



**MAPFRE** ANNUAL REPORT 2012



*Social Responsibility*





## *Vision*

MAPFRE wants to be the most trusted global insurance company



## *Mission*

We are a multinational team that continuously strives to improve our service and develop the best relationship possible with our customers, distributors, suppliers, shareholders and Society



## *Values*

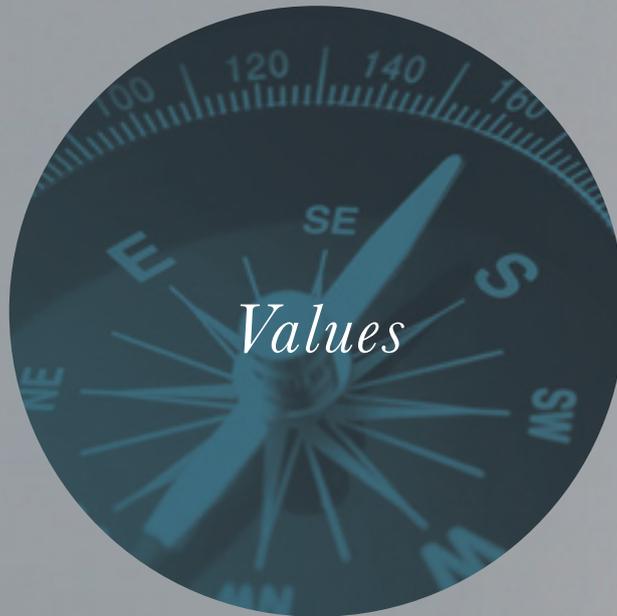
SOLVENCY

INTEGRITY

SERVICE VOCATION

INNOVATIVE LEADERSHIP

COMMITTED TEAM



# Values

## SOLVENCY

Financial strength with sustainable results.

International diversification and consolidation in various markets.

## INTEGRITY

Ethics govern the behaviour of all personnel.

Socially responsible focus in all of our activities.



## SERVICE VOCATION

Constant search for excellence in the development of our activities.

Continuous initiatives focused on minding our relationship with our customers.

## INNOVATIVE LEADERSHIP

Willingness to surpass ourselves and to constantly improve.

Useful technology for servicing the businesses and their objectives.

## COMMITTED TEAM

Total team commitment with MAPFRE's project.

Constant training and development of the team's capabilities and skills.

 **MAPFRE** ANNUAL REPORT 2012

*Social Responsibility*

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# 1

## Chairman's Letter

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**Dear reader,**

We are experiencing times of change in which companies must have solid convictions to make steady future progress. In MAPFRE we are aware of this and make a renewed commitment each day to the more than xx million customers we already have in 46 countries worldwide. That vocation to improve what we do and to help develop society sets us apart. We believe growth is compatible with maintaining absolute respect for all the groups we deal with: customers, shareholders, employees, partners, society in general....

In this report, which we are presenting for the ninth consecutive year, we detail all the actions, processes and decisions that we have taken on Social Responsibility with regard to social, labour and environmental commitments and also those concerning human rights established by the ten principles of the Global Compact which MAPFRE signed in 2004.

Like every year, we have prepared the report following the international guidelines of the Global Reporting Initiative (GRI), version 3.1, and completed it for the first time with the insurance sector's own indicators defined in 2012 by the ICEA's (Cooperative Research Insurance Association) Work Group.

What's more, this Social Responsibility report has been verified externally by the audit firm Ernst & Young, and will be completed with specific reports produced in other countries during this period which will be available on the Group's corporate website.

I would like to highlight some of the most important aspects included in the report which refer to our stakeholders.

— With respect to employees, the report details, among other things, issues related to the structure of the workforce, training policies, professional development and compensation, as well as work-life balance measures and equal opportunities. Special mention should be made of the corporate volunteer programme, social responsibility courses and the working of the Whistleblower Channel.

— With regard to our customers, the report highlights three important aspects we are working on: (i) the professionalization of our extensive distribution network (ii), MAPFRE's commitment to both product and service innovation, introducing the initiatives of the Group's own employees and (iii) loyalty actions, which improve customer ties, through the "teCuidamos" and "Cuidamos tu empresa" platforms.

— As for shareholders, with whom MAPFRE bases its relationship on ethics, transparency and value generation, the report provides information on share price and profitability, shareholder composition and other market data. Here it is worth noting MAPFRE's continued presence once again this year on the Dow Jones Sustainability and FTSE4Good indices, which assess the performance of listed companies based on their sustainable development actions, respect for Human Rights and environmental commitment.



*Antonio Huertas*

PRESIDENT

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— In terms of the sales network's activity, mention should be made of customer acquisition and retention processes, the global product offer and adaptation to the legal and commercial conditions of each of the markets in which MAPFRE operates. The Group has made significant progress in implementing the sales organisation model through the Single Sales Division and has created a new Global Direct Insurance Division, as well as establish the bases for the overall development of online and telephone sales worldwide. There are also references to the relationship with intermediaries, their training, selection processes, support programmes and distribution agreements.

— As regards suppliers, special mention must go to the launch in 2012 of the new Procurement Portal, to monitor orders generated and improve efficiency in relations they maintain with MAPFRE.

— In terms of our environmental commitment, the report provides an important assessment of 2012 environmental goals and the actions introduced to achieve them. It also looks at energy efficiency aspects designed to effect a reduction in resource consumption per employee, as well as others associated with environmental and energy management, direct environmental impact control and assessment processes, the management of water, paper, waste and atmospheric emissions, plus the carbon footprint of both direct and indirect emissions.

We can say that MAPFRE assumes responsibility for the impact that its activity has on society and analyses the expectations of its stakeholders to look towards the future with greater confidence. We are aware of the increasingly profound, global and rapid nature of economic and social changes, so we believe that we need to make a greater effort to adapt to this new reality.

In this respect, MAPFRE has carried out an internal reflection process to redefine its goals and determine the most important values on which to base its actions. A reflection guided by innovative spirit, which has always characterised us, and which aims to adapt our powerful business culture to the new economic and social reality and our own internal evolution. The objective is to continue to fulfil our stakeholders' expectations, particularly our customers, employees, shareholders, partners and society in general.

It has been an internal, enlightening and all-embracing process, which has helped us to define our new global corporate strategy, with the necessary flexibility to adapt to the reality of each country and business, always with the customer in the spotlight.

MAPFRE's new global strategic framework is based on three essential concepts:

— "MAPFRE wants to be the world's trusted insurer". It is our 'Vision', what we aspire to be and how we want to be known tomorrow. When people talk about trust in the sector, we want them to talk about MAPFRE.

— We have also defined our 'Mission', which is "to be a multinational team that continuously strives to improve our service and develop the best relationship possible with our customers, distributors, suppliers, shareholders and society". We want to base our actions on the commitment to continuously improve the quality of our service, taking a further step in the relationship model with all the groups involved.

— We have determined our values and how they define and strengthen our institutional business principles, with solvency, integrity, service vocation, innovative leadership and a committed team.

That framework will help us to adapt increasingly quickly to the new reality, be more efficient in our daily actions and achieve the goals we set ourselves. It will also help strengthen our social commitment to groups that interact with us. But to achieve this we must all start to work together immediately. We are counting on your trust and support for this.

*Antonio Huertas*

PRESIDENT



MAPFRE is a multinational that engages chiefly in insurance and reinsurance activities in more than 45 countries throughout The five continents. The Group's parent company is the holding company MAPFRE S.A., whose shares are listed on the Madrid and Barcelona stock exchanges, and form part of the IBEX 35, Dow Jones Stoxx Insurance, Dow Jones Sustainability World Index, MSCI Spain, FTSE All-World Developed Europe Index, FTSE4Good and FTSE4Good IBEX indices.

The majority shareholder of MAPFRE S.A. is FUNDACIÓN MAPFRE, which guarantees its independence and institutional stability. FUNDACIÓN MAPFRE engages in general interest activities in the fields of Corporate Community Involvement, Insurance Sciences, Culture, Road Safety, Prevention, Health and Environment.

The Group's business is divided into three main divisions, which since 1st January 2013 are called Insurance Spain and Portugal, Insurance International and Global Businesses. MAPFRE has a solid position on the Spanish Insurance market and a significant international presence. At the end of 2012, it ranked sixth in Non-Life Insurance in Europe, and first in this segment in the Latin American market, a region where it is the second largest global insurance group.

## Presence

MAPFRE operates in a total of 46 countries through 281 companies. At the end of 2012, it had 5,390 own offices throughout the world, of which 3,069 were located in Spain, and 2,122 in Latin America; it also distributes its products through 9,475 bank branches and other points of sale that sell the Group's policies under association agreements; and has a network of almost 62,000 agents and brokers, 5,750 of which were based in the United States and more than 17,590 in Brazil.

In the insurance business, MAPFRE leads the Spanish market and is present in all the Latin American markets (a region where it is the leader in non-life insurance) and in the US, Portugal, Turkey, the Philippines and Malta. In the assistance segment, MAPFRE operates in 43 countries. The Group also has a professional reinsurance provider (MAPFRE RE) that ranks among the top 20 firms in the world reinsurance league, and which operates worldwide thanks to two subsidiaries and 16 offices.

### THE AMERICAS

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<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Puerto Rico
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<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Uruguay
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Venezuela

### OCEANIA

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### AFRICA

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<input checked="" type="radio"/>	Tunisia

### EUROPE

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<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	France
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<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Italy
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<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Malta
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Portugal
<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	United Kingdom
<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	Russia
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Turkey

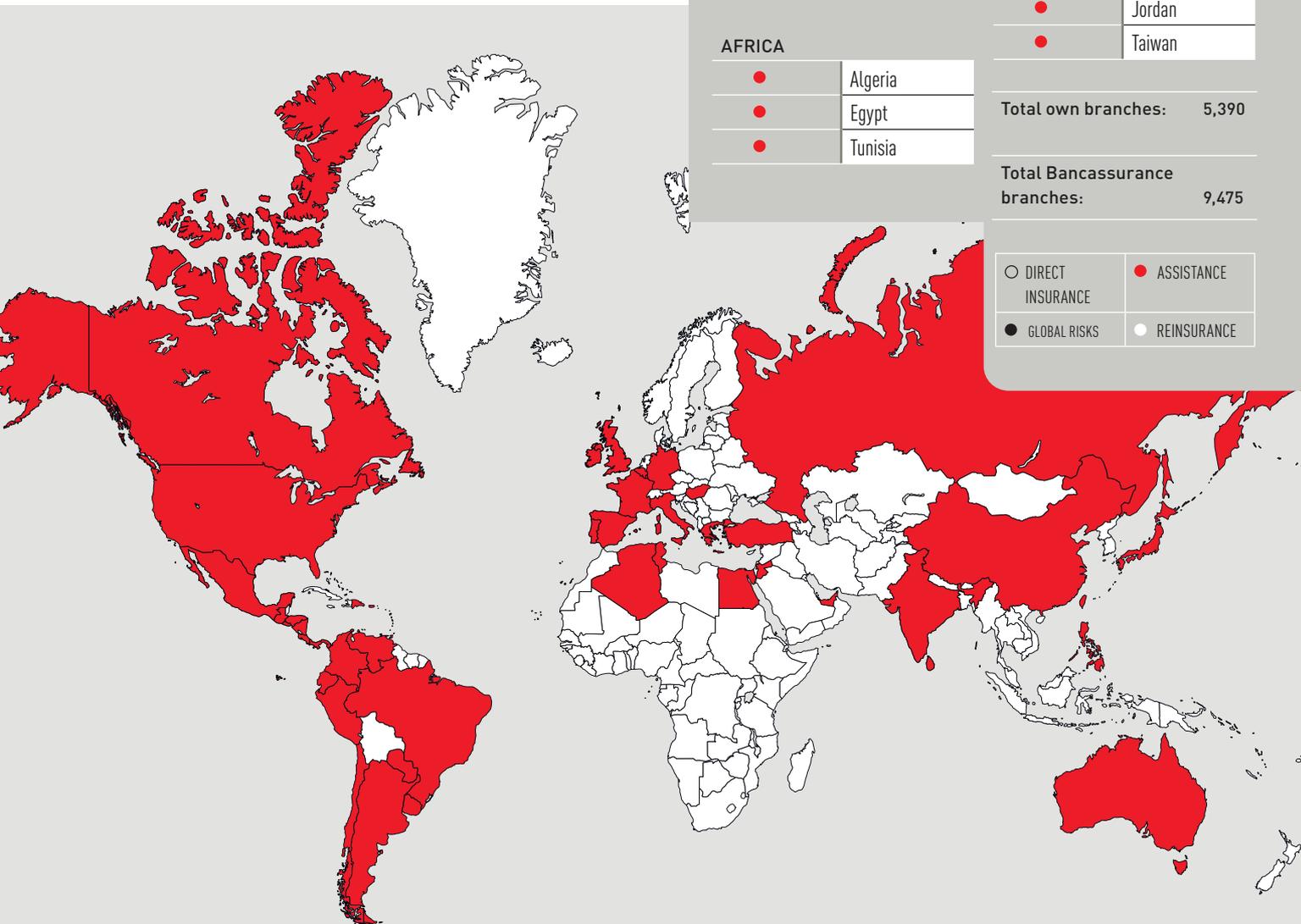
### ASIA

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<input checked="" type="radio"/>	Unit. Arab Emirates		
<input checked="" type="radio"/>	China		
<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Philippines
<input checked="" type="radio"/>	India		
<input checked="" type="radio"/>	Japan		
<input checked="" type="radio"/>	Jordan		
<input checked="" type="radio"/>	Taiwan		

