9	93.3	84.6	0.5	8.2		
2018	766.0	689.0	20.6	56.4	88.7	80.0	0.5	8.2		
2019	733.1	667.7	16.3	49.1	92.0	83.2	0.5	8.3		
2020	719.2	654.3	14.8	50.1	90.7	82.1	0.4	8.3		
2021	727.2	664.3	14.7	48.2	87.8	78.9	0.3	8.6		

Source: Insurance Compensation Consortium. Annual report.

Table A.18.  
Activity of the Insurance Compensation Consortium: Direct and accepted loss ratio, 2011-2021  
(millions of euros)

Year	General activity: Direct and accepted loss ratio							
	Extraordinary risks	P&C	People	Pecuniary losses	Traffic risks	SOA Guarantee Fund	Private vehicles	Official vehicles
2011	608.9	542.3	3.1	63.4	111.5	92.5	5.6	13.4
2012	281.0	294.4	0.8	-14.2	71.3	55.4	1.9	14.0
2013	207.6	191.8	1.5	14.3	69.0	56.7	1.4	10.9
2014	208.7	205.6	0.9	2.2	57.4	47.1	0.5	9.7
2015	227.3	216.6	1.0	9.6	68.3	59.0	1.0	8.2
2016	223.2	218.7	0.8	3.7	58.6	49.0	0.4	9.2
2017	196.3	190.7	1.5	4.1	57.6	49.9	0.5	7.3
2018	279.1	263.5	1.5	14.1	61.3	52.4	0.1	8.7
2019	773.7	769.9	1.3	2.6	59.2	49.2	0.3	9.7
2020	402.4	385.1	0.8	16.5	58.1	48.0	0.6	9.5
2021	492.2	484.2	0.4	7.6	61.3	53.8	0.3	7.2

Source: Insurance Compensation Consortium. Annual report.



**Table A.19.**  
**Trends in average Automobile insurance premium, 2011-2021**  
 (millions of euros; annual variation, %)

Year	Insured vehicles <sup>1</sup>		Premiums, direct insurance <sup>2</sup>		In euros	Average premium	
	(millions of euros)	% variation	(millions of euros)	% variation		Nominal	Real
2011	28.9	0.8%	11,285	-2.3%	390	-3.1%	-5.4%
2012	28.7	-0.7%	10,622	-5.9%	370	-5.2%	-7.9%
2013	28.6	-0.4%	10,033	-5.5%	351	-5.1%	-5.4%
2014	28.8	0.7%	9,891	-1.4%	343	-2.1%	-1.1%
2015	29.1	1.1%	10,061	1.7%	345	0.6%	0.6%
2016	29.8	2.4%	10,574	5.1%	354	2.6%	1.0%
2017	30.6	2.6%	10,932	3.4%	357	0.8%	-0.3%
2018	31.5	2.7%	11,146	2.0%	354	-0.8%	-1.9%
2019	31.8	1.0%	11,321	1.6%	356	0.5%	-0.3%
2020	32.0	0.8%	11,095	-2.0%	346	-2.7%	-2.3%
2021	32.6	1.8%	10,998	-0.9%	337	-2.7%	-8.6%

Source: MAPFRE Economics (based on FIVA, ICEA and Insurance Compensation Consortium data)

<sup>1</sup> Information Database for Insured Vehicles (FIVA)

<sup>2</sup> Direct Insurance premiums for insurance companies (ICEA) and Insurance Compensation Consortium

**Table A.20.**  
**Average frequencies and costs by coverage in Automotive insurance, 2011-2021**  
 (frequency, %; average cost, euros)

	2011		2012		2013		2014		2015		2016	
	Frequency	Average cost	Frequency	Average cost	Frequency	Average cost	Frequency	Average cost	Frequency	Average cost	Frequency	Average cost
<b>Third-party liability</b>	9.3%	1,853	9.3%	1,761	8.5%	1,888	8.5%	1,841	8.5%	1,816	8.6%	1,871
<i>Bodily accident</i>	2.0%	5,050	2.0%	4,939	2.0%	4,928	2.0%	4,751	2.0%	4,569	2.0%	4,970
<i>Property, plant and equipment</i>	8.1%	864	7.6%	868	7.2%	887	7.2%	875	7.3%	873	7.4%	872
<b>Damage attributable to the policyholder</b>	47.4%	704	44.2%	713	39.6%	731	36.1%	733	34.3%	718	31.5%	713
<b>Broken windshields</b>	7.2%	292	6.7%	286	6.7%	290	6.4%	289	6.4%	288	6.4%	290
<b>Theft</b>	1.4%	961	1.3%	919	1.2%	896	1.0%	882	0.9%	909	0.8%	916
<b>Legal defense</b>	1.9%	302	1.8%	286	1.8%	310	1.8%	302	1.8%	290	1.7%	279
<b>Occupants</b>	0.4%	930	0.3%	1,259	0.3%	1,252	0.2%	1,251	0.2%	1,227	0.2%	1,265
<b>Fire</b>	0.1%	3,243	0.1%	3,075	0.1%	2,854	0.1%	2,782	0.1%	2,847	0.1%	2,977
<b>Driver's license suspended</b>	0.0%	1,577	0.0%	1,627	0.0%	1,314	0.0%	1,211	0.0%	1,108	0.0%	940

Source: ICEA. Automobile insurance. Statistics as at December.