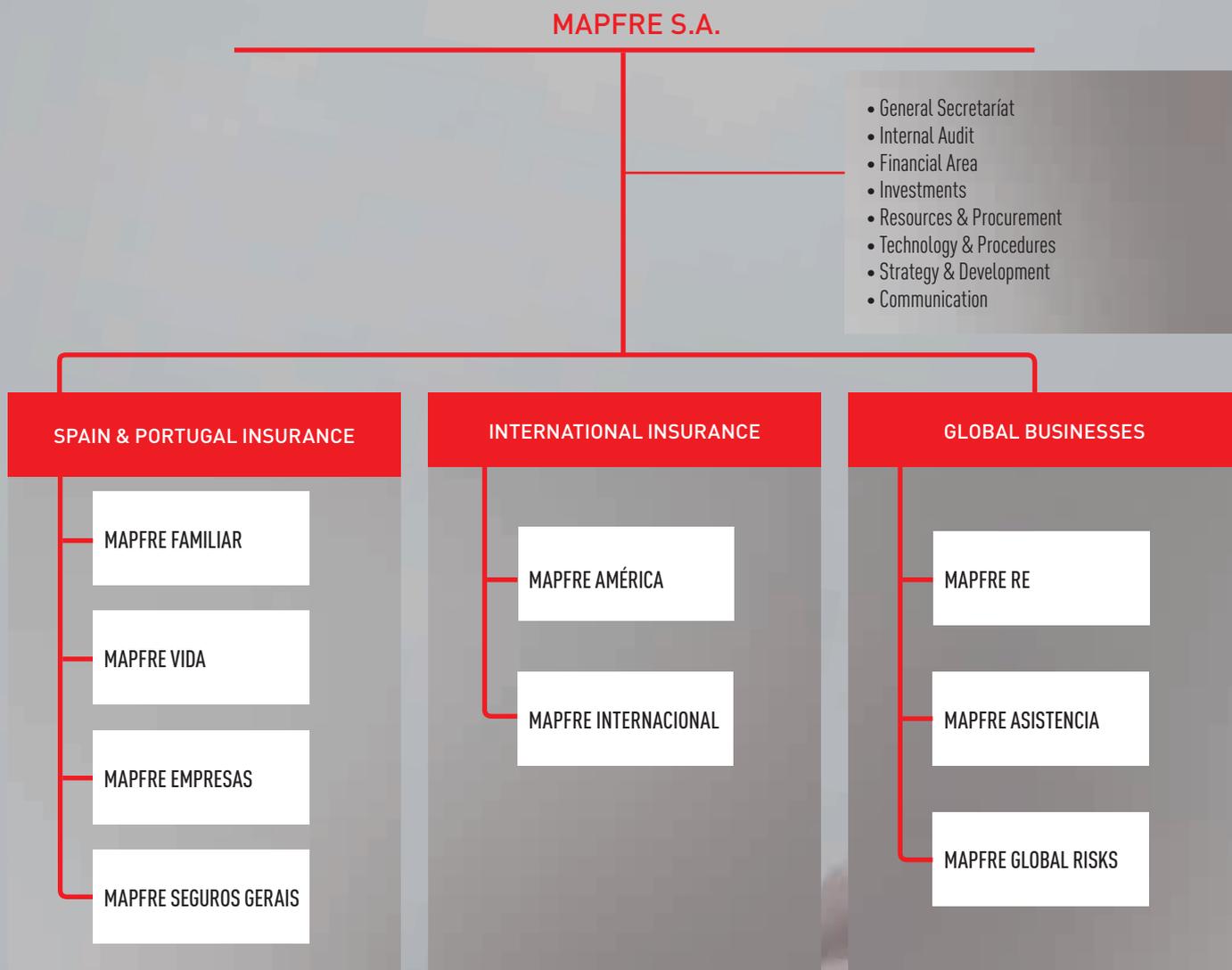
Total own branches: 5,390

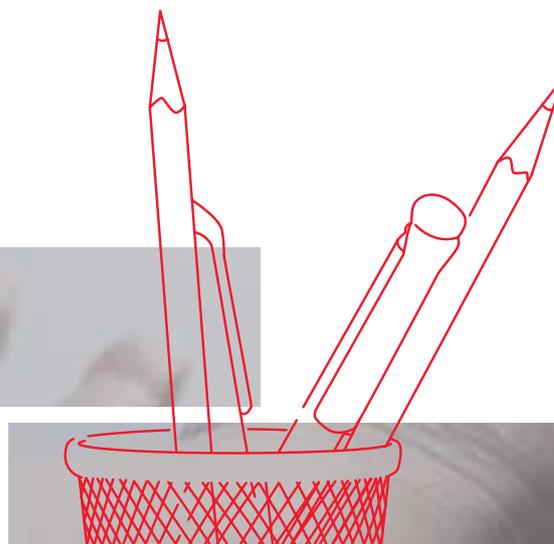
Total Bancassurance branches: 9,475

<input type="radio"/>	DIRECT INSURANCE	<input checked="" type="radio"/>	ASSISTANCE
<input checked="" type="radio"/>	GLOBAL RISKS	<input type="radio"/>	REINSURANCE



## Corporate organization chart of the MAPFRE Group





## Key economic figures

The following chart displays the key figures that define the MAPFRE Group's economic dimension:

<b>REVENUES BY TRANSACTIONS</b>	<b>2012</b>	<b>2011</b>	<b>Chg.% 12/11</b>
<b>REVENUES BY TRANSACTIONS</b>			
Insurance and reinsurance policy premiums	23,064.3	20,848.3	10.6%
Gross contributions to pension schemes	619.6	827.7	-25.2%
Revenues from investments	3,061.2	3,155.3	-3.0%
Revenues from non-insurance companies and others	881.1	945.2	-6.8%
Consolidation adjustments and other companies	-1,705.4	-1,418.4	20.2%
<b>TOTAL OPERATING REVENUES</b>	<b>25,920.8</b>	<b>24,358.0</b>	<b>6.4%</b>
<b>PRE-TAX PROFIT</b>	<b>1,372.0</b>	<b>1,636.9</b>	<b>-16.2%</b>
<b>RESULT ATTRIBUTABLE TO THE CONTROLLING COMPANY</b>	<b>665.7</b>	<b>963.0</b>	<b>-30.9%</b>
<b>LIFE AND SAVING PRODUCT FUNDS UNDER MANAGEMENT</b>			
Life Technical Provisions	23,386.0	21,581.8	8.4%
Pension Funds	5,105.9	5,081.3	0.5%
Mutual Funds and portfolios under management	2,543.2	2,648.4	-4.0%
<b>TOTAL LIFE AND SAVING PRODUCT FUNDS UNDER MANAGEMENT</b>	<b>31,035.1</b>	<b>29,311.5</b>	<b>5.9%</b>
<b>TOTAL ASSETS MANAGED (1)</b>	<b>64,632.3</b>	<b>62,585.3</b>	<b>3.3%</b>

FIGURES IN €MILLION

(1) Includes total assets, pension funds and mutual funds

The figures in the following chart show MAPFRE's presence in Spain and overseas, and of the distribution of its business by geographical areas:

<b>INTERNATIONAL PRESENCE OF THE BUSINESS AND GEOGRAPHICAL DISTRIBUTION</b>	<b>2012</b>	<b>2011</b>
<b>NUMBER OF COUNTRIES WITH PRESENCE</b>	<b>46</b>	<b>46</b>
<b>STAFF NUMBERS</b>	<b>35,586</b>	<b>34,390</b>
Spain	10,773	11,046
Other countries	24,813	23,344
<b>NUMBER OF BRANCHES</b>	<b>5,390</b>	<b>5,317</b>
Spain	3,069	3,155
America - Direct insurance	2,122	2,006
Other countries	199	156
<b>REGIONAL DISTRIBUTION OF THE BUSINESS BY PREMIUMS</b>		
Spain	33%	38%
America - Direct insurance	37%	33%
Other countries	30%	29%

The table below displays MAPFRE's market shares:

<b>MARKET SHARES</b>	<b>2012</b>	<b>2011</b>
<b>SPAIN (PREMIUMS)</b>		
Motor	21.0%	21.0%
Health	5.9%	6.1%
Other Non-Life	17.1%	17.1%
Life	11.4%	11.0%
Total	13.9%	13.7%
<b>SPAIN LIFE (TECHNICAL PROVISIONS)</b>	<b>11.6%</b>	<b>11.8%</b>
<b>LATIN AMERICA (NON-LIFE PREMIUMS)</b>	<b>n.a.</b>	<b>10.1%</b>



## Governing Bodies

MAPFRE's governing bodies have traditionally felt particular concern for good corporate governance, which is why they have for some time adopted a set of principles and regulations which have gradually been adapted in line with the structural changes which have been experienced during their lifetime, and the new legislation and recommendations in the area, which has guaranteed their effectiveness for many years.

The importance acquired by MAPFRE, the progressive complexity of its company structure, and its growing international reputation meant that in 2000, it was advised to systematise and expand the aforementioned regulations and principles, and embody them in a Code of Good Governance<sup>1</sup> which also defined the structure and composition of its governing bodies; and which regulated the relationships between them, in order to ensure their coordinated action, and the adequate exercising of the faculties inherent in their condition of majority shareholder, by the managing bodies of the Group's parent company.

The first version of this Code, approved by MAPFRE's governing bodies in 2000, was the result of a detailed piece of work that was done as a result of the publication of the Standing Committee Report for the study of a Code of Ethics for Company Boards of Directors ("Olivencia Report"). This first version was updated and revised in 2005, taking into account the experience acquired from its application, the recommendations from the "Aldama Report", and the different legal rules and regulations passed as a result of the aforementioned report with regard to good governance in companies.

The current code was written in 2008, in order to adapt the content to the new corporate structure adopted by MAPFRE in 2006, and in order to update its regulations taking into account the recommendations of the Unified Code of Good Governance published that year by the National Stock Market Commission.

Although the regulations of the Code of Good Governance are fundamentally aimed at MAPFRE S.A. and its subsidiaries, it was thought to be advisable that it should regulate the corporate governance of the entire MAPFRE SYSTEM, for two reasons:

- The conviction that the functioning of the governing bodies of the MAPFRE FOUNDATION should also be subject to regulations which ensure their good governance.
- The fact that, given that the MAPFRE FOUNDATION controls the majority of the MAPFRE S.A. shares, both the shareholders and the company can know how the Foundation is governed and what relationship it has with MAPFRE S.A., with the maximum transparency.

The aforementioned code consequently constitutes a compulsory reference framework for all of the companies forming part of the MAPFRE SYSTEM and their respective governing bodies, which must adapt their action in accordance with the principles and regulations defined in it, also taking into account any possible special situations which may exist in each company, and particularly, any agreements and pacts signed with other partners, as well as the legal regulations of each country.

Meanwhile, the Volume "MAPFRE 2012 Consolidated Annual Report and Management Report and Subsidiary Companies" offers extensive information about the Group's governing bodies, their structure, committees, mandate and composition.

[1] MAPFRE's Code of Good Governance is available on the corporate webpage ([www.mapfre.com](http://www.mapfre.com))

*MAPFRE and Corporate Social Responsibility*

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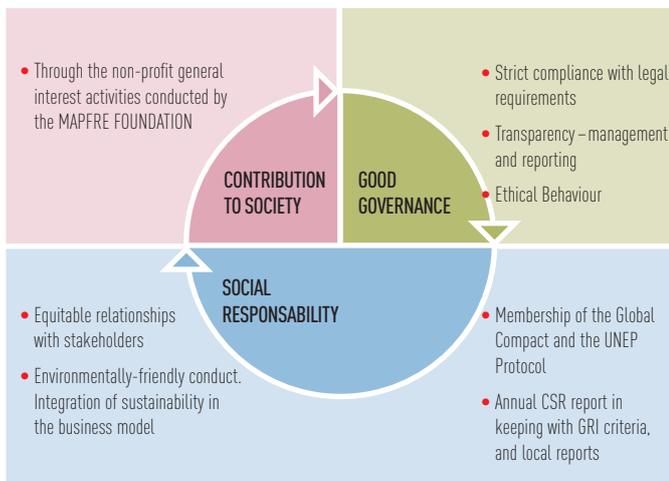


## The Model

At MAPFRE, CSR is a voluntary yet strategic commitment that entails attempting to deliver business targets while complying strictly with legal and contractual obligations, applying non-discriminatory principles to stakeholder dealings and contributing to satisfying the current and emerging needs of society.

Therefore, MAPFRE's Social Responsibility model is founded on institutional and business principles, as well as its self-regulatory rules set out in its Code of Good Governance. This model integrates the way in which MAPFRE engages in its business activities and carries out its social commitment, as well as its foundational activity:

### MAPFRE GROUP CORPORATE MODEL

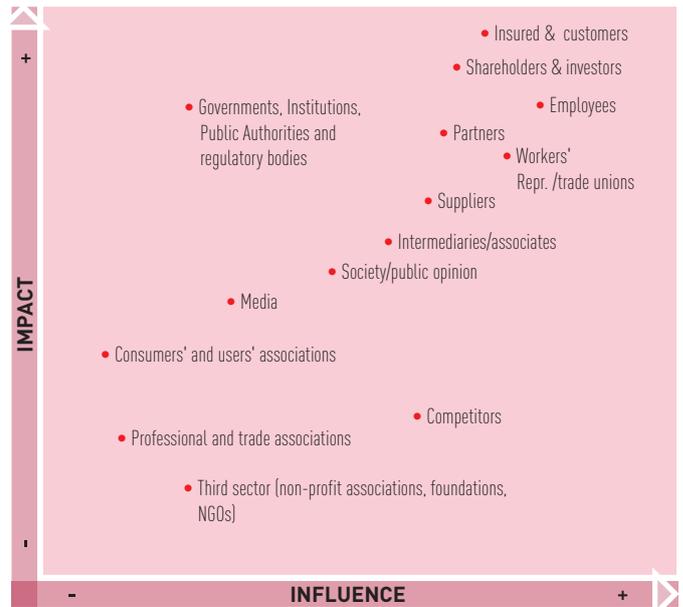


## Stakeholders and Social Responsibility policy

The current economic and social reality poses new challenges in dealings with our stakeholders. It is important to analyse this relationship as a process of continuous improvement in a constant state of flux. It is also important to ascertain whether the company's strategy and contextual changes (social and economic) have maintained, modified or generated any new types of stakeholder.

In MAPFRE, the first segmentation and prioritisation of stakeholders is in the corporate map. After that, adaptation to local markets and the establishment of mechanisms for dialogue depend on who manages the relationship with them, regardless of their position in the organisation.

Consequently, as shown in the following matrix, fourteen corporate stakeholders have been identified, taking as a reference impact and mutual influencing skills:



Based on this analysis and to facilitate management, the MAPFRE Stakeholders' Corporate Map includes three general relationship levels which must be adapted locally:

<p><b>Level 1</b></p> <p>These are the first affected by the organisation's strategic decision-making and vice versa. The mutual influence capacity is "immediate"</p>	<ul style="list-style-type: none"> <li>Policyholders and customers</li> <li>Shareholders and investors</li> <li>Partners</li> <li>Employees</li> <li>Workers' representatives/trade unions</li> <li>Intermediaries/associates</li> <li>Suppliers</li> </ul>
<p><b>Level 2:</b></p> <p>The stakeholders whose decisions may impact the organisation, but are less affected by the decisions. of this</p>	<ul style="list-style-type: none"> <li>Governments, Institutions, Public Authorities and regulatory bodies</li> <li>Media</li> <li>Society/public opinion</li> <li>Consumers' and users' associations</li> </ul>
<p><b>Level 3:</b></p> <p>Stakeholders that MAPFRE acknowledges as having mutual influencing ability, but whose strategic decisions may or may not directly and vice-versa</p>	<ul style="list-style-type: none"> <li>Competitors</li> <li>Professional and trade associations</li> <li>Third sector (non-profit associations, foundations, NGOs)</li> </ul>

In addition, the business principles with each of the stakeholders identified are established in MAPFRE's Social Responsibility Policy. This year the focus was on making progress with this commitment. Taking as a reference the stakeholders identified in level 1, a commitment table has been prepared including what the company expects of them in their relationship.

MAPFRE STAKEHOLDER RELATIONSHIP MATRIX						
<b>OUR PRINCIPLES</b> ETHICAL AND SOCIALLY RESPONSIBLE ACTION HUMANISM SEPARATION BETWEEN THE MAPFRE GROUP'S AND FUNDACIÓN MAPFRE'S BUSINESS ACTIVITIES GLOBALITY AND CONSTANT INNOVATION IN SUPPLY MULTINATIONAL VOCATION SPECIALIZATION DECENTRALISATION COORDINATED ACTIONS MAXIMUM REALISATION OF SYNERGIES COMMITTED TO LEADERSHIP HIGH QUALITY CUSTOMER SERVICE CONSTANT QUEST FOR EFFECTIVENESS	<b>SOCIAL RESPONSIBILITY POLICY</b>	<ul style="list-style-type: none"> <li>Professional and trade associations</li> <li>Third sector (non-profit associations, foundations, NGOs)</li> </ul>				
		<ul style="list-style-type: none"> <li>Governments, Institutions, Public Authorities and regulatory bodies</li> <li>Consumers' and users' associations</li> </ul>				
		<ul style="list-style-type: none"> <li>Shareholders and investors</li> <li>Suppliers</li> <li>Partners</li> <li>Intermediaries/Associates</li> <li>Society / public opinion</li> <li>Media</li> </ul>		<ul style="list-style-type: none"> <li>Competitors</li> </ul>		
		<ul style="list-style-type: none"> <li>Workers' representatives / Trade unions</li> <li>Insured &amp; customers</li> <li>Employees</li> </ul>				
		<b>OUR VALUES</b>				
		SOLVENCY	COMPLETENESS	COMMITTED TO SERVICE	INNOVATION FOR THE LEADERSHIP	COMMITTED TEAM

**MAPFRE'S SOCIAL RESPONSIBILITY POLICY**

1. Compliance with the prevailing national and international standards in all the Group's operating markets, adopting supplementary international standards and guidelines wherever local legislation is insufficiently advanced, and upholding, by way of a declaration of minimum humanitarian standards, respect for the United Nations Universal Declaration of Human Rights and the ten Global Compact principles.
2. A corporate governance record based on corporate transparency and mutual trust with shareholders and investors, respecting the rules of the free market and free competition and rejecting any irregular practice with a view to obtaining business benefits.
3. Respect for employees' rights to equal opportunities, privacy and freedom of opinion; fairness in labour relations, fostering a safe and healthy workplace and providing the job specific training needed to ensure individual career development; fair pay and job stability; and prevention of all forms of persecution, abuse or discrimination on grounds of ideology, beliefs, gender, sexual orientation, race or other; promotion of work-life balance; and the express rejection of child and forced labour.
4. Ongoing innovation in insurance products and prevention and assistance services that add value for policyholders and beneficiaries, facilitating, fostering and extending the population's access to insurance coverage; the provision to policyholders and beneficiaries of accessible and quality service within the agreed timeframe, providing them with honest advice, protecting and handling their personal data with due discretion and providing a procedure free of charge to enable them to address their claims as quickly as possible.
5. Development of responsible practices throughout the value chain, materialising primarily in responsible practices for selecting and contracting with suppliers and other service providers and providing them with assistance in their sustainable development in order to engage them in the Group's social responsibility policy.
6. Maintenance of an environmentally friendly record, promoting effective measures to curtail ecological and environmental fallout from its business activities and encouraging suppliers and contractors of goods and services to adopt MAPFRE's sustainable development values and environmental management practices.
7. Communication and dialogue with all stakeholders, predicated on transparency, honesty and engagement.
8. Active participation in Spanish and international organisms and forums that seek to promote corporate citizenship.
9. Drafting and dissemination of an annual social responsibility report including relevant and accurate information on MAPFRE's activities in this arena during the year, subjecting the contents to internal and external assurance as deemed appropriate to guarantee the report's reliability and to stimulate ongoing improvements.
10. Contribution to the development of the non-profit activities engaged in by the MAPFRE FOUNDATION, within bylaw stipulated limits.

The application of institutional and business principles and values generates mutual trust and a shared value between MAPFRE and its stakeholders.

In addition, the business principles with each of the stakeholders identified are established in MAPFRE's Social Responsibility Policy. This year the focus was on making progress with this commitment. Taking as a reference the stakeholders identified in level 1, a commitment table has been prepared including what the company expects of them in their relationship.

#### TABLE OF MAPFRE'S COMMITMENTS VIS-À-VIS ITS STAKEHOLDERS

Stakeholder N1	MAPFRE's commitment to the Stakeholder	What MAPFRE expects from the Stakeholder
Policyholders and Customers	<ul style="list-style-type: none"> <li>To permanently innovate in insurance products and prevention and assistance services that add value</li> <li>To provide an accessible quality service in the agreed timeframe</li> <li>To provide them honest advice</li> <li>To obtain data confidentiality</li> <li>To resolve claims through the established channels in the shortest time possible</li> <li>To listen and discuss, providing the appropriate channels</li> </ul>	<ul style="list-style-type: none"> <li>Trust in the company</li> <li>Honesty in their relationship with MAPFRE</li> <li>Open and constructive communication, that helps to improve the Group's products and services</li> </ul>
Shareholders and Investors/Partners	<ul style="list-style-type: none"> <li>To maintain corporate governance practices based on business transparency and mutual trust</li> <li>To seek financial gains, respecting the rules of the free market and free competition</li> <li>To reject any unlawful practice to obtain business advantages</li> <li>To maintain communication and dialogue channels based on transparency and commitment</li> </ul>	<ul style="list-style-type: none"> <li>Trust in the company</li> <li>Honesty in their relationship with MAPFRE</li> </ul>
Employees	<ul style="list-style-type: none"> <li>To promote their professional development and equal opportunities in the work environment</li> <li>To guarantee the necessary training for the appropriate carrying out of their professional duties</li> <li>To maintain fair pay based on the position and performance</li> <li>To ensure a stable and safe work environment, preventing any kind of persecution, harassment or discrimination based on ideology, opinion, beliefs, sex, sexual orientation, race, social background or different abilities</li> <li>To listen and maintain a permanent dialogue channel</li> <li>To be transparent and report any important aspects on the running of MAPFRE's business</li> </ul>	<ul style="list-style-type: none"> <li>Confidence and commitment to the business project</li> <li>Professionalism in discharging their duties</li> <li>Honesty in carrying out their duties and in dialogue with the company and other stakeholders</li> <li>Respect when dealing with other colleagues</li> <li>Respect for the company's facilities, furniture and image</li> <li>Contribution to generating a good reputation</li> </ul>
Workers' representatives/trade unions	<ul style="list-style-type: none"> <li>To maintain a permanent dialogue channel</li> <li>To establish some honest and constructive relationships</li> <li>To uphold freedom of association and collective bargaining in companies belonging to MAPFRE</li> <li>To be transparent and report any relevant aspects on the running of MAPFRE's business not legally provided for</li> </ul>	<ul style="list-style-type: none"> <li>Commitment to the company</li> <li>Honesty in their relationship with MAPFRE</li> <li>Communication open and constructive</li> </ul>
Intermediaries/ associates	<ul style="list-style-type: none"> <li>To maintain a permanent dialogue channel</li> <li>To establish some honest and constructive relationships</li> </ul>	<ul style="list-style-type: none"> <li>Trust in the company</li> <li>Honesty in their relationship with MAPFRE</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>To listen and maintain a permanent dialogue channel</li> <li>To be transparent and properly report selection processes and other MAPFRE matters that might affect it (Codes of Conduct, policies, etc.)</li> <li>To respect and guarantee the fulfillment of the conditions agreed in the contract</li> <li>To be honest and trust in the relationship that arises with the supplier</li> </ul>	<ul style="list-style-type: none"> <li>Trust in the company</li> <li>Commitment to compliance with the company rules and policies that affect it</li> <li>Honesty in their relationship with MAPFRE</li> </ul>

The Group's social responsibility report devotes a specific chapter to level 1 stakeholders which, amongst other aspects, specifies the formal communication channels that the organisation provides them. (See pages 35, 39-40, 55, 58-59, 62-63)

# MAPFRE's ethical and socially responsible behaviour

As an institutional principle of MAPFRE, ethical and socially responsible behaviour defines how the Group engages in its activities and business operations.

**ETHICAL AND SOCIALLY RESPONSIBLE BEHAVIOUR**, recognising the role and responsibility of private organisations in the appropriate development and progress of Society, which in practice must mean respect for the legitimate rights of all natural persons and legal entities they come into contact with, and with those of Society in general.

**This implies:**

- a) Strict compliance with laws and obligations resulting therefrom, as well as the good customs and practices of sectors and territories in which MAPFRE SYSTEM activities are carried out.
- b) Respect for the rights of those involved as partners or shareholders in the ownership of various corporations that make up the MAPFRE GROUP.
- c) Fairness in relationships with those who provide their services as directors, managers, employees, representatives and agents, and professional associates. This requires objectivity in their appointment and promotion, and suitable and reasonable remuneration and conditions; and no discrimination on the grounds of their race, political ideology, religious beliefs, sex, or social condition.
- d) Truthful product offerings and services, and in the information provided to shareholders, customers and the general public.
- e) Speed and rigour in fulfilling obligations arising from contracts with customers and suppliers, avoiding any situation that may compromise the objectivity required in making decisions about them.

Along these lines, MAPFRE has joined the Global Compact of the United Nations and the UNEP (United Nations Environment Programme) Protocol, and effectively assumes the commitments to human rights and sustainable development that such agreements require. (MAPFRE Code of Good Governance. Institutional Principles. [www.mapfre.com](http://www.mapfre.com))

Listed below are some of the most relevant activities and programmes in which we are working permanently:

— **Whistleblower Channel:** MAPFRE has set up two types of channels, one for financial and accounting reports and other reports for ethical queries and complaints.

In order to comply with the provisions included for this purpose in the MAPFRE Code of Good Governance, it has set up the **Financial and Accounting Whistleblower Channel**, which lets MAPFRE GROUP employees confidentially report to the Audit Committee of MAPFRE, S.A., any potentially important financial and accounting irregularities that they detect within the company.

Any complaints can be sent to an electronic mailbox accessible from [www.mapfre.com/CDF](http://www.mapfre.com/CDF). Employees can also send their complaints by post.

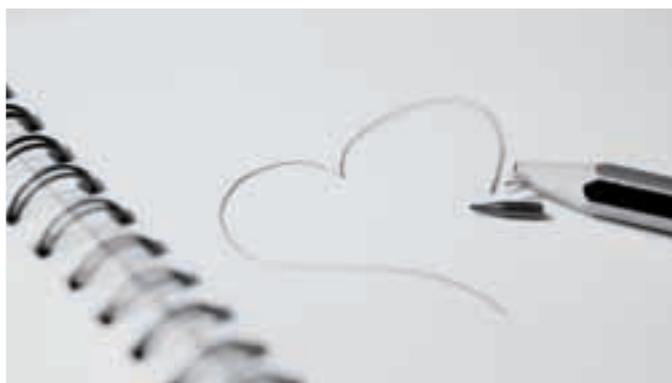
The Whistleblower Channel also features an **Ethical Whistleblower Channel**, in order to comply with the provisions of the Code of Ethics and Conduct, which lets any MAPFRE employee who has doubts about the application of the Code, or who observes a situation that might involve a breach or violation of any of the ethical or conduct principles and standards established in the Code, to report them to the Ethics Committee, confidentially and with complete assurance. Any employee can access the Ethical Whistleblower Channel by using the electronic mailbox

at [www.mapfre.com/Etica](http://www.mapfre.com/Etica). Employees can also send their queries and complaints by post.

Both channels are available in Spanish, English, Turkish and Portuguese.

— **Code of Ethics and Conduct and Ethics Committee:** The Code sets out the rules of conduct which must govern the behaviour and actions of its employees and their relationship with third parties, and must be based on mutual respect between all people they come into contact with; commitment to their work and the company; responsibility, solidarity and cooperation; and the integrity and respect for the law, whereby a climate of trust is created in the workplace that allows personal and professional development, respect for basic human and labour rights, free from any type of exploitation, intimidation, abuse and discrimination. This Code is mandatory throughout the Group.

To ensure that all employees are well acquainted with it, MAPFRE has devised an on-line training course on the Code, and more than 4,200 employees did it in 2012.



All MAPFRE employees are expected to complete this course within five years. Moreover, the Code is a public document and is available on the intranet and the website.

In addition, MAPFRE has an Ethics Committee, responsible for ensuring the implementation of this Code, with advisory, adjudicative, monitoring and promotional functions, which reports annually to the Standing Committee in charge of the activity carried out during the year.

In order to allow all employees, regardless of their place of work, to access queries and possible complaints about the Code, the Committee has launched the Ethical Whistleblower Channel described in the previous section.

During 2012, the Ethics Committee did not receive any queries through the purpose-designed channels. However, it did receive a complaint by post, which was analysed and resolved at the Committee's plenary meeting held on 21st June 2012.

— **Internal Control:** Internal Control involves everyone, irrespective of the professional grade that they have in the organisation, and it seeks to improve internal operations, by promoting the management of potential risks which can affect the achievement of the established strategic objectives.

Internal control seeks to guarantee, with reasonable certainty, in the context of the principles and values established in MAPFRE's Code of Good Governance, that the Group objectives are achieved with regard to operational efficiency and effectiveness, confidence in the accounting and financial records, and conformity with external and internal rules and regulations.

MAPFRE considers that an internal control system represents an opportunity to improve:

- The effectiveness and efficiency of internal processes.
- Stakeholder confidence - society, beneficiaries, government, etc.
- Resource availability, because a lower number of undefined or uncontrolled risks implies freeing up the resources that were allocated to that end.

— **Money laundering prevention:** MAPFRE is permanently vigilant so as to detect and inform the appropriate bodies of any suspicious operation carried out with the aim of laundering resources derived from criminal activities. As such, MAPFRE has suitable human and organisational resources, the behaviour of which is supervised by the Group's Committee for the Prevention of Money Laundering, all in accordance with the provisions of Law 10/2010 and its Regulations.

— **Fighting Fraud:** MAPFRE has several established procedures for battling against fraud, which is understood to be any act that is carried out intentionally and dishonestly, by means of an act or omission, when taking out insurance, reporting an incident or demonstrating the damage caused, with the intention of obtaining an unjust enrichment from the insurance company.