**Table A.20. (Continued)**  
**Average frequencies and costs by coverage in Automotive insurance, 2011-2021**  
 (frequency, %; average cost, euros)

	2017		2018		2019		2020		2021	
	Frequency	Average cost	Frequency	Average cost	Frequency	Average cost	Frequency	Average cost	Frequency	Average cost
<b>Third-party liability</b>	8.6%	1,820	8.4%	1,766	8.2%	1,744	5.9%	1,778	6.8%	1,763
<i>Bodily accident</i>	1.9%	4,856	1.8%	4,652	1.8%	4,542	1.2%	4,880	1.4%	4,621
<i>Property, plant and equipment</i>	7.4%	879	7.2%	890	7.1%	892	5.1%	911	5.9%	903
<b>Damage attributable to the policyholder</b>	30.4%	734	29.3%	776	27.7%	787	19.7%	810	22.0%	818
<b>Broken windshields</b>	6.4%	291	6.7%	304	6.2%	310	5.2%	327	6.0%	333
<b>Theft</b>	0.8%	968	0.7%	971	0.6%	929	0.5%	872	0.5%	901
<b>Legal defense</b>	1.7%	278	1.6%	271	1.5%	304	1.1%	280	1.4%	253
<b>Occupants</b>	0.3%	1,249	0.3%	941	0.3%	999	0.2%	1,067	0.3%	961
<b>Fire</b>	0.1%	3,023	0.1%	3,077	0.1%	3,132	0.1%	3,165	0.1%	3,315
<b>Driver's license suspended</b>	0.0%	805	0.0%	694	0.0%	802	0.0%	852	0.0%	810

Source: ICEA. Automobile insurance. Statistics as at December.