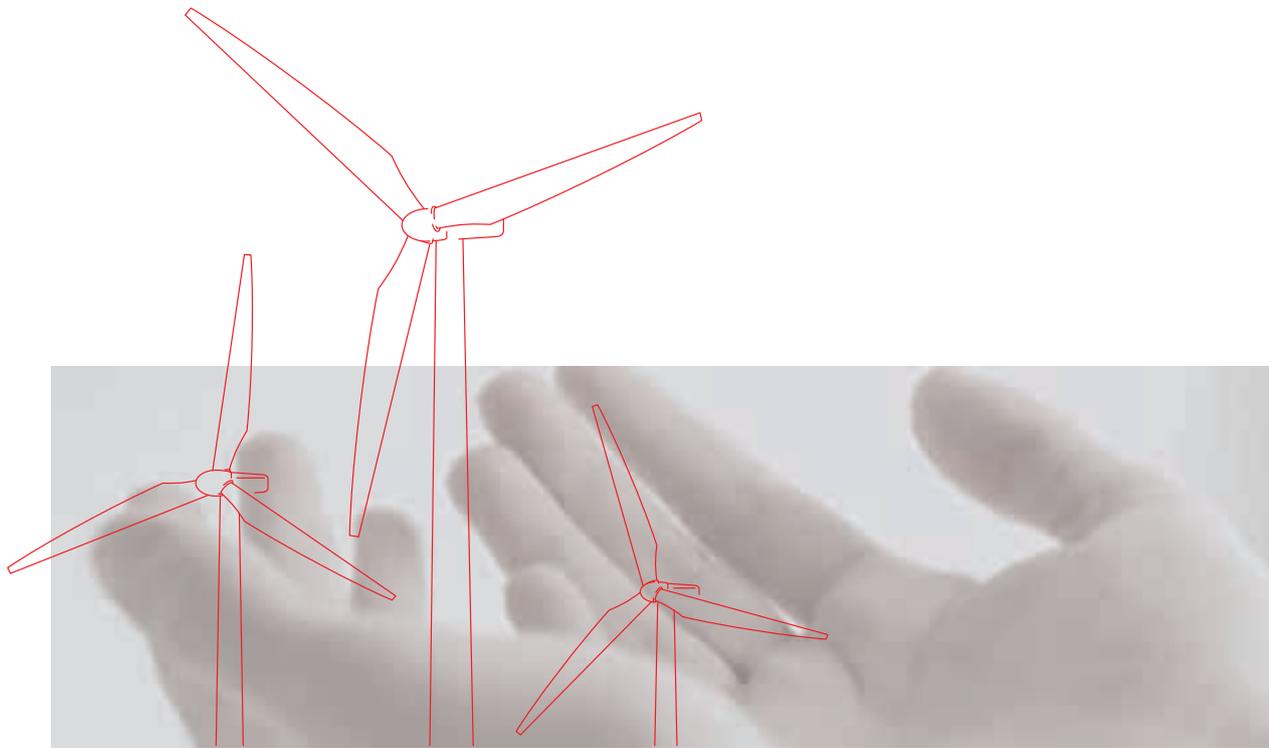
— **Social Responsibility Training:** This on-line course is designed to identify the daily activities of anyone in the company who works with MAPFRE's principles and policies in the social responsibility field, as well as the Group's commitment to human rights, labour rights, respect and care for the Environment as well as for transparent, corruption-free practices.

The table below displays the main figures about the training received by employees and associates in these areas:

<b>EMPLOYEE TRAINING IN ANTI-CORRUPTION POLICIES AND SYSTEMS</b>			
		<b>2012</b>	<b>2011</b>
<b>Internal Control</b>	Nº Employees	9,045	7,664
	Total hours of training	10,431	9,139
<b>Money laundering</b>	Nº Employees	8,821	7,489
	Total hours of training	16,659	13,273
<b>Mixed: money laundering and fight against fraud</b>	Nº Employees	1,758	N/a (*)
	Total hours of training	2,703	N/a (*)
<b>Code of Ethics and Conduct</b>	Nº Employees	4,215	2,089
	Total hours of training	4,215	2,089
<b>Social Responsibility</b>	Nº Employees	2,104	507
	Total hours of training	2,104	507

(\*) This figure was added in 2012, so there is no previous references

— **Social Responsibility Audits:** The MAPFRE Auditing Department has carried out 257 special audits in 2012 concerning different aspects linked to Social Responsibility within the Group. These projects are to do with aspects such as human resources, internal control, prevention of money laundering, customer care service, complaints management, prevention against fraud, review of ethical and social compliance, and the Corporate Social Responsibility Report.



## Principles for Sustainable Insurance and environmental, social and governance risk management

MAPFRE has adhered to the Principles for Sustainable Insurance promoted by the United Nations Environment Programme Finance Initiative (UNEPFI) that were presented at Rio+20 Sustainable Development summit, held in Rio de Janeiro (Brazil).

This initiative seeks to bring into business management, as a risk and an opportunity, **environmental issues** such as climate change, damage to biodiversity and ecosystem degradation, water management and pollution; social aspects related to financial inclusion, human rights, health risks arising from development and population aging, and **issues related to corporate governance**, regulatory compliance, ethical management, conflicts of interest and transparency. These are referred to as the ESG factors.

The Principles for Sustainable Insurance represent the first global framework for the world's insurance industry that takes account of the economic impact of such aspects on the business. MAPFRE is one of the world's 30 leading insurers that form part of this initiative, which together have a total of \$5 billion of assets and 100% of the world's premium volume.

### The Principles for Sustainable Insurance are:

1. Embed in decision-making environmental, social and governance issues relevant to the insurance business
2. Work together with clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.

3. Work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.

4. Demonstrate accountability and transparency in regularly disclosing publicly progress in implementing the Principles.

Each of these Principles includes concrete actions to improve risk management in companies, promote best practices and encourage innovative insurance solutions.

### Environmental, social and governance risk management

One of the cornerstones of the insurance business and one of MAPFRE's strengths is its efficient risk management, which has helped the Group become one of the most solid and solvent multinational industry players.

MAPFRE has a risk management system (SGR) based on the end-to-end management of each and every identified business process and on matching risk assumption to strategic targets. The different risk groups have been classified in four categories: operational, financial, insurance related business risks and strategic/corporate governance. Within this system, environmental, social and governance risks (ESG risks)<sup>1</sup> are included partly under operational risks and partly under strategic & corporate governance risk factors.

## OPERATIONAL RISKS

<b>Actuarial:</b> Risks relating to reinsurance and pricing.
<b>Legal:</b> Risks relating to regulatory compliance, data protection and money
<b>Technological:</b> Mainly risks relating to IT and communications security
<b>Human Resources:</b> Risks relating to workforce skills and adequate sizing
<b>Associates:</b> Risks relating to the Sales Network and external professionals (suppliers, etc)
<b>Procedures:</b> Risks relating to procedure design and execution.
<b>Information:</b> Mainly risks relating to reporting (adequacy and sufficiency of disclosures)
<b>Fraud:</b> Internal and external fraud alike
<b>Market:</b> Brand and image-related
<b>Tangible assets:</b> Mainly asset-protection risks

## STRATEGIC AND CORPORATE GOVERNANCE RISKS

Business ethics and good corporate governance
Organizational structure, alliances, mergers and acquisitions
Stemming from the regulatory and competition environment

The risk policy and the systems in place to manage and control risk are outlined in the notes to the consolidated financial statements (pages XX of the Annual Accounts).

For environmental risks, MAPFRE has an Environmental and Energy Policy defined and a Safety and Environmental Committee responsible for its implementation. It also contributes towards the efficient management of environmental risk in company by launching products and services which meet its customers' needs.

For strategic and corporate governance risks, apart from the Code of Good Governance, MAPFRE has a Code of Ethics and Conduct which reflects its corporate values and business principles. It has created an Ethics Committee to implement, monitor and control the Code, helping to minimise risks in this area.

## MAPFRE and the Global Compact

In 2004 MAPFRE joined the Global Compact of the United Nations<sup>2</sup>, a voluntary initiative which seeks the commitment of companies to align their strategies and operations with ten universal principles in four thematic areas: human rights, employment rights, the environment and anti-corruption. It is also part, since its creation, of the Spanish Global Compact Network.

### GLOBAL COMPACT

<b>HUMAN RIGHTS</b>	<b>Principle 1:</b> Protection of fundamental human rights <b>Principle 2:</b> No Human Rights abuses
<b>EMPLOYMENT RIGHTS</b>	<b>Principle 3:</b> Freedom of association and collective bargaining <b>Principle 4:</b> Elimination of forced and compulsory labour <b>Principle 5:</b> Abolition of child labour <b>Principle 6:</b> Elimination of discrimination in respect of employment and occupation.
<b>ENVIRONMENT</b>	<b>Principle 7:</b> Precautionary approach to environmental challenges <b>Principle 8:</b> Initiatives to promote greater environmental responsibility <b>Principle 9:</b> Diffusion of environmentally friendly technologies
<b>Anti-corruption</b>	<b>Principle 10:</b> Work against corruption, extortion and bribery

Source [www.pactomundial.org](http://www.pactomundial.org)

In 2008, MAPFRE added to its institutional principle of ethical and socially responsible behaviour the express reference to this United Nations initiative, and effectively assumed the commitments to human rights and sustainable development that this agreement requires<sup>3</sup>. It has also redrafted the Group's Social Responsibility Action Policy, including the Global Compact's four thematic areas and in 2009, with the approval of the Code of Ethics and Conduct, strengthened the organisation's commitment to the defence, respect for and protection of basic labour rights, and human rights and civil liberties recognised in the Universal Declaration of Human Rights<sup>4</sup>.

MAPFRE reports annually, in its Progress Report, advances made and activities performed to integrate the 10 Global Compact principles in its business. This year, this report has been classified by the United Nations as *Advanced*, which is the highest level that can be reached.

1) ESG Risks: Environmental, Social and Governance

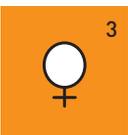
2) As an exception, MAPFRE's subsidiary in Brazil has been part of its initiative since 2008 and publishes its corresponding progress report

3) MAPFRE also a signatory to United Nations UNEP FI

4) Art. 3.1.1 of the MAPFRE Code of Ethics and Conduct

5) ([www.globalcompact.com](http://www.globalcompact.com))

One of the Global Compact programmes focuses on encouraging companies to become involved in the achievement of the **Millennium Development Goals** (MDGs). This initiative promotes the following eight goals that are related to human rights and development, which were set in 2000 by the UN member countries and must be achieved by the year 2015:

 <p><b>1</b> Eradicating extreme poverty and hunger</p>	 <p><b>5</b> Improving maternal health</p>
 <p><b>2</b> Achieving universal primary education</p>	 <p><b>6</b> Combating HIV/AIDS, malaria, and other diseases</p>
 <p><b>3</b> Promoting gender equality</p>	 <p><b>7</b> Ensuring environmental sustainability</p>
 <p><b>4</b> Reducing child mortality rates</p>	 <p><b>8</b> Developing a global partnership for development</p>

Through the Spanish Global Compact Network, MAPFRE has played an active role in the media campaign **“Y tú sin enterarte”**, (And you didn't know) promoted by the MDGs, which aims to show Society, mainly through social networks, the achievements that have been made in each of the goals.

The additional information section of this report includes a table that displays a correlation between the Global Compact Principles, GRI V3.1 performance indicators and the Millennium Development Goals, identifying how MAPFRE, through its business and Foundation's activities, contributes to their achievement.



**Conference “The value of the intangible: economic and social return of Corporate Social Responsibility”, organized by the weekly “El Nuevo Lunes” and sponsored by MAPFRE**

## MAPFRE as a promoter of social responsibility

MAPFRE takes numerous courses of actions to promote social responsibility in Society, participating and promoting conferences, workshops and training activities. Promoting knowledge of this area by those who value us will help them to become involved in a co-responsible with the way we manage our business, creating mutual value.

### Workshops, congresses, working parties and events:

#### Argentina

- 5<sup>th</sup> Iberoamerican Biennial Social Responsibility Meeting by MAPFRE ARGENTINA in Tigre.

#### Brasil

- Monthly participation in the Sustainability Commission of CNSeg (National Confederation of General Insurance, Private Pension and Life, Supplementary Health and Capitalization).
- Participation in the 48<sup>th</sup> Annual Seminar of the IIS (International Insurance Society), in collaboration with CNseg, held on 19<sup>th</sup> June in Rio de Janeiro, where the Principles for Sustainable Insurance (PSI) were launched.
- Participation in the PSI Global Team meeting held on 20<sup>th</sup> June in Rio de Janeiro during the Rio+20 Summit.
- Participation in the Rio+20 Summit side event, “Cycle of debates on Sustainable Brazil - The Way for Everyone” in Rio de Janeiro.
- Participation in the Seminar “Principles for Sustainable Insurance – PSI”, promoted by CNseg on 5<sup>th</sup> September 2012.
- Sponsorship of the 2<sup>nd</sup> World Forum on Sustainability, promoted by LIDE (Brazilian Group of Business Leaders) in Manaus.
- Member of the Sustainability Committee of the Spanish Chamber.

#### Spain

- Sponsorship of the workshop “The value of the intangible: the economic and social returns of CSR” organized by MAPFRE and EL NUEVO LUNES.
- Participation in the “Course for Experts in Business Ethics and Management in Values” at the School of Social Ethics.
- Sponsors of the 2<sup>nd</sup> National Congress of Zaragoza with the title “CSR is competitiveness. An opportunity for business”.
- Insurance Sector Corporate Social Responsibility Working Party, created by ICEA.

— SPAIN-SWEDEN Business Meeting on Social Responsibility organized by CEOE.

— MAPFRE collaborates with the Asturias CEEI awards for entrepreneurs. MAPFRE is one of the companies that collaborate in the 7<sup>th</sup> edition of the Best Technology-Based Business Project Award, organized by the European Centre for Business and Innovation of the Principality of Asturias (CEEI).

### Philippines

— Participation in the Microinsurance Int'l conference. Manila, Rio de Janeiro and Tanzania.

### Peru

— Social Responsibility Forum, organized by the Spanish Chamber of Commerce.

## Awards and Acknowledgements

The following awards and acknowledgements speak to our business management and quality of service.

### BUSINESS MANAGEMENT AWARDS AND ACCOLADES

The Honorary Chairman of MAPFRE, José Manuel Martínez, was awarded an Honorary Degree of Doctor honoris causa from Morón University (Argentina)

José Manuel Inchausti, MAPFRE's CIO and Director General of its Technologies and Procedures Division, named European CIO of the Year by the international community of CIO, CIONET, and the INSEAD Business School

José Manuel Muries, Director General of MAPFRE'S Internal Audit Department, reelected Chairman of the Spanish Institute of Internal Auditors

The Chairman of MAPFRE PERU, Renzo Calda, awarded "Golden Master" by the Senior Management Forum

MAPFRE, on the Dow Jones Sustainability Index 2012 for the third year running

MAPFRE features in the FTSE4Good index, which measures the performance of companies in upholding and supporting sustainable development and human rights

*FORTUNE* magazine ranks MAPFRE as one of the 500 best companies in the world

*FORBES* magazine ranks MAPFRE in 357<sup>th</sup> place of the world's largest companies

MAPFRE was ranked as the world's thirteenth most admired insurance group by *FORTUNE* Magazine

MAPFRE, chosen Best Direct Insurance Company in Latin America for the sixth consecutive year, by *REACTIONS* magazine

The UN Progress Report classifies MAPFRE as an "Advanced Level" company in Social Responsibility issues

### BUSINESS MANAGEMENT AWARDS AND ACCOLADES

MAPFRE, IBM Business Analytics Performance Leader 2012 award for its excellence, capacity for innovation and technology leadership

MAPFRE, distinguished by the Chamber of Commerce of Spain in UK as company of the year in the country

*NEWSWEEK* magazine ranks MAPFRE as one of the 100 "greenest" companies in the world

MAPFRE's Motor Insurance in Portugal, selected as an outstanding product by the Portuguese Consumers Association

MAPFRE, among the 10 most valued companies in the *MERCO* Report and 17<sup>th</sup> position of the best Corporate Social Responsibility companies

The Index study published by the IMAF (Institute for Economic and Financial Mediation) puts MAPFRE as the most visible insurer online

MAPFRE ranks among the most valued Spanish brands, according to the INTERBRAND consultancy firm.