**Table A.21.**  
**Basic Automobile insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	11,270	10,607	10,021	9,882	10,052	10,566	10,923	11,138	11,312	11,087	10,990
<b>Variation in premiums</b>	-2.3%	-5.9%	-5.5%	-1.4%	1.7%	5.1%	3.4%	2.0%	1.6%	-2.0%	-0.9%
<b>Retention</b>	94.5%	94.9%	92.3%	92.5%	92.2%	89.5%	89.5%	89.1%	86.2%	86.9%	86.7%
<b>Gross loss ratio</b>	77.2%	77.2%	77.2%	77.1%	78.1%	79.0%	76.4%	74.7%	74.8%	64.6%	71.1%
<b>Gross expenses</b>	18.0%	18.8%	20.0%	20.0%	20.2%	19.5%	18.8%	19.1%	19.0%	22.4%	21.9%
<b>Net loss ratio</b>	78.6%	78.4%	78.1%	77.6%	79.1%	79.5%	77.0%	75.8%	75.9%	65.2%	71.9%
<b>Net expenses</b>	18.1%	18.9%	20.3%	20.3%	20.3%	19.5%	18.6%	19.0%	18.8%	22.6%	22.2%
<b>Net combined ratio</b>	96.7%	97.3%	98.4%	97.9%	99.5%	98.9%	95.6%	94.8%	94.7%	87.8%	94.1%
<b>Financial result</b>	4.9%	3.3%	4.5%	5.6%	4.8%	4.9%	4.4%	3.4%	3.4%	2.4%	2.7%
<b>Technical-financial result</b>	8.3%	5.9%	6.1%	7.6%	5.3%	6.0%	8.7%	8.6%	8.7%	14.6%	8.6%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.22.**  
**Basic Multirisik insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	6,579	6,627	6,537	6,550	6,565	6,734	6,965	7,234	7,521	7,753	8,117
<b>Variation in premiums</b>	4.5%	0.7%	-1.4%	0.2%	0.2%	2.6%	3.4%	3.9%	4.0%	3.1%	4.7%
<b>Retention</b>	81.7%	79.9%	79.6%	79.7%	79.3%	78.4%	78.5%	78.2%	83.4%	82.0%	81.2%
<b>Gross loss ratio</b>	57.1%	57.3%	59.0%	60.5%	57.8%	57.8%	69.3%	66.3%	63.5%	64.7%	66.9%
<b>Gross expenses</b>	28.4%	28.0%	28.3%	28.2%	28.4%	28.4%	28.4%	28.4%	30.2%	30.1%	31.1%
<b>Net loss ratio</b>	59.0%	59.9%	61.4%	60.7%	60.2%	58.8%	64.1%	66.0%	62.4%	62.5%	63.8%
<b>Net expenses</b>	30.1%	30.3%	30.8%	30.0%	30.6%	31.2%	31.5%	31.4%	31.5%	32.0%	33.3%
<b>Net combined ratio</b>	89.0%	90.2%	92.2%	90.7%	90.7%	90.0%	95.7%	97.3%	93.8%	94.5%	97.1%
<b>Financial result</b>	3.3%	2.4%	3.5%	4.4%	3.9%	3.6%	2.8%	2.4%	2.3%	1.8%	2.3%
<b>Technical-financial result</b>	14.3%	12.2%	11.3%	13.7%	13.2%	13.6%	7.1%	5.1%	8.5%	7.3%	5.2%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.23.**  
**Basic Homeowners Multirisik insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	3,656	3,764	3,779	3,837	3,916	4,059	4,196	4,348	4,529	4,652	4,878
<b>Variation in premiums</b>	4.3%	3.0%	0.4%	1.5%	2.1%	3.6%	3.4%	3.6%	4.2%	2.7%	4.9%
<b>Retention</b>	91.5%	91.6%	90.4%	89.9%	90.2%	90.0%	90.3%	90.1%	90.0%	90.2%	89.9%
<b>Gross loss ratio</b>	56.8%	57.8%	59.1%	58.6%	58.2%	56.7%	61.2%	64.1%	62.0%	63.4%	63.6%
<b>Gross expenses</b>	31.9%	31.7%	32.0%	31.2%	31.5%	31.4%	31.5%	31.4%	32.0%	31.7%	33.8%
<b>Net loss ratio</b>	57.9%	58.9%	60.1%	59.4%	59.1%	57.5%	61.8%	64.6%	61.8%	61.9%	62.4%
<b>Net expenses</b>	32.0%	31.6%	32.1%	30.7%	31.8%	31.8%	31.6%	31.4%	32.4%	32.2%	34.4%
<b>Net combined ratio</b>	89.9%	90.5%	92.2%	90.1%	90.9%	89.3%	93.4%	96.1%	94.2%	94.0%	96.8%
<b>Financial result</b>	2.7%	2.1%	3.0%	3.3%	2.8%	2.7%	2.7%	1.8%	1.9%	1.3%	1.7%
<b>Technical-financial result</b>	12.8%	11.6%	10.8%	13.1%	11.9%	13.4%	9.3%	5.7%	7.7%	7.3%	4.9%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.24.**  
**Basic Industrial Multirisk insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	1,421	1,344	1,265	1,220	1,176	1,170	1,234	1,316	1,385	1,463	1,548
<b>Variation in premiums</b>	7.0%	-5.4%	-5.9%	-3.6%	-3.6%	-0.5%	5.5%	6.7%	5.3%	5.6%	5.8%
<b>Retention</b>	56.0%	50.4%	50.8%	52.2%	50.6%	47.9%	48.5%	47.3%	60.9%	53.0%	49.9%
<b>Gross loss ratio</b>	57.5%	59.2%	62.5%	68.8%	59.1%	63.7%	94.3%	76.0%	73.2%	74.6%	81.2%
<b>Gross expenses</b>	21.0%	19.7%	19.8%	20.5%	20.4%	20.5%	20.2%	20.9%	24.0%	23.9%	22.9%
<b>Net loss ratio</b>	64.0%	71.0%	74.8%	70.9%	69.1%	69.7%	78.7%	78.2%	68.2%	72.4%	74.7%
<b>Net expenses</b>	26.0%	27.9%	28.6%	28.5%	27.5%	30.4%	31.2%	32.3%	28.2%	30.8%	29.0%
<b>Net combined ratio</b>	90.1%	98.9%	103.4%	99.4%	96.6%	100.1%	109.9%	110.6%	96.4%	103.2%	103.7%
<b>Financial result</b>	5.3%	3.4%	4.8%	9.0%	7.9%	7.1%	1.6%	4.5%	3.8%	3.2%	4.5%
<b>Technical-financial result</b>	15.2%	4.5%	1.4%	9.6%	11.3%	7.0%	-8.4%	-6.1%	7.4%	-0.1%	0.8%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.25.**  
**Basic Commercial Multirisk insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	649	625	596	594	565	575	585	595	602	604	623
<b>Variation in premiums</b>	-0.2%	-3.6%	-4.6%	-0.3%	-4.9%	1.7%	1.8%	1.8%	1.1%	0.3%	3.2%
<b>Retention</b>	84.6%	86.1%	85.5%	84.2%	84.5%	83.9%	84.1%	83.4%	81.6%	83.3%	83.3%
<b>Gross loss ratio</b>	57.0%	53.6%	53.7%	56.4%	55.8%	53.4%	60.5%	55.3%	56.5%	53.5%	55.9%
<b>Gross expenses</b>	29.3%	30.1%	30.1%	30.7%	30.5%	31.2%	32.7%	31.7%	31.9%	33.4%	33.2%
<b>Net loss ratio</b>	58.4%	54.7%	54.3%	58.1%	57.5%	55.0%	62.6%	56.1%	58.6%	53.2%	56.0%
<b>Net expenses</b>	28.9%	29.7%	29.9%	30.2%	30.1%	31.0%	33.0%	32.0%	32.3%	34.4%	34.5%
<b>Net combined ratio</b>	87.3%	84.4%	84.2%	88.4%	87.7%	86.0%	95.6%	88.1%	91.0%	87.5%	90.5%
<b>Financial result</b>	3.8%	2.6%	3.8%	4.2%	4.0%	3.5%	3.6%	2.5%	2.6%	2.6%	2.6%
<b>Technical-financial result</b>	16.4%	18.2%	19.7%	15.8%	16.3%	17.5%	8.0%	14.4%	11.6%	15.0%	12.1%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)