Renewal of the Environmental Management System Certificate issued by Det Norske Veritas, which the Group has held since 2006

SERHS, Catalonia's leading tourist group, rewards MAPFRE for its track record

The Chamber of Commerce of Lorca distinguishes MAPFRE for its support to the town after the earthquake of 11<sup>th</sup> May 2011

A poll conducted by the Ipsos KAR consultancy firm recognizes MAPFRE as the most highly valued insurance firm in the sector

The MAPFRE BI Competence Centre has been awarded the IBM Business Analytics Performance Leader 2012 Prize

CESVIMAP wins the award for Aftersales Technological Innovation in the "repair shops" category

The BB MAPFRE Group wins the 2012 Coverage Performance Award in the category of "Best Performance in Large Risks Portfolio" and "Best Performance in Life Portfolio"

MAPFRE BRAZIL wins the Abrasca Award to the best social responsibility practices for its Sustainability Report, from the Brazilian Association of Public Companies

The BB MAPFRE Group, Gold Award in the 18<sup>th</sup> edition of the Prize from the Brazilian Association of Direct Marketing (ABEMD)

MAPFRE's subsidiary in Brazil, Insurer Award in the "Best Performance" and "Market Sales Leader" categories

MAPFRE ARGENTINA, the most admired insurance company in the country and one of the most recognized entities in the 2012 Prestige Awards, awarded by the Center for Public Opinion Research of Argentina (CEOP) and Comunica, in collaboration with the daily financial *ÁMBITO FINANCIERO*

MAPFRE ARGENTINA, award for the Best Corporate Social Report in the country, from the Ecumenical Social Forum

MAPFRE COLOMBIA ranks as the second insurance company with the best corporate reputation in the country, according to Reputation Institute.

## BUSINESS MANAGEMENT AWARDS AND ACCOLADES

MAPFRE PUERTO RICO, best life insurance company, according to the Professional Insurance Agents of Puerto Rico & The Caribbean (PIA).

MAPFRE's subsidiary in Peru is chosen as the country's sixth most reputed company by Reputation Institute and Inmark Peru.

MAPFRE PARAGUAY, Top of Mind 2012 Award in the Insurance Companies Category

MAPFRE's subsidiary in Guatemala, Excellence Award from the Association of Insurance and Bonding (ACORDES)

MAPFRE CAUCIÓN Y CRÉDITO, among the best companies in the Spanish market's Credit sector, according to the magazine *PYMES*

MAPFRE ASISTENCIA's subsidiary in Brazil, awarded by the Brazilian Association of Teleservices (ABT) for its business management in the Internal Communication, Best Team and Social Responsibility categories

## ACKNOWLEDGEMENTS OF THE QUALITY OF SERVICE PROVIDED BY MAPFRE

MAPFRE's Technology and Procedures Division's Administration Processes Expertise Centre, named a Centre of Excellence by SAP

AENOR Renews quality certificate awarded to MAPFRE's Motor Benefit Area

MAPFRE wins the most awards at the 18<sup>th</sup> ICEA Fraud Detection Competition

The SI24, award for the best customer care service from the *CONTACT CENTER*

MAPFRE ASISTENCIA, "Best Call Center" Award in the 2012 Call Center Excellence Awards

INSUREANDGO, the MAPFRE ASISTENCIA company specialising in selling online travel insurance, won prize Golden Backpack Awards in the UK from *TNT MAGAZINE*

INSUREANDGO won the "Outstanding Value" prize in the "Family Insurance for International Travel" category from the CANSTAR ranking of Insurance Policies for Travellers

The magazine *EXAME* recognizes BB MAPFRE Group as one of the best companies in Customer Care in Brazil

The MAPFRE AMERICA pension fund, named best fund in the "Equity" category by *EXPANSIÓN* and *ALLFUNDS BANK*

The MAPFRE Europa FP pension scheme, Morningstar Award in the European equity funds category

The Millón Vida insurance policy, best financial product of 2011 in the insurance category according to the magazine *MI CARTERA DE INVERSIÓN*

The Segurviaje policy, Medal of Excellence from the United Nations (UN) for its coverage of the Rio+20 conference's participants

The Segurviaje policy, selected as the most efficient product in customer service by the Dominican Association of Travel and Tourism Agents (ADAVIT)

## RECOGNITION FOR PEOPLE MANAGEMENT AT MAPFRE

MAPFRE, certified as a Family Responsible Company by the Másfamilia Association

MAPFRE, among the 20 most desirable companies to work for in Spain, according to the *MERCO* Report

MAPFRE, the sixth best company to work for, according to the *ACTUALIDAD ECONÓMICA* magazine

MAPFRE ranks 13<sup>th</sup> in the list of the best multinationals to work for in Latin America, according to The Great Place to Work Institute

The BB MAPFRE Group, "Top HR" Award from the Association of Sales and Marketing Managers of Brazil, and "ESARH" from the South American Meeting of Human Resources, in recognition of its people management and commitment to Social Responsibility

MAPFRE COLOMBIA, among the 25 best companies to work for, according to the Great Place to Work Institute



## Main Associations

### ARGENTINA

Argentine Association of Insurance Companies (AACS)
Life and Pension Insurers of the Argentine Republic (AVIRA)
Workplace Safety Insurers' Union (UART)
Association of Risk Administrators of the Republic of Argentina (ADARA)
Spanish Chamber of Commerce in the Argentine Republic (CECRA)
Chamber of Commerce of the United States of the Argentine Republic (AMCHAM)
Christian Association of Business Managers (ACDE)
Institute for Argentine Business Development (IDEA)
Argentine Institute for Corporate Social Responsibility (IARSE)
Association of Human Resources of Argentina (ADRHA)
Argentine Association of Internal Communication (AACI)
Argentine Business Council for Sustainable Development (CEADS)
Centre for Financial Stability (CEF)
Club IFREI (Family-Responsible Employers)

### BRAZIL

Brazilian Association of Business-Customer Relations (ABRAREC)
Brazilian Association of Teleservices (ABT)
Brazilian Federation of Insurance, Reinsurance, Private Pension and Life, Supplementary Health and Capitalisation (CNSEG)
Brazilian Association of Risk Management (ABGR)
Member of the Abrinq Foundation, a social organization that, since 1990, works for the rights of children and adolescents be respected.
National Federation of Private Pension and Life Insurance (FENAPREVI)
Brazilian Association of Financial and Capital Markets (ANBIMA)
Association of Distributors of Securities
Union of Private and Capitalisation Insurance (SINDSEG)

### BRAZIL

National Federation of General Insurance (FENSEG)
National Insurance School Foundation (FUNENSEG)
Brazilian Society of Insurance Sciences (SBCS)
Life Insurance Marketing Research Association (LIMRA)
Life Office Management Association (LOMA)
Brazilian Association of Road Accident Medicine (ABRAMET)
Brazilian Association of Technical Standards (ABNT)
Brazilian Association of Automotive Engineering (AEA)
Spanish Chamber of Commerce in Brazil
National Federation Of Capitalization (FENACAP)
National Federation of Insurance Companies (FIDES)
Brazilian Business Council for Sustainable Development (CEBDS)

### CHILE

Association Of Chilean Insurers
Spanish Official Chamber of Commerce of Chile

### COLOMBIA

Colombian Association Of Reinsurance Technicians (ACTER)
Association of Actuaries Chamber Of Commerce of Bogota (CCB) and Nationwide
Hispanic Colombian Chamber of Commerce. Casa España
Colombian Road Safety And Experimentation Centre (CESVICOLOMBIA)
Colombian Security Council (CCC)
Federation Of Colombian Insurance Companies (FASECOLDA)
Foundation Of Colombian Insurers (FUNDASEG)
National Institute for Fraud Research and Prevention (INIF)
National Institute of Insurance (INS)
Life Insurance Marketing Research Association (LIMRA)
Life Office Management Association (LOMA)

### COSTA RICA

Association of Private Insurers of Costa Rica (AAP)
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### ECUADOR

Chamber of Insurance Companies
Chamber of Commerce
Spanish Chamber of Commerce
American Chamber of Commerce

**EL SALVADOR**

El Salvador Association Of Insurance Companies

**GUATEMALA**

Guatemalan Association of Insurance Institutions

**HONDURAS**

Honduran Chamber of Insurers

Chamber of Commerce and Industries of the Country

Honduran Chamber of the Construction Industry

Honduran Foundation for Corporate Social Responsibility

**MEXICO**

Mexican Road Safety Research and Testing Centre (CESVI)

Mexican Association of Insurance Institutions (AMIS)

Latin American Association of Agricultural Insurance (ALASA)

Mexican Institute Of Finance Executives (IMEF)

Mexican Association Of Human Resources (AMEDIRH)

Association Of Mexican Surety Firms (AFIANZA)

Specialized Vehicle Services, Volkswagen (SEVASA)

Insured Risks Coordination Office Committee (OCRA)

National School Of Actuaries (CONAC)

Mexican Automobile Association (AMA)

Association Of Risk Assessors In Personal Insurance (ASERP)

Mexican Institute of Chartered Accountants (IMCP)

Insurance Sector Officers (FUSA)

Endeavor Universidad de las Américas Puebla

Jalisco Agricultural Council

Toluca Suroeste Rotary Club

Society of Business Leaders in Social Responsibility (LideRS)

**NICARAGUA**

Nicaraguan Association Of Private Insurers (ANAPRI)

Spanish Official Chamber of Commerce of Nicaragua

Chamber of Commerce of Nicaragua

American Chamber Of Commerce of Nicaragua (AMCHAN)

**PANAMA**

Panamanian Association Of Insurers (APADEA)

National Professional Association of Insurance Producers (CONALPROSE)

Panamanian Chamber of Insurance Brokerage Firms (CAPECOSE)

Insurance Supervisor

Chamber of Commerce

Spanish Chamber of Commerce

**PARAGUAY**

Paraguayan Association Of Insurance Companies (APCS)

C.A.P. - Chamber of Paraguayan Advertisers

Spanish Official Chamber of Commerce in Paraguay

Paraguay Executives Club

Paraguayan Quality Association

**PERU**

Apeseg (Peruvian Association of Insurance Organisations)

Hispanic Peruvian Chamber of Commerce

Italo-Peruvian Chamber Of Commerce

Peruvian Association of Health Care Providers

**PUERTO RICO**

Puerto Rico Association of Insurance Companies

Association of Joint Underwriting of Fire Insurance and Allied Lines

Association of Miscellaneous Insurance Warranty

Puerto Rico Automobile Assigned Risk Pool

Syndicate of Insurers for the Joint Underwriting of Medical-Hospital Liability Insurance

Association of Life and Disability Insurance Warranty

Puerto Rico Association of Sales and Marketing Executives

Puerto Rico Postal User Council (PCC) within the Department of the U.S. Federal Mail

Association of Insurance Companies (ACODESE)

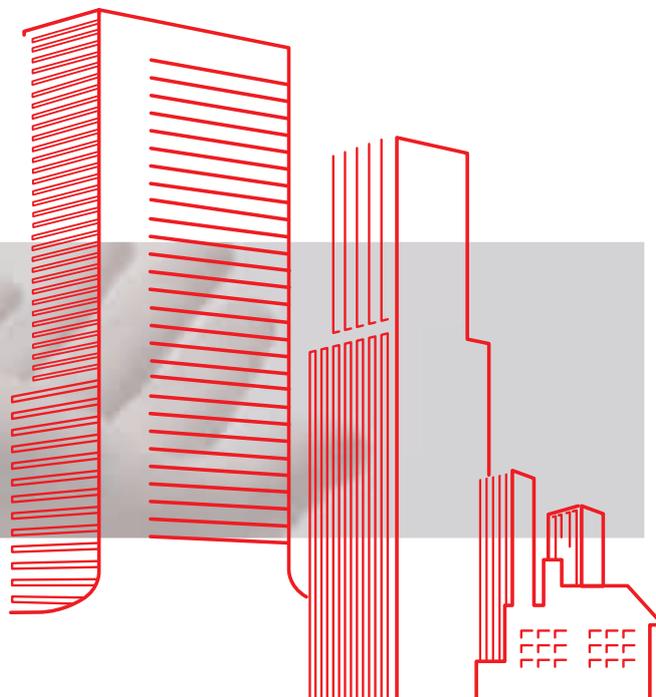
Association of General Contractors of the America National Association of Insurance Commissioners (NAIC)

The Surety &amp; Fidelity Association of America

Puerto Rico Chamber of Commerce

Spanish Chamber of Commerce

The Surety Association of America Puerto Rican Association of Home Builders



#### DOMINICAN REPUBLIC

Association of Foreign Investment Companies (ASIEX)

Official Spanish Chamber

American Chamber of Commerce

#### VENEZUELA

Venezuelan Chamber of Insurance Companies

Chamber of Commerce

#### PORTUGAL

Portuguese Association of Insurance Companies

#### TURKEY

Association of the Insurance and Reinsurance Companies of Turkey.  
Insurance Arbitration Commission (TSRDB)

#### MALTA

Malta Insurance Association

Malta Chamber of Commerce

Finance Malta

Malta Institute of Management

Foundation for Human Resources Development

Malta Employers Association

Maltese-Spanish Chamber of Commerce

#### PHILIPPINES

Main Association - Philippine Insurers and Reinsurers Association

#### MAPFRE ASSISTANCE

Connected Vehicle Trade Association (CVTA)

North Atlantic Treaty Organization (NATO)

#### MAPFRE RE

Official Spanish Chamber of Commerce in the UK, IUA (International Underwriting Association). London

Assuralia, Apref. Brussels

Association Professionnelle des Réassureurs Français (APREF.)  
France

Brazilian Federation of Reinsurance Companies. (FENABER) Brazil

Spanish Chamber of Commerce. Association of Personal Insurance  
Risk Underwriters (ASERP) Mexico

Colombian Association of insurance law (ACOLDESE) Colombia

Colombian Association of Reinsurance Technicians. (ACTER)  
Colombia

Gesamtverband der Deutschen Versicherungswirtschaft, e.V. (GDV)  
Germany

*MAPFRE'S Social dimension*

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## MAPFRE and its employees

All MAPFRE employees' conduct must be based on mutual respect, commitment to their job and the company, the responsibility to carry out their work as best as possible, solidarity and cooperation with colleagues and society, integrity and respect for the law, making the workplace an environment of trust that fosters both personal and professional development, and which is free of offences, exploitation of any kind, intimidation, harassment and discrimination.

MAPFRE has a Code of Ethics and Conduct which must be observed by everyone in the company, irrespective of their activity or geographical location. This code is published and available on both the intranet and corporate website. It also has an Ethics Committee, and any employee with questions about the application of the Code can raise such questions with the Committee.