**Table A.26.**  
**Basic Condominium Multirisk insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	794	815	823	827	836	853	872	898	926	953	984
<b>Variation in premiums</b>	5.2%	2.6%	1.1%	0.4%	1.1%	2.0%	2.3%	3.0%	3.1%	2.8%	3.2%
<b>Retention</b>	86.8%	86.7%	86.4%	85.8%	86.1%	85.3%	86.1%	87.0%	86.2%	86.0%	86.9%
<b>Gross loss ratio</b>	53.8%	51.2%	54.5%	54.3%	53.9%	53.4%	58.5%	63.3%	61.7%	63.9%	67.5%
<b>Gross expenses</b>	27.6%	28.0%	28.2%	28.1%	28.8%	29.2%	29.7%	29.0%	29.4%	29.8%	30.2%
<b>Net loss ratio</b>	54.9%	52.5%	55.2%	55.2%	55.1%	54.5%	59.1%	64.7%	61.8%	62.6%	65.6%
<b>Net expenses</b>	27.6%	28.2%	28.0%	28.0%	28.7%	29.5%	30.5%	29.4%	29.9%	30.9%	31.3%
<b>Net combined ratio</b>	82.5%	80.7%	83.3%	83.2%	83.7%	83.9%	89.5%	94.1%	91.8%	93.5%	96.9%
<b>Financial result</b>	3.4%	2.7%	3.8%	4.1%	4.0%	3.9%	4.2%	3.1%	2.8%	2.4%	3.0%
<b>Technical-financial result</b>	21.0%	22.0%	20.5%	20.9%	20.2%	20.0%	14.7%	9.0%	11.0%	8.9%	6.1%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.27.**  
**Other basic Multirisik insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	60	79	73	73	71	78	78	76	79	81	84
<b>Variation in premiums</b>	1.2%	32.3%	-7.2%	-0.6%	-2.4%	10.2%	-0.6%	-1.7%	3.1%	3.0%	3.4%
<b>Retention</b>	89.1%	89.2%	82.8%	86.1%	85.3%	85.4%	85.0%	85.8%	86.0%	84.8%	84.5%
<b>Gross loss ratio</b>	84.8%	73.1%	69.1%	67.3%	70.1%	58.6%	52.9%	51.8%	54.0%	54.1%	64.4%
<b>Gross expenses</b>	24.2%	25.2%	30.0%	30.8%	31.2%	31.1%	28.9%	28.4%	28.8%	28.3%	28.4%
<b>Net loss ratio</b>	81.3%	73.8%	75.7%	71.0%	71.1%	63.3%	57.0%	54.0%	55.0%	51.1%	59.7%
<b>Net expenses</b>	23.6%	25.4%	31.0%	31.3%	32.3%	31.9%	29.8%	29.0%	28.8%	28.7%	29.4%
<b>Net combined ratio</b>	105.0%	99.2%	106.7%	102.3%	103.4%	95.2%	86.7%	83.0%	83.8%	79.8%	89.1%
<b>Financial result</b>	3.1%	1.1%	5.4%	6.2%	6.9%	4.8%	5.0%	2.8%	2.8%	1.5%	2.6%
<b>Technical-financial result</b>	-1.9%	1.9%	-1.3%	3.9%	3.5%	9.6%	18.2%	19.8%	19.0%	21.7%	13.5%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.28.**  
**Basic Health insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	6,597	6,786	6,937	7,181	7,361	7,736	8,069	8,516	8,935	9,386	9,855
<b>Variation in premiums</b>	3.1%	2.9%	2.2%	3.5%	2.5%	5.1%	4.3%	5.5%	4.9%	5.0%	5.0%
<b>Retention</b>	97.8%	97.7%	97.6%	97.5%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%	97.4%
<b>Gross loss ratio</b>	82.8%	82.7%	83.1%	82.2%	80.9%	80.6%	79.9%	79.0%	79.4%	75.8%	78.4%
<b>Gross expenses</b>	11.5%	11.4%	11.7%	11.8%	12.2%	12.4%	12.2%	12.3%	12.8%	13.2%	13.5%
<b>Net loss ratio</b>	83.9%	83.8%	84.5%	83.6%	82.2%	81.8%	81.2%	80.3%	80.6%	77.0%	79.6%
<b>Net expenses</b>	11.5%	11.4%	11.7%	11.9%	12.2%	12.4%	12.2%	12.3%	12.8%	13.2%	13.5%
<b>Net combined ratio</b>	95.4%	95.2%	96.2%	95.5%	94.4%	94.2%	93.4%	92.6%	93.4%	90.2%	93.1%
<b>Financial result</b>	1.1%	0.8%	1.1%	1.0%	0.7%	0.7%	0.6%	0.3%	0.6%	0.6%	0.5%
<b>Technical-financial result</b>	5.6%	5.5%	4.9%	5.6%	6.3%	6.5%	7.3%	7.7%	7.3%	10.4%	7.5%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.29.**  
**Basic Third-Party Liability insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	1,531	1,448	1,352	1,342	1,360	1,385	1,508	1,532	1,598	1,640	1,800
<b>Variation in premiums</b>	-5.7%	-5.4%	-6.6%	-0.8%	1.3%	1.9%	8.9%	1.6%	4.3%	2.7%	9.8%
<b>Retention</b>	73.9%	72.5%	71.8%	72.1%	72.2%	69.9%	69.5%	70.3%	71.4%	70.5%	67.7%
<b>Gross loss ratio</b>	55.1%	39.8%	52.1%	50.9%	62.1%	67.7%	69.3%	55.1%	62.4%	62.4%	57.4%
<b>Gross expenses</b>	22.6%	24.6%	25.0%	25.5%	25.6%	26.5%	27.2%	28.2%	28.9%	28.1%	28.6%
<b>Net loss ratio</b>	51.4%	38.2%	51.7%	50.6%	59.5%	59.6%	73.9%	54.5%	60.2%	61.1%	54.6%
<b>Net expenses</b>	23.4%	26.0%	26.5%	27.2%	26.8%	28.0%	29.4%	32.1%	32.2%	31.3%	32.2%
<b>Net combined ratio</b>	74.8%	64.3%	78.2%	77.8%	86.3%	87.6%	103.4%	86.7%	92.4%	92.4%	86.9%
<b>Financial result</b>	12.5%	7.1%	12.4%	15.2%	14.0%	13.5%	12.7%	10.6%	10.2%	6.0%	7.8%
<b>Technical-financial result</b>	37.7%	42.8%	34.2%	37.4%	27.7%	25.9%	9.3%	24.0%	17.8%	13.6%	20.9%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.30.**  
**Basic Hull Transport insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	276	256	240	223	225	207	229	216	243	267	271
<b>Variation in premiums</b>	-4.6%	-7.2%	-6.3%	-7.2%	0.8%	-8.0%	10.7%	-5.7%	12.6%	9.8%	1.4%
<b>Retention</b>	49.4%	54.8%	53.4%	55.1%	55.8%	53.6%	52.2%	49.4%	46.4%	37.7%	34.1%
<b>Gross loss ratio</b>	50.9%	73.1%	55.6%	79.5%	77.9%	66.2%	68.5%	94.9%	87.1%	59.2%	65.2%
<b>Gross expenses</b>	17.4%	19.3%	19.5%	19.9%	20.7%	18.9%	18.4%	18.6%	16.5%	17.6%	18.8%
<b>Net loss ratio</b>	68.2%	74.3%	67.6%	90.8%	90.3%	75.6%	76.1%	82.8%	84.7%	80.3%	68.6%
<b>Net expenses</b>	25.6%	25.6%	27.2%	26.3%	26.5%	23.8%	24.9%	27.0%	22.6%	25.1%	23.9%
<b>Net combined ratio</b>	93.8%	99.9%	94.8%	117.0%	116.7%	99.4%	101.1%	109.8%	107.4%	105.4%	92.5%
<b>Financial result</b>	5.4%	3.9%	4.1%	14.9%	13.9%	11.6%	-3.2%	6.5%	4.8%	2.4%	4.4%
<b>Technical-financial result</b>	11.6%	4.0%	9.2%	-2.1%	-2.8%	12.3%	-4.3%	-3.3%	-2.6%	-3.0%	11.9%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.31.**  
**Basic Goods in Transit insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	211	204	198	194	205	207	230	244	255	257	269
<b>Variation in premiums</b>	0.7%	-3.0%	-2.8%	-2.2%	5.4%	1.2%	11.2%	6.0%	4.5%	0.6%	4.9%
<b>Retention</b>	69.1%	65.4%	63.7%	66.4%	65.7%	65.0%	62.0%	63.2%	69.0%	66.8%	67.4%
<b>Gross loss ratio</b>	54.5%	50.8%	62.0%	65.3%	71.0%	75.4%	58.8%	76.1%	61.3%	48.8%	55.9%
<b>Gross expenses</b>	25.1%	25.2%	25.4%	26.4%	28.1%	28.7%	27.4%	26.1%	28.0%	26.4%	26.6%
<b>Net loss ratio</b>	61.8%	59.1%	70.4%	71.8%	78.4%	72.6%	61.4%	70.4%	64.1%	50.0%	55.1%
<b>Net expenses</b>	29.1%	30.2%	31.1%	32.0%	33.3%	34.4%	33.7%	32.1%	30.0%	28.1%	27.3%
<b>Net combined ratio</b>	90.9%	89.3%	101.5%	103.8%	111.7%	107.0%	95.2%	102.6%	94.1%	78.1%	82.5%
<b>Financial result</b>	5.4%	2.7%	4.9%	6.5%	6.3%	5.7%	4.1%	3.6%	3.8%	2.5%	3.2%
<b>Technical-financial result</b>	14.5%	13.4%	3.4%	2.8%	-5.4%	-1.4%	8.9%	1.1%	9.6%	24.4%	20.7%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.32.**  
**Basic Burial insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	1,761	1,891	1,961	2,087	2,150	2,167	2,277	2,367	2,459	2,490	2,571
<b>Variation in premiums</b>	3.4%	7.3%	3.7%	6.5%	3.0%	0.8%	5.1%	4.0%	3.9%	1.3%	3.2%
<b>Retention</b>	100.6%	98.9%	99.0%	98.4%	98.5%	98.6%	98.4%	98.3%	98.5%	98.3%	97.9%
<b>Gross loss ratio</b>	51.3%	55.2%	56.9%	60.3%	65.2%	63.7%	62.6%	64.5%	64.8%	71.0%	63.1%
<b>Gross expenses</b>	37.8%	37.5%	36.4%	34.8%	32.9%	33.1%	33.0%	33.0%	32.8%	32.2%	32.2%
<b>Net loss ratio</b>	50.7%	55.4%	57.2%	60.9%	65.9%	64.3%	63.1%	65.3%	65.5%	72.0%	64.2%
<b>Net expenses</b>	37.2%	37.5%	36.4%	34.7%	32.7%	33.0%	32.9%	32.9%	32.8%	32.2%	32.4%
<b>Net combined ratio</b>	87.9%	93.0%	93.5%	95.5%	98.6%	97.3%	96.1%	98.2%	98.4%	104.2%	96.5%
<b>Financial result</b>	5.7%	6.8%	6.2%	6.5%	7.4%	5.8%	5.8%	5.7%	6.3%	4.8%	6.4%
<b>Technical-financial result</b>	17.8%	13.8%	12.7%	11.0%	8.8%	8.5%	9.8%	7.5%	7.9%	0.6%	9.8%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.33.**  
**Basic Credit insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	695	677	646	631	609	593	570	584	607	602	670
<b>Variation in premiums</b>	-3.3%	-2.5%	-4.7%	-2.4%	-3.4%	-2.6%	-3.8%	2.5%	3.8%	-0.8%	11.2%
<b>Retention</b>	54.6%	53.2%	46.3%	44.4%	42.1%	34.4%	34.4%	36.2%	37.5%	32.5%	33.0%
<b>Gross loss ratio</b>	78.2%	81.4%	70.4%	39.6%	69.2%	45.0%	48.0%	49.6%	52.2%	61.8%	26.7%
<b>Gross expenses</b>	20.4%	20.9%	21.9%	24.1%	24.7%	31.3%	30.4%	29.7%	32.8%	30.5%	31.0%
<b>Net loss ratio</b>	84.1%	87.8%	68.7%	42.2%	48.5%	47.3%	53.1%	57.3%	46.6%	66.3%	42.2%
<b>Net expenses</b>	15.0%	19.2%	22.1%	19.2%	8.4%	17.2%	16.5%	9.4%	11.0%	12.3%	17.5%
<b>Net combined ratio</b>	99.0%	107.0%	90.9%	61.4%	56.9%	64.6%	69.6%	66.7%	57.7%	78.6%	59.7%
<b>Financial result</b>	6.2%	5.8%	6.0%	4.5%	4.0%	2.6%	2.6%	3.3%	2.8%	1.4%	5.1%
<b>Technical-financial result</b>	7.1%	-1.2%	15.1%	43.1%	47.1%	38.0%	33.0%	36.6%	45.1%	22.8%	45.4%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)