### Workforce structure

At 31<sup>st</sup> December 2012, the Group's headcount stood at 35,586 (29,616 in insurance providers and 5,970 in non-insurance companies), distributed geographically as follows:

GEOGRAPHICAL AREAS	2012		2011		% change	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
EUROPE	6,740	6,473	6,851	6,528	(1.6)	(0.8)
Spain.	5,568	5,205	5,720	5,326	(2.7)	(2.3)
Others	1,172	1,268	1,131	1,202	3.6	5.5
AMERICA	9,253	12,174	8,833	11,502	4.8	5.8
Brazil	2,443	4,199	2,260	3,519	8.1	19.3
US.	1,087	1,871	961	1,901	13.1	(1.6)
Argentina	1,218	1,155	1,314	1,229	(7.3)	(6.0)
Mexico	1,142	937	984	830	16.1	12.9
Venezuela	593	806	593	821	0.0	(1.8)
Chile	272	317	317	404	(14.2)	(21.5)
Other countries	2,498	2,889	2,404	2,798	3.9	3.3
ASIA	385	444	299	294	28.8	51.0
AFRICA	65	35	50	30	30.0	16.7
OCEANIA	6	11	1	2	500.0	450.0
<b>TOTALS</b>	<b>16,449</b>	<b>19,137</b>	<b>16,034</b>	<b>18,356</b>	<b>2.6</b>	<b>4.3</b>

Scope: MAPFRE Group

The following table shows its distribution between the Group's different operating structures:

ORGANIZATIONAL STRUCTURE	MEN		WOMEN	
	Number	%	Number	%
Corporate Areas	665	60.9	426	39.1
Insurance Spain	4,497	50.5	4,415	49.5
Insurance International	8,592	43.9	10,994	56.1
Global Businesses	2,695	44.9	3,302	55.1
<b>TOTALS</b>	<b>16,449</b>	<b>46.2</b>	<b>19,137</b>	<b>53.8</b>

Scope: MAPFRE Group

CATEGORIES	NUMBER											
	SPAIN				OTHER COUNTRIES				TOTAL			
	2012		2011		2012		2011		2012		2011	
	H	M	H	M	H	M	H	M	H	M	H	M
EXECUTIVES	411	67	394	66	634	220	721	298	1,045	287	1,115	364
MANAGERS	932	297	903	276	1,731	1,374	1,669	1,211	2,663	1,671	2,572	1,487
TECHNICIANS	3,407	2,720	3,534	2,809	4,538	5,482	4,226	4,353	7,945	8,202	7,760	7,162
CLERICAL STAFF	818	2,121	889	2,175	3,978	6,856	3,698	7,168	4,796	8,977	4,587	9,343
<b>TOTAL</b>	<b>5,568</b>	<b>5,205</b>	<b>5,720</b>	<b>5,326</b>	<b>10,881</b>	<b>13,932</b>	<b>10,314</b>	<b>13,030</b>	<b>16,449</b>	<b>19,137</b>	<b>16,034</b>	<b>18,356</b>

Scope: MAPFRE Group

The average age of employees at the year end was 36 years old, and their average length of service was 8 years, as seen in the following chart:

GEOGRAPHICAL AREAS	AVERAGE AGE			AVERAGE LENGTH OF SERVICE		
	2012	2011	2010	2012	2011	2010
SPAIN	42.3	41.6	40.9	14.5	13.7	10.56
AMERICA	33.9	32.7	34	5.3	4.9	5.1
OTHER COUNTRIES (Europe, Asia, Africa and Oceania)	33.7	34.6	34.2	5.1	5.0	4.8
<b>TOTAL AVG</b>	<b>36.3</b>	<b>35.9</b>	<b>37.1</b>	<b>7.9</b>	<b>8.2</b>	<b>7.2</b>

Scope: MAPFRE Group

## Employee hiring and recruiting

### Employment

MAPFRE's hiring policy is to encourage open-ended contracts over temporary arrangements. In the Group's insurance providers, at year-end 2012 the percentage of the workforce with open-ended contracts was 97.6%.

GEOGRAPHICAL AREAS	% OPEN-ENDED CONTRACTS	
	2012	2011
SPAIN	99.0	98.5
AMERICA	99.0	98.6
OTHER COUNTRIES (Europe, Asia, Africa and Oceania)	84.5	89.2
<b>TOTAL</b>	<b>97.6</b>	<b>98.1</b>

Scope: MAPFRE Group

The table below classifies new hires and employee departures in 2011 and 2012 by motivating factors:

NEW HIRES	NEW HIRES AND EMPLOYEE DEPARTURES BY MOTIVATING FACTOR	2012	2011
		M&A	0
	External recruitment	6,402	7,105
	Reincorporation following leave	125	161
	Reincorporation of expats	11	10
DEPARTURES	Disposals	262	5,823
	Voluntary	2,753	2,876
	Layoffs	2017	2,075
	Leaves of absence	169	261
	Retirement	33	53
	Early retirement	75	52
	Death	12	20
	Disability	21	28

Scope: MAPFRE Group

Employee turnover (employees leaving the organisation voluntarily due to resignation or leave, expressed as a percentage of average headcount) is as follows:

GEOGRAPHICAL AREAS	% TURNOVER		
	2012	2011	2010
SPAIN	1.4	2.1	5.3
AMERICA	10.4	13.0	10.9
OTHER COUNTRIES (Europe, Asia, Africa and Oceania)	17.9	15.4	15.8
<b>TOTAL</b>	<b>8.4</b>	<b>9.6</b>	<b>8.6</b>

Scope: MAPFRE Group



## Disabled employees

Even though in recent decades there has been major progress in the attention given to disabled persons, MAPFRE is aware that this group still faces major difficulties and obstacles for their effective functioning as citizens in their own right.

That is why MAPFRE, in line with its socially responsible business model, is committed to job integration and support for disabled persons in each of the countries in which it operates.

For such purpose, MAPFRE designs, develops and implements different types of actions for the disabled with the following objectives:

- To generate in the organization a culture sensitive to disabled people to allow them to lead normal working lives.
- To contribute to their job integration.
- Improve the quality of life of disabled employees.
- Develop products and services targeted at disabled people.

In 2012, MAPFRE had 345 disabled employees.

In Spain, the Group has a protocol to ensure compliance with the number of positions set aside for people with disabilities to ensure and oversee that this legal requirement is met. In addition, in compliance with alternative measures provided for in prevailing legislation, in 2012 MAPFRE made endowments to and executed agreements for the provision of services or goods with special employment centres in the amount of €500,275 and foundations in the amount of €975,067.

The amounts donated were allocated to:

- Support the training of disabled students for better job integration by providing 64 grants for university material, mobility and technical aids.
- Promote the job integration of the intellectually disabled and mentally ill through a programme that comprises 529 companies and which managed to employ 343 disabled people.
- Assist in the implementation of other employment projects for disabled people, prepared by specific associations and foundations for this group, through financial support which benefited 13,266 disabled people.

In 2012, MAPFRE signed an agreement with the Madrid DOWN SYNDROME FOUNDATION, to contribute to the inclusion of people with Down Syndrome and intellectual disabilities in the job market, and an agreement with the KONECTA FOUNDATION (Spain) to allow people with intellectual disabilities to obtain work placement opportunities in MAPFRE.



Handing over the certificate of the Family-friendly Business ("EFR")

## Selection

MAPFRE has in place strict and mandatory in-house personnel selection rules to ensure that its recruiting processes are objective, rigorous, uphold equal opportunities and are non-discriminatory.

The goals policy are to:

- Contribute objectivity to the selection processes.
- Hire the best candidates for each post.
- Standardise all hiring processes conducted around the world.
- Consider the selection process as a phase of people management.

Selection processes in MAPFRE are conducted with the premise of complying with the technical requirements and skills necessary for the adequate performance of the position's functions.

In 2012 the Group advertised 7,458 jobs (286 in Spain, 5,684 in the Americas and 1,488 elsewhere).

**MAPFRE expressly condemns child labour exploitation and neither directly or indirectly employs child labour.**

## Job mobility and internal promotion

MAPFRE encourages internal promotion and mobility, because they increase employee satisfaction and motivation, reduce the length of time required to adapt to the job, provide employees with career development opportunities, foster the creation of multipurpose profiles and a more comprehensive knowledge of the company.

For MAPFRE, internal mobility is the main source of recruitment.

MAPFRE has automated procedures that give all employees daily access to listings of vacancies and newly created positions arising in the organisation. MAPFRE's internal mobility process is transparent and readily accessible for our employees.

Of the vacancies published in 2012, 2,044 have been filled through internal mobility, approximately 27.4%, and around 40% of the them have involved a promotion.

### Job performance evaluation and career development

MAPFRE evaluates its employees's job performance through a Performance Evaluation system in place in the majority of countries where it is present.

In 2012, 69.2% (70.2% in Spain, 71.4% in America, and 52.5% in other countries) of employees were evaluated.

This process facilitates two-way communication between employees and their bosses and assesses fulfillment of annual targets, allowing us to combine the employees' efforts with the Organization's Strategic Plan, and job performance, through a competence profile analysis. The system allows for individual action plans focused on employees' professional development and based on fostering their strengths and working on their areas for improvement.

Furthermore, MAPFRE has carried on developing specific career developmental projects that, in addition to establishing objective criteria for the identification of employees with a high level of performance and key personnel, seeks to design and conduct specific development plans for these groups, developing the talent that the organization need to keep on growing and being competitive.

These courses of action allow it to:

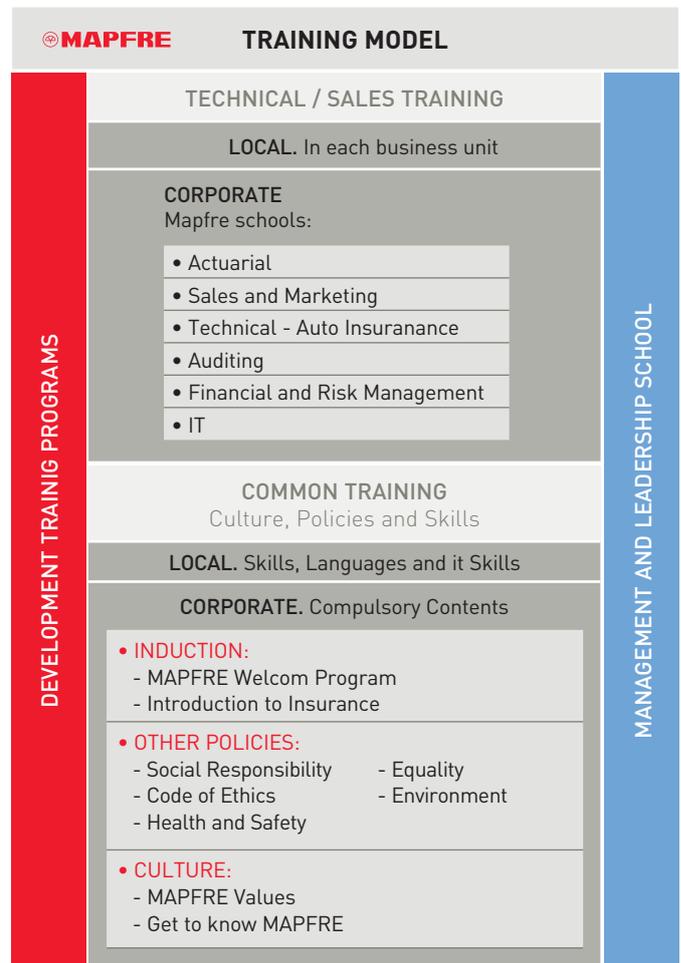
- Strengthen the Company's human capital, through the development of know-how, abilities and patterns of behaviour.
- Align employees' actions with the Strategic Plan.
- Develop the organization's talent.

During 2012, 216 development plans were implemented.

### Training

MAPFRE believes that it is not possible for a company to progress if its employees do not do so at the same time. A well-trained workforce is synonymous with quality in the workplace and business success. In-house training in MAPFRE is a key part of the Group's strategy without which the success achieved and implementation in more than 46 countries worldwide would not have been possible. The Company's management is actively involved in developing the programmes and more than 80% of training is given in-house, imparting culture and best practices.

The MAPFRE training model is designed around four major areas, depending on the group in question and the nature of the training material: **management training** with common content in Management, Communication, Finance and Languages; **technical-commercial business training**, concentrated into the products and technical knowledge of the services we offer; **cross training** for all employees combining MAPFRE Culture, skills and languages; and **development programmes**, for certain groups and profiles.



MAPFRE has more than 200 e-learning programmes in several languages (Spanish, English, Turkish, Portuguese and Chinese).

Consequently, MAPFRE seeks to achieve the following goals in its training activities:

Broaden knowledge of MAPFRE's culture and integration of constituencies from different professional and geographic backgrounds	Promote employee learning in areas of knowledge that are important to their jobs (sales, technical, corporate)
Have highly-qualified professionals who are equipped to take on new roles and responsibilities within the organisation	Promote skills upgrading, geographical and job mobility and internal promotion



In 2012 the Group invested €12.4 million in training, equivalent to 1.2% of compensation paid.

Other significant figures are given below:

#### TRAINING HOURS AND PARTICIPANTS BY JOB CATEGORY AND GEOGRAPHICAL AREAS:

CATEGORIES	GEOGRAPHICAL AREAS					
	SPAIN		AMERICA		OTHER COUNTRIES (EUROPE, ASIA, AFRICA AND OCEANIA).	
	ATTENDEES	HOURS	ATTENDEES	HOURS	ATTENDEES	HOURS
EXECUTIVES	2,394	35,074	3,074	34,910	420	6,668
MANAGERS	10,708	68,320	18,445	104,658	1,121	12,965
TECHNICIANS	37,198	261,397	50,887	316,922	3,514	20,656
CLERICAL STAFF	20,979	142,423	45,680	286,350	7,247	72,152
<b>TOTALS</b>	<b>71,279</b>	<b>507,214</b>	<b>118,085</b>	<b>742,840</b>	<b>12,302</b>	<b>112,441</b>

Scope: MAPFRE Group

#### TRAINING HOURS AND PARTICIPANTS BY TRAINING METHOD

TRAINING METHOD	2012		2011	
	ATTENDEES	HOURS	ATTENDEES	HOURS
PRESENCE TRAINING	118,579	1,024,436	88,628	805,969
E-LEARNING	77,515	271,906	71,336	242,491
MIXED	5,572	66,153	1,485	5,292
<b>TOTALS</b>	<b>201,666</b>	<b>1,362,495</b>	<b>161,449</b>	<b>1,053,751</b>

Alcance: Grupo MAPFRE

#### HOURS OF TRAINING AND NUMBER OF ATTENDEES BY TYPE OF TRAINING

BY NATURE OF THE CONTENTS	2012		2011	
	ATTENDEES <sup>(1)</sup>	HOURS	ATTENDEES <sup>(1)</sup>	HOURS
SALES TRAINING	118,579	1,024,436	88,628	805,969
TECHNICAL TRAINING	77,515	271,906	71,336	242,491
CROSS TRAINING	5,572	66,153	1,485	5,292
<b>TOTALS</b>	<b>201,666</b>	<b>1,362,495</b>	<b>161,449</b>	<b>1,053,751</b>

Scope: MAPFRE Group

(1) Number of participants in training initiatives. Certain employees participated in more than one training programme

As part of its global training model, the company has organized four Corporate Development programmes, in which employees from all the countries and all MAPFRE's businesses have participated:

— **International Integration Programme (MIP)**, given entirely in English, at which all participants were key management and directors of MAPFRE. The programme is designed for top-level management of all the Group companies. The aim of the programme is to offer a global view of MAPFRE and to convey the company's culture and values. This year 15 executives from 8 countries took part.

— **International Management Development Programme (AADT)**, organised jointly with the Oxford Leadership Academy and given entirely in English. 19 managers from 8 countries took part in 2012.

— **Management Development Programme (PDD)**, with a qualification awarded by Alcalá University and co-organized with the Institute of Business Studies, a leading business school. 16 members of senior and middle management from 2 countries took part in its 7<sup>th</sup> edition.