**Table A.34.**  
**Basic Surety insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	78	65	63	61	86	62	63	84	122	136	154
<b>Variation in premiums</b>	-7.3%	-16.2%	-4.1%	-2.8%	40.6%	-27.4%	1.6%	33.2%	45.6%	11.1%	13.4%
<b>Retention</b>	40.1%	47.1%	44.5%	48.7%	46.4%	35.1%	36.4%	34.8%	31.8%	32.9%	35.3%
<b>Gross loss ratio</b>	98.7%	284.4%	535.5%	159.8%	158.2%	22.9%	30.4%	15.7%	39.7%	26.0%	20.3%
<b>Gross expenses</b>	24.2%	24.7%	28.3%	27.8%	33.9%	32.4%	27.4%	33.6%	36.0%	31.6%	38.1%
<b>Net loss ratio</b>	82.7%	201.4%	233.4%	72.1%	64.0%	33.1%	38.4%	31.9%	48.2%	37.3%	28.9%
<b>Net expenses</b>	22.0%	14.0%	34.4%	37.9%	41.7%	25.0%	13.2%	24.9%	29.0%	-1.3%	26.7%
<b>Net combined ratio</b>	104.7%	215.4%	267.8%	110.0%	105.7%	58.2%	51.5%	56.8%	77.3%	36.0%	55.6%
<b>Financial result</b>	8.2%	9.8%	3.1%	5.0%	3.3%	4.1%	5.8%	6.2%	4.6%	1.8%	4.3%
<b>Technical-financial result</b>	3.5%	-105.7%	-164.7%	-5.1%	-2.3%	45.9%	54.3%	49.4%	27.3%	65.7%	48.7%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.35.**  
**Basic Personal Accident insurance indicators, 2011-2021**  
 (premiums, millions of euros; ratio over premiums, %)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Premium volume issued</b>	897	853	880	886	926	984	1,114	1,152	1,152	1,123	1,121
<b>Variation in premiums</b>	-2.6%	-5.0%	3.2%	0.6%	4.6%	6.2%	13.3%	3.4%	0.0%	-2.5%	-0.2%
<b>Retention</b>	89.5%	89.7%	90.1%	89.0%	89.0%	87.9%	87.4%	87.6%	86.5%	86.8%	87.2%
<b>Gross loss ratio</b>	39.0%	34.2%	41.6%	40.9%	41.3%	37.2%	38.3%	38.7%	39.0%	32.9%	35.0%
<b>Gross expenses</b>	35.4%	36.3%	34.9%	36.7%	37.6%	37.1%	36.9%	36.1%	36.4%	34.7%	35.7%
<b>Net loss ratio</b>	40.5%	35.3%	40.8%	41.8%	40.5%	37.2%	36.9%	38.5%	39.5%	32.0%	34.9%
<b>Net expenses</b>	36.2%	36.9%	35.2%	37.2%	37.6%	37.4%	37.4%	36.4%	37.0%	35.6%	36.9%
<b>Net combined ratio</b>	76.7%	72.2%	76.0%	79.0%	78.1%	74.6%	74.3%	74.9%	76.5%	67.6%	71.8%
<b>Financial result</b>	4.3%	3.8%	11.3%	18.7%	15.0%	15.4%	17.0%	19.4%	19.5%	28.0%	2.8%
<b>Technical-financial result</b>	27.6%	31.6%	35.3%	39.7%	36.9%	40.8%	42.7%	44.5%	42.9%	60.4%	31.0%

Source: MAPFRE Economics (based on ICEA data. Economic report on the insurance industry and historic series of direct business premiums by lines and modalities since 2003)

**Table A.36.**  
**Trends in penetration in the Spanish insurance industry, 2011-2021**  
 (premiums/GDP, %)

Year	Total market	Life insurance				Non-life insurance				
		Total Life insurance	Life Risk	Life Savings	Total Non-Life insurance	Automobiles	Multirisk	Health	Other lines	
2011	5.70%	2.71%	0.34%	2.37%	2.98%	1.06%	0.62%	0.62%	0.68%	
2012	5.57%	2.55%	0.34%	2.21%	3.02%	1.03%	0.64%	0.66%	0.69%	
2013	5.48%	2.50%	0.33%	2.17%	2.98%	0.98%	0.64%	0.68%	0.68%	
2014	5.38%	2.41%	0.34%	2.07%	2.97%	0.96%	0.63%	0.70%	0.68%	
2015	5.28%	2.37%	0.35%	2.02%	2.90%	0.93%	0.61%	0.68%	0.68%	
2016	5.73%	2.80%	0.38%	2.42%	2.94%	0.95%	0.60%	0.69%	0.69%	
2017	5.46%	2.53%	0.36%	2.17%	2.93%	0.94%	0.60%	0.69%	0.69%	
2018	5.35%	2.41%	0.39%	2.02%	2.94%	0.93%	0.60%	0.71%	0.71%	
2019	5.16%	2.21%	0.39%	1.82%	2.95%	0.91%	0.60%	0.72%	0.71%	
2020	5.25%	1.95%	0.43%	1.51%	3.30%	0.99%	0.69%	0.84%	0.79%	
2021	5.13%	1.95%	0.42%	1.54%	3.18%	0.91%	0.67%	0.82%	0.77%	

Source: MAPFRE Economics (based on ICEA and IMF data)

**Table A.37.**  
Trends in density and depth in the Spanish insurance industry, 2011-2021  
(premiums per capita, euros; direct life insurance premiums/total direct premiums, %)

Year	Density (premiums per capita)										Depth (direct life insurance premiums/total direct premiums)
	Total market density	Life Insurance			Total Non-Life insurance	Non Life Insurance			Health	Other lines	
		Total Life insurance	Life Risk	Life Savings		Automobiles	Multirisk				
2011	1,281.9	610.8	76.4	534.5	671.1	238.4	139.2	139.6	153.9	47.7%	
2012	1,217.6	557.8	74.5	483.3	659.8	225.1	140.6	144.0	150.1	45.8%	
2013	1,195.1	545.4	71.6	473.8	649.7	214.3	139.8	148.3	147.3	45.6%	
2014	1,190.1	532.8	74.5	458.3	657.3	212.0	140.5	154.0	150.8	44.8%	
2015	1,221.4	549.1	81.1	468.1	672.2	215.9	141.0	158.1	157.2	45.0%	
2016	1,370.6	668.6	90.3	578.3	702.0	226.9	144.6	166.1	164.4	48.8%	
2017	1,357.7	629.4	90.0	539.4	728.3	233.8	149.1	172.7	172.7	46.4%	
2018	1,370.0	616.6	100.4	516.2	753.4	236.8	153.8	181.1	181.6	45.0%	
2019	1,352.5	580.0	102.5	477.5	772.4	238.4	158.5	188.3	187.2	42.9%	
2020	1,242.8	460.8	102.3	358.5	781.9	234.0	163.6	198.1	186.3	37.1%	
2021	1,303.5	496.5	105.8	390.7	807.0	231.7	171.1	207.8	196.4	38.1%	

Source: MAPFRE Economics (based on ICEA and INE data)

Table A.38.  
Trends in the Insurance Protection Gap in the Spanish insurance market, 2011-2021  
(billions of euros)