— **"AVANZA con MAPFRE" Development Programme**, organised jointly with the Madrid Autonomous University, as part of the "José Manuel Martínez" UAM-MAPFRE Chair, and the ESIC Business School, oriented to high potential personnel from different countries where MAPFRE is present. 17 employees took part in 2012.

All around the world, the company continued holding global programmes with technical contents of the Corporate Areas; Hiperion Financial Management, BEL, International Seminar on Internal Audits, Internal Control and Prevention of Money Laundering I, in which 6,246 employees took part.

There were also e-learning training schemes on the implementation of the Group's policies, such as the Code of Ethics, Social Responsibility, Equality, Data Protection and Environmental Awareness-raising.

	<b>Nº. PARTICIPANTS 2012 (WORLD)</b>
CODE OF ETHICS AND CONDUCT	4,215
SOCIAL RESPONSIBILITY	2,104
EQUALITY	664
DATA PROCESSING ACT	1,888
ENVIRONMENTAL AWARENESS-RAISING	877

MAPFRE has established global company welcome programmes, such as the Welcome Plan and "Conoce MAPFRE" (Get to know MAPFRE), in which 1,289 employees from around the world participated in 2012.

1,622 employees have received language classes, mainly in English language and Spanish. In addition, 29 semi-residential English immersion programmes were provided.

During 2012, the "ACTITUD MAPFRE" corporate programme was carried out in Spain which through a communication and awareness plan and a direct training programme reminded employees of MAPFRE's ten behaviours, based on the company's values and culture. During the year, this programme reached 8,426 employees and consisted of 53,164 training hours.

MAPFRE Culture training and the communication of its principles and values takes place in every country, due to the importance the company attaches to its Culture, through programmes created for that purpose, such as Ecuador, "Our principles and values"; Mexico, "Applying and living institutional values"; Argentina, "MAPFRE Entrepreneur and Spirit Programme"; Philippines, "5S Programme"; Guatemala, "I am MAPFRE"; Honduras, "I am MAPFRE: Strengthening the Culture"; Panama, "My Footprint, my Mission"; Peru, "Potion" and USA, "Project One".

### Work placement opportunities

MAPFRE provides work placement and experience programmes to help integrate young people in the job market, and has an annual plan for offering traineeships and work experience, based on the agreements signed with academic institutions and universities worldwide.

In 2012, 504 people enjoyed work placement opportunities at the MAPFRE Group's companies.

### Remuneration and compensation policy

The aim of the Remuneration Policy defined by MAPFRE is to establish suitable remuneration for employees according to their position and performance, and to encourage them to achieve the objectives set and fulfil the company's strategy with satisfaction. Its general principles are as follows:

- It is based on the position each employee holds.
- It is competitive, with respect to the market.
- It guarantees equality for all MAPFRE employees, without any reference to sex, race, disability or ideology.
- Flexible and adaptable to different groups and market circumstances.
- Aligned with the Company's strategy.

In 2012 the Group paid €1,311 million in compensation in the Group's insurance companies and €152 million at other business endeavours. 71% of this figure corresponds to wages and salaries, 13% to social security contributions, 11% to benefits and the remaining 5% to severance and other pay supplements. Variable pay represents 11.5% of total pay, and accounts from 13% to 45% of employees' wages, depending on their job.

Generally speaking, wages in MAPFRE are significantly higher than the minimum wage of each country. The table below shows the gap between the minimum wage and the MAPFRE wage, in the countries where the Group has the largest number of employees:

COUNTRY	% MAPFRE WAGE RISE WITH RESPECT TO COUNTRY'S MINIMUM WAGE
MEXICO	246.1
ARGENTINA	172.6
BRAZIL	70.5
SPAIN	66.7
U.S.A.	42.9
COLOMBIA	27.2
TURKEY	23.5

\*\*Figures not comparable between countries

At MAPFRE, salaries are raised year in accordance with the terms of applicable collective bargaining agreements and with the rules of each country, and salary brackets per position, normally taking external economic indicators and market research as a reference, as well as the employee's job performance.

In the case of Spain, the collective agreement in force at the group of Spanish insurance providers termed "Grupo Asegurador MAPFRE" for this purpose, covering 92.4% of Group employees, lays down the parameters for the wage rise.

MAPFRE has always offered a broad range of social welfare benefits and, every year, strives to add new benefits for its employees in each country.

The table below shows the classes of such benefits on offer in 2012 and the number of entitled employees:

TYPE OF SOCIAL WELFARE BENEFIT	% OF EMPLOYEES WHO HAVE ENJOYED THE BENEFIT WITH RESPECT TO ENTITLED EMPLOYEES		
	SPAIN	AMERICA	OTHER COUNTRIES (Europe, Asia, Africa and Oceania)
Health Insurance	92.1	85.0	88.3
Pension Schemes	78.5	73.0	89.3
Life Insurance	100.0	92.9	80.8
Discounts on company insurance products	91.4	45.0	66.3
Long service bonuses	54.5	40.6	96.5
Schooling grants for employee offspring	50.7	22.0	68.8
Birth bonus	4.3	15.1	14.4
Loans	4.9	35.9	29.1

Scope: MAPFRE Group

In general, all benefits are offered regardless of whether employees are on open-ended or temporary contracts. In 2012 the amount allocated to social welfare benefits totalled €159.6 million, equivalent to 11% of total compensation paid.

In Spain, MAPFRE has in place an Employee Aid Fund for special situations, typically relating to health problems, which in 2012 granted €482,867 in aid, and a Retiree Aid Fund, which in 2012 granted financial aid in the amount of €60,765.

## Equal opportunities and work-life balance

An active and structured policy on the subject of equality and conciliation boosts productivity and facilitates a balance between the working, personal and family environments of all workers.



## Equal opportunities

MAPFRE values the individual diversity of its employees, recognises people's heterogeneity, seeks to take full advantage of their potential and respects each one's individuality from an equal opportunities and non-discrimination perspective. Therefore its Code of Conduct and Ethics commits to the provision of a suitable work environment that respects and values diversity without any form of discrimination on the ground of gender, race, ideology, religion, sexual orientation, age, disability or any other physical, personal or social condition.

In the organization, all employees are and MAPFRE encouraged to contribute via their conduct to creating working environments in which whoever has professional responsibility over other employees must use objective criteria in hiring and promotion processes and when it comes to setting pay terms and training opportunities and to evaluating job performance.

MAPFRE's policy on the subject of equality is formally reflected in the statement made by its Standing Committee at the meeting held on 27<sup>th</sup> May 2010:

"MAPFRE's Standing Committee believes that an active and structured policy on the subject of equality and conciliation boosts productivity and facilitates a balance between the working, personal and family environments of all workers. To this end, it declares its commitment to the promotion of initiatives which implement MAPFRE's equality and conciliation policies, the general principles of which are contained in the Code of Ethics and Conduct".

In Spain the current Equality Plan, which was negotiated and signed with the Employees' Legal Representation, lays down two main goals:

- To guarantee the right to effective equal opportunities in MAPFRE's working environment and equal treatment between men and women, and to avoid any kind of employment discrimination.
- To establish an equality management model which attracts and retains talent, and increases the mutual commitment between the company and its employees.

The most noteworthy measures implemented in 2011 and 2012 were as follows:

**2012**

- Start of an equal opportunities e-learning course.
- Definition of criteria for the payment of variable remuneration in the case of employees working reduced hours or on maternity or paternity leave.
- Design of equality indicators for monitoring policies.

**2011**

- Incorporation of indications on non-discriminatory use of language in job offers.
- Incorporation of indications relative to non-discrimination in the selection manual and on forms used during the selection process. At the beginning of each selection process, candidates will be given information on MAPFRE's equality and reconciliation policy.
- Inclusion of a clause in contracts with suppliers, informing them of the principles of equality of opportunities laid down in MAPFRE's selection policy.
- Incorporation of the principles of equality of opportunities and non-discrimination in training standards.
- Conducting of training and awareness actions on equality of opportunities addressed at those who take part in promotion and employee selection processes.
- Conducting of training actions on reconciliation for middle management and directors.
- Individual analysis of the need for training and professional recycling for those who rejoin the company following maternity or paternity leave or those who rejoin following a long sick leave.
- Communication campaign for the protection of maternity.
- Specific mailbox for suggestions on equality and reconciliation at the disposal of all staff.

Moreover, in MAPFRE 39 women occupy senior management positions or positions on Boards of Directors. The following table shows the percentage of women in executive/management positions.



<b>GEOGRAPHICAL AREAS</b>	<b>Percentage of women in executive/management positions</b>	<b>Female hires as a percentage of total hires</b>
SPAIN	21%	71%
AMERICA	41%	58%
OTHER COUNTRIES (Europe, Asia, Africa and Oceania)	31%	53%

**Moral and sexual harassment in the workplace**

MAPFRE will ensure a work environment free of harassment in which people's dignity is respected.

Bullying, sexual harassment and sexual discrimination contaminate the workplace, can have a negative effect on the health, well-being, confidence, dignity and performance of people who suffer it and violate the right to working in equal and non-discriminatory conditions, the right to physical and mental integrity, intimacy, dignity and sexual freedom.

MAPFRE has mechanisms to help prevent situations of this type; if they do arise, it also has suitable procedures for dealing with and rectifying the problem. The principles and guidelines for preventing and correcting this type of conduct are outlined in the company's Protocol for the Prevention and Treatment of Harassment.

The Harassment Protocol is currently in place in the 46 countries where MAPFRE is present.

Five harassment claims were brought during the year, and were resolved using the in-house procedures put in place to this end. All the professionals providing instruction on this topic first received specific training themselves.

**Work-life balance**

MAPFRE considers the comprehensive development of its employees is good for them and for the company, making it easier for employees resources aimed at achieving an appropriate balance between personal responsibilities and those derived from their work in the company.

In keeping with the culture and institutional and business principles, MAPFRE has an active and structured work-life balance policy that:

- Facilitates a balance between the workplace and employees' personal lives
- Increases employee commitment to the company and their personal and professional satisfaction and welfare.
- Attracts and retains talent
- Favours productivity

There are plenty of measures in place to facilitate achievement of work-life balance, including the following:

- Flexible workdays in terms of start and end times.
- Part-time arrangements.
- Shorter work days on health grounds, or for looking after children and relatives, and for employees aged over 60
- Leave on personal/family grounds (pregnancy, wedding, moving house, exams, medical appointment, serious family incident, adoption, etc.)
- Maternity and paternity leave, including adoption and foster care.
- Sabbatical on study/family grounds.

The table below outlines the number of employees benefitting from these measures in 2012:

WORK-LIFE BALANCE INITIATIVES	N° EMPLOYEES		
	SPAIN	AMERICA	OTHER COUNTRIES (Europe, Asia, Africa and Oceania)
Flexi-time arrangements	7,067	5,888	621
Part-time arrangements	452	3,500	141
Shorter workdays	759	422	30
Tele-working	91	43	81
Paid and unpaid leave	7,555	5,095	1,605
Sabbatical on study/family grounds	18	3	340
Employee reintegration program following a protracted leave of absence	--	3	8

Scope: MAPFRE Group

## Employee communication and labour-management relations

MAPFRE maintains different channels of communication with its employees, through which it conveys the Group's strategy and goals.

The employee communication channels used most often in MAPFRE markets are the internal portal (intranet), e-mail, electronic newsletters and magazines (El Mundo de MAPFRE, the global magazine for all employees around the world, and the

magazines published in the different countries where the Group operates).

MAPFRE also gives its employees other resources and tools, such as mailboxes, surveys, blogs and forums, to ensure two-way communication and to receive comments and suggestions.

MAPFRE has employee areas on the company intranet, where it publishes the information on people management, including both news of interest and information about internal company regulations. This tool is used to access the Employee Self-service application, which amongst other transactions, enables employees to update their details, apply for social benefits, consult vacancies and carry out their annual performance appraisal.

By way of example, in Spain 200 news items were published in this area, 67,111 transactions have been carried out via the Self-service application, and 7,301 enquiries have been dealt with through the Employee's Mailbox.

## Workers' representatives

MAPFRE is committed to fully respecting workers' freedom of association and collective bargaining rights, complying with prevailing legislation in each country. To this end, it maintains ongoing dialogue with its trade union representatives. MAPFRE recognises the trade union representatives as the stakeholder of its workers.

At MAPFRE, 23,617 employees are covered by collective agreements in 18 countries, accounting for 66.4% of employees with union representation.

In Spain, in 2012 union representation at the Group's insurance companies stood at 95.6%. The main communication channels with the workers' legal representative are the Committees established in the Bargaining Agreement, specifically the Mixed Committee, the Professional Development Committee, the Equality of Opportunities Committee and the Health and Safety Committee. Each trade union section has space on the intranet for publishing any information deemed appropriate as well as a dedicated e-mail address. Thirty-seven counts of correspondence were recorded in 2012. The workers' representatives availed of a total of 115,845 work hours and financing in the amount of €79,104 to perform their duties.

## Health and safety at work

In its Code of Conduct and Ethics, MAPFRE has committed to the provision of safe and healthy workplaces, thereby guaranteeing its workers' right to protect their health and integrity.

In all countries in which the Group is present numerous health and well-being initiatives aligned with the company's Risk Map are implemented.

For such purpose, the company has the necessary resources to carry out health prevention and promotion activity and give training to its employees on this matter.

## Prevention

The company adopts a participative prevention model, based on the right of workers to actively participate in everything that might affect their health and safety at work, for which it has legally established representative channels. Throughout the Group, a total of 27,435 employees are represented in joint management-worker health and safety committees which have been set up to help monitor and advise on workplace health and safety programmes.

Preventative initiatives are developed under the umbrella of each Group company's specific health and safety plans and cover specialties including workplace medicine, workplace safety, industrial hygiene and ergonomics and applied psycho-sociology. The preventative approach is built into the company's overall management, which assigns health and safety related duties at all hierarchical levels.

In Spain, as well as having a Workplace Health and Safety Policy, MAPFRE has a Workplace Health and Safety Service, which acts as the company's advisory matters on these matters. MAPFRE's workplace health and safety system in Spain has been audited on three occasions by an independent entity, as stipulated in prevailing legislation. The outcomes of all three audits were favourable.

General risk assessments are conducted annually in the work centres covering preventive disciplines such as Workplace Safety, Industrial Hygiene, Ergonomics and Applied Psychology. In 2012, 55 risk assessments and 60 specific job and workplace studies were carried out in Spain. Workers' representative participation in occupational hazard prevention take the form of the activities performed by 150 health and safety officers. MAPFRE's Health and Safety Committee safeguards the health and safety of the 9,949 insurance sector employees.

In Colombia, training has been provided on Industrial Health and Safety Regulations and occupational health policy; in addition, emergency and vulnerability analysis, accident investigation and public pathology matrix plans have been developed, as well as psychosocial risk and road safety programmes.

In Peru, occupational health and safety regulations have been prepared and training has been given to first aid and evacuation and fire control brigade members.