Year	Insurance Protection Gap (IPG)			Actual market (d)	Potential market (e = a + d)	IPG as a multiple of actual market (number of times)		
	Total IPG (a = b + c)	IPG life insurance (b)	IPG Non-Life Insurance (c)			Total market	Life insurance market	Non-Life insurance market
2011	24.0	22.6	1.4	60.6	84.6	0.397	0.784	0.045
2012	23.7	22.5	1.2	57.4	81.1	0.413	0.857	0.037
2013	25.3	23.3	2.0	55.9	81.2	0.453	0.915	0.066
2014	27.5	26.2	1.3	55.5	83.0	0.496	1.054	0.043
2015	29.8	27.8	2.0	56.9	86.7	0.524	1.086	0.065
2016	22.5	21.5	0.9	63.8	86.3	0.352	0.692	0.028
2017	27.8	26.5	1.3	63.4	91.3	0.439	0.902	0.039
2018	28.6	27.7	1.0	64.4	93.1	0.445	0.955	0.027
2019	33.4	31.6	1.8	64.2	97.6	0.520	1.149	0.048
2020	31.7	31.6	0.1	58.9	90.6	0.539	1.447	0.003
2021	36.7	36.5	0.2	61.8	98.5	0.593	1.550	0.004

Source: MAPFRE Economics (based on ICEA, Swiss RE and IMF data)



## Other reports by MAPFRE Economics

MAPFRE Economics (2022), *Global Savings After the Pandemic and Insurance Industry Investments*, Madrid, Fundación MAPFRE.

MAPFRE Economics (2022), *COVID-19: A Preliminary Analysis of Demographic and Insurance Industry Impacts*, Madrid, Fundación MAPFRE.

MAPFRE Economics (2022), *2022 Economic and Industry Outlook: Perspectives on the second quarter*, Madrid, Fundación MAPFRE.

MAPFRE Economics (2021), *GIP-MAPFRE 2021*, Madrid, Fundación MAPFRE.

MAPFRE Economics (2021), *The Latin American Insurance Market in 2020*, Madrid, Fundación MAPFRE.

MAPFRE Economics (2021), *2020 Ranking of Insurance Groups in Latin America*, Madrid, Fundación MAPFRE.

MAPFRE Economics (2021), *A Global Perspective on Pension Systems*, Madrid, Fundación MAPFRE.

MAPFRE Economics (2020), *Elements for the Development of Life Insurance*, Madrid, Fundación MAPFRE.

MAPFRE Economics (2020), *Financial Inclusion in Insurance*, Madrid, MAPFRE Economics.

MAPFRE Economics (2020), *The Latin American Insurance Market in 2019*, Madrid, Fundación MAPFRE.

MAPFRE Economics (2020), *The Spanish Insurance Market in 2019*, Madrid, Fundación MAPFRE.

MAPFRE Economic Research (2019), *Population Aging*, Madrid, Fundación MAPFRE.

MAPFRE Economic Research (2018), *Global Insurance Potential Index*, Madrid, Fundación MAPFRE.

MAPFRE Economic Research (2018), *Health Systems: A Global Analysis*, Madrid, Fundación MAPFRE.

MAPFRE Economic Research (2018), *Insurance Solvency Regulation Systems*, Madrid, Fundación MAPFRE.

MAPFRE Economic Research (2017), *Elements for Insurance Expansion in Latin America*, Madrid, Fundación MAPFRE.





## **DISCLAIMER**

This document has been prepared by MAPFRE Economics for information purposes only. It does not reflect the views or opinions of MAPFRE or Fundación MAPFRE. The document presents and compiles data, views and estimates relative to the time at which it was prepared. These were prepared directly by MAPFRE Economics or otherwise obtained from or prepared using sources considered reliable, but which have not been independently verified by MAPFRE Economics. Therefore, MAPFRE and Fundación MAPFRE specifically refuse all liability with respect to its precision, integrity or correctness.

The estimates contained in this document have been prepared on the basis of widely accepted methodologies and should be treated as forecasts or projections only, given that the results obtained from positive or negative historical data cannot be considered as a guarantee of future performance. Equally, this document and its contents are also subject to changes that will depend on variables such as the economic outlook or market performance. MAPFRE and Fundación MAPFRE therefore refuse all liability with respect to how up to date or relevant these contents may be, or with respect to providing any related notices.

This document and its contents do not constitute any form of offer, invitation or solicitation to purchase, participate or divest in financial assets or instruments. This document and its contents cannot form part of any contract, commitment or decision of any type. With regard to the investment in financial assets connected with the economic variables analyzed in this document, readers of this study must be aware that under no circumstances should they base their investment decisions on the information given in this document. People or companies offering investment products to potential investors are legally bound to provide the necessary information by which to make a suitable investment decision. For all of the foregoing, MAPFRE and Fundación MAPFRE specifically refuse all liability for any direct or indirect harm, loss or damage that may ensue from the use of this document or its contents for these purposes.

The contents of this document are protected by intellectual property laws. The information contained in this study may be reproduced in part, provided the source is cited.

Fundación  
**MAPFRE**

[www.fundacionmapfre.org](http://www.fundacionmapfre.org)

Paseo de Recoletos, 23  
28004 Madrid



# Fundación **MAPFRE**

---

[www.fundacionmapfre.org](http://www.fundacionmapfre.org)

Paseo de Recoletos, 23  
28004 Madrid