Industrial accidents and common illnesses in the Group over the last two years have been as follows:

GEOGRAPHICAL AREAS	2012				2011			
	SPAIN		OTHER COUNTRIES		SPAIN		OTHER COUNTRIES	
	H	M	H	M	H	M	H	M
Number of workplace accidents	39	52	158	203	62	75	125	159
Number of work hours lost due to absenteeism as a result of non-workplace accidents and common illnesses	132,261	393,974	337,372	597,332	159,374	354,196	208,285	514,391
Number of work hours lost due to workplace accidents	5,533	6,147	26,723	25,512	10,797	9,110	27,733	21,615
Percentage of hours lost over total of theoretical hours.	1.5%	4.7%	1.8%	2.4%	1.8%	5.7%	1.4%	2.5%

Scope: MAPFRE Group

Most work accident leave is due to traffic accidents, and MAPFRE, in collaboration with the FUNDACIÓN MAPFRE Road Safety Institute, therefore conducts training and informative actions for employees on the prevention of traffic accidents in itinere.

## Health promotion

MAPFRE seeks to go beyond its legal obligations in promoting the health of its employees.

MAPFRE has a Healthcare Assistance and Awareness Department that aims to optimise the health care given to its employees, establishing channels and procedures for provided medical and psychological advice and support to managers and staff alike. This constitutes a value added service for its employees which benefits their job performance.

In all the countries it conducts health promotion campaigns, primarily to cover the major risks identified in the company, mainly regarding healthy habits, nutrition, addictions, stress management and back school.

These are some of the campaigns that have been organized:

— **Spain:** Metabolic syndrome campaign, flu, tetanus and diphtheria vaccination campaign, cancer information and prevention campaign, healthy eating campaign, addiction information and prevention campaign and stress management campaign. Semiautomatic defibrillators have been installed in the main work centres.



— **Colombia:** Alcoholism and drug addiction prevention campaign, health week, obesity and cardiovascular risk prevention campaign.

— **Mexico:** MAPFRE Look after Your Health and Ask Your Doctor campaigns.

— **Brazil:** Blitz Portugal Campaigns (Ergonomic risks and musculoskeletal disease control), Blitz DST (sexually transmitted diseases and AIDS) and Blitz alcoholism and smoking.

— **Puerto Rico:** MAPFRE look after yourself education and well-being programme; MAPFRE FIT Health Portal and A Healthy Pregnancy educational programme.

— **USA:** Ready, set, go programme (well-being, diabetes programme, skin cancer detection and prevention, healthy eating habits and stress management).

In the EL MUNDO DE MAPFRE magazine the following articles have been published: "Occupational health and road safety", "European Code against cancer", "Look after your back" and "Food, sport and disability".

## Social activities

MAPFRE considers that social activities constitute a part of the employee's "emotional salary", understood as the variable remuneration made up of non-economic items that satisfy the employee's personal, family and professional needs and interests, in order to improve their overall well-being, quality of life and environment.

Many benefits result from the social activities organised by the company. For example:

- Increases employee motivation and commitment to the company.
- Well appreciated and valued work-life balance measures.
- Integrating element in the company: facilitates awareness and mixing of people from different areas of the business and hierarchies.
- Enables sharing of leisure, sports and cultural activities.
- Improves the company's image and reinforces the pride of belonging.

Social activities carried out in MAPFRE are designed for both employees and family members, some of which are international and others local. The main activities are as follows:

- Sports activities
- Cultural activities

— Offers and discounts for employees in products and in contracting services marketed by MAPFRE companies and other external companies.

- Contests
- Parties
- Open days

In 2012, 18,760 employees and relatives took part in different company activities.

## Corporate volunteer work

MAPFRE encourages its employees in several countries to engage in corporate volunteer work, and has a General Corporate Volunteer Work Programme that gives guidelines for carrying out Local Volunteer Work Plans.

The Programme is carried out with FUNDACIÓN MAPFRE through the volunteer work activities that the that the Foundation designs, organises and carries out in 20 countries of America, Asia and Europe: Argentina, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Spain, Turkey, Uruguay and Venezuela.



In 2012, employees participated 17,293 times in 345 volunteer social and environmental activities, through conferences, solidarity campaigns and employees' social initiatives, dedicating 4,056 hours and benefiting more than 107,000 people at risk of social exclusion or with disabilities.

The activities were performed locally and internationally, and November was chosen as the "MAPFRE Solidarity Month".

Volunteer work is conducted primarily with entities which MAPFRE has signed collaboration agreements for projects in Spain and development cooperation, through the "Forming Community Programme" of the MAPFRE FOUNDATION's Social Action Institute.

Employees also took part in 1,832 hours of classroom training and e-learning on various topics related to solidarity activities.

Corporate volunteer work is becoming one of the employee-oriented programmes that is having the greatest impact on society, where employees channel their spirit of solidarity through social activities encouraged by the company where they work every day, benefiting their immediate environment.

## MAPFRE and its customers

One of MAPFRE's key goals is to satisfy the needs of its xxx million customers, offering them high-quality service and value-added benefits. This commitment takes the form of an extensive range of products and services on offer to both individuals and companies, and a highly professionalized sales network that distributes the MAPFRE products through countless channels.

The penetration of MAPFRE's products in Spain stands at 14.2% of the population, while its customer loyalty is evident in the fact that 57% of its customers have held MAPFRE products for more than six years. The Group's objective is to increase the number of customers, retain existing ones and increase their ties with MAPFRE by boosting cross-selling of its products. Indeed, more than 1.4 million private customers have products from different business areas of the company.

The breadth of MAPFRE's range of products and services means that the Group's customer profile varies greatly, including individuals and legal entities, which in turn range from small businesses to large industrial or financial groups.

### MAPFRE CUSTOMER-POLICYHOLDER MAP

MOTOR INSURANCE	Nearly 13 million vehicles insured	Nearly 10 million customers
HOUSEHOLD INSURANCE	Over 4 million homes insured	More than 4 million customers
LIFE AND INVESTMENT COVER	More than 2 million policies	Over 1 million unit holders of pension funds and mutual funds
HEALTH INSURANCE	Over 900,000 health insurance policies	Almost 2 million health insurance beneficiaries
BURIAL BUSINESS	More than 2 million policies	More than 4 million people insured
ASSISTANCE COVER	More than 90 million policyholders	More than 195 million beneficiaries
BUSINESS INSURANCE	Nearly 2 million companies insured	More than 2 million policies
GLOBAL RISK INSURANCE	3,000 companies insured	Nearly 6,000 policies insured
CREDIT AND SURETY INSURANCE	More than 63,000 companies insured	More than 118,000 policies
REINSURANCE	1,565 transferring companies in 104 countries	

In 2012, MAPFRE's insurance companies paid out overall claims of €11,376.57 million, up 2.21% on 2011, broken down as follows:

UNITS	PERFORMANCE		
	2012	2011	CHANGE (%)
<b>INSURANCE SPAIN</b>			
MAPFRE FAMILIAR	2,552.68	2,646.93	(3.56)
BUSINESSES	387.17	376.87	2.73
LIFE	3,246.22	3,254.67	(0.26)
<b>INSURANCE INTERNATIONAL</b>			
AMERICAS	3,417.46	3,117.68	9.62
INTERNATIONAL	1,368.11	1,316.31	3.94
<b>GLOBAL BUSINESS</b>			
MAPFRE RE	0.00	0.13	--
ASSISTANCE	106.85	52.92	101.91
GLOBAL RISKS	298.08	365.54	(18.45)
<b>TOTAL</b>	<b>11,376.57</b>	<b>11,131.05</b>	<b>2,21</b>

AMOUNTS IN € MILLION

Information referring to direct insurance.



## Customer service channels

MAPFRE is committed to multichannel distribution, which implies not only distributing its products multiple channels (branches, Internet, telephone, agreements with entities, etc.), but also offer customers the ability to choose the channel they prefer to interact with company. Whatever channel they choose, MAPFRE offers the same prices and coverage in all of them.

Communication between MAPFRE and its customers and policyholders takes place using the following channels:

— **The Group's own distribution NETWORK**, made up of 3,069 branches in Spain and 2,321 abroad, which provide direct and personal customer care. These efforts are supplemented by the work performed by an extensive number of representatives, agents and brokers (17,160 in Spain and 44,885 abroad).

In Spain, throughout 2012 the company has introduced the new model of operational organization, approved in late 2011, which aims to enhance customer orientation and exploit synergies to increase efficiency. To that end, the newly-created Sales Division has promoted coordinated actions across all channels (agency network, bancassurance channel, brokers, agricultural mediation channel, specific Life network channel and the other channels) and enhanced its development in order to respond to the Group's complex multichannel reality.

— **Bank branches** (4,049 in Spain and 5,426 abroad) of financial institutions with which the Group has insurance product marketing alliances or agreements.

— **Highly qualified personnel** to respond to the customers who require specialised care (industries and major industry risks, agricultural sector, savings products, etc.) with the help of central support teams with extensive experience, training and international market knowledge.

— **Call centres** which provide customer service 24-hours a day, 365 days a year, enabling policyholders to call in enquiries and process claims and related services in connection with their respective policies. It is worth highlighting the following aspects of this channel's activities in 2012:

— **Eight call centres** in Spain, which operate as a single virtual customer service centre (known in Spanish as CAC24), guaranteeing that calls are answered by the most qualified operator, regardless of where the operator is located. Customers can use the call centre to manage any insurance product-related issue.

The Group's direct sales company, VERTI, also has its own call centre in Madrid, which provides service to its policy holders.

In 2012, the call centres handled 25,987,768 calls (10,874,096 in Spain and 15,113,672 abroad), 10.4% more than the previous year. The table below displays the breakdown of customer enquiries handled in 2012 and 2011:

	CALLS BY SERVICE REQUESTED IN %							
	REQUEST FOR INFORMATION		CLAIMS PROCESSING		UPDATING INFORMATION		OTHERS	
	2012	2011	2012	2011	2012	2011	2012	2011
ARGENTINA	41.4	37.4	44.0	36.3	11.4	13.2	3.2	13.1
BRAZIL	32.1	37.2	30.4	35.8	0	N.A.	37.5	27.0
CHILE	63.0	60	36.0	38.0	1.0	1.0	N.A.	1.0
COLOMBIA	61.0	56.9	2.0	35.0	0.0	0.0	37.0	8.1
U.S.A.	34.0	34.3	15.6	17.1	49.8	43.3	0.6	5.3
SPAIN	20.0	19.8	70.0	69.7	2.0	2.0	8.0	8.5
MEXICO	30.0	29.0	60.0	67.0	3.0	1.0	7.0	3.0
PERU	40.0	40.0	46.0	41.0	4.0	1.0	10.0	18.0
PUERTO RICO	58.0	64.0	12.0	12.0	10.0	12.0	20.0	12.0
PORTUGAL	30.2	41.5	43.7	46.1	3.5	4.1	22.6	8.3
TURKEY	44.0	6.7	37.0	83.0	6.0	0.0	13.0	10.3
VENEZUELA	5.6	6.7	76.3	71.0	0.0	0.0	18.1	22.3

In 2012, the MAPFRE ASISTENCIA call centre network took 19,794,940 calls, 9.8% more than in 2011.

In all, 7,171 people work at the call centres (2011: 6,013), 946 in Spain and 6,225 abroad.

— **The MAPFRE portal and the MAPFRE Internet Office** are two channels that let customers contact the Group in Spain and abroad, and that are tailored in each country to the specifics of each market and the various distribution networks. Customers can use them to check their policies, report claims, change their personal or bank details, ask for duplicates of documents and check correspondence or forthcoming payments, among others.

## Comprehensive product and service range

One of MAPFRE's goals is to offer its customers a comprehensive range of products and services for the prevention and coverage of their personal and business risks and to resolve their personal and family savings and pension needs.

To develop this offering, MAPFRE systematically encourages the design of new innovative products and services. Innovation has become a strategic cornerstone in MAPFRE, letting it improve the business, increase efficiency and offer better customer assistance. In order to integrate the entire organization in this process, specific tools are designed to allow the company to channel all its employees' creative and innovative capacity.

Moreover, in Spain the company has made progress in characterizing the MAPFRE customer, in order to perform different actions depending on the specific characteristics of each type.

MAPFRE's offering includes specific products and services for each customer segment, including:

- End-to-end advice in the insurance field provided by experts who specialise in different lines of business through the different customer relation channels.
- Guidance, advice and management when required of a broad range of services targeted at individuals: legal, assistance and medical services, among others.
- Claims handling by an extensive network of professionals who cater to the repair of related damages and also provide customers with tailored solutions.
- Launch of cross-selling and customer loyalty-building actions in all the Group undertakings.
- Discounts as a function of the number of products held with the entity.
- In-house vehicle claims assessment and quick payment centres (100) staffed with highly-trained professionals and five of our own workshops (three in Spain, one in Puerto Rico and one in Turkey) for repairing damaged vehicles.

— Traffic accident prevention system and vehicle repair R&D centres (CESVIMAP) in Spain, Argentina, Mexico, Brazil, Colombia and France, whose research into equipment, tools, materials and products used in automotive repairs are a benchmark in road safety.

— Specialised advice on Home insurance to update sums and thus avoid underinsurance.

— Health Polyclinics (twelve), to offer health assistance and medical specialties.

— Medical centres for attending to traffic accident victims (5 with rehab departments) and policyholders with travel insurance (one in the Dominican Republic, another in El Salvador and 2 in Honduras).

— Tailored advice and new products and services to promote and invest personal and family savings, with a special focus on retirement savings.

— Segmentation of the corporate business in four groups: microenterprises, small enterprises, medium-sized enterprises and large companies, to offer a specialized service in line with the specific characteristics of each segment.

— Company business management centres (11), at which companies receive an integral service.

— Technical-commercial actions to assist SMEs to improve their insurance covers, their safety and risk management.

— Products purpose-designed for global businesses, to enable the provision of the highest quality and most efficient comprehensive and specialist service standards, including coverage for multinationals, leveraging MAPFRE's extensive network of entities in over 46 countries.

— Collaboration with various institutions and organisms in preparation of risk analysis and the development of traffic accident simulation programmes, among others.

## 2012 highlights

- Launch of the new fidelity scheme "We look after your business", ("Cuidamos tu empresa" in Spanish, that includes, among other services, tax advice for this customer segment.
- Launch of "MAPFRE on your Smartphone", that lets customers access certain Group services, and specific mobile applications for the YCAR insurance and for the green policy, that let customers check information about their driving habits.
- Launch of the traffic-fine finding service and advice on the procedure and alternatives for dealing with such fines.
- Inclusion of a free white goods repair cover in home insurance policies.

— Inclusion of pest-control services (pest control, fumigation and disinfection) in insurance policies for Condominiums and residential building Owners, making MAPFRE the only insurer in Spain to offer this public health-related hazard prevention service.

— Improved health insurance policies with free inclusion of telephone pediatric and psychological counselling services.

— Opening of a new Motor Vehicle Appraisal and Fast Payment Centre in the Canary Islands and three new Car Service Centres (in Palma de Mallorca, Pamplona and Castellón).



## Loyalty-building

To offer customers a user-friendly service and strengthen their ties with the Group, MAPFRE conducts different loyalty-building and cross sale actions, bearing in mind that each customer or insured requires a different form of management adapted to their needs. To that end, it has designed value-added service proposals, oriented to more than 4 million customers, of whom nearly 2 million are members of "teCuidamos" and "Cuidamos tu empresa", two of the Group's customer loyalty schemes. These programmes include promotions, discounts and exclusive offers for members, by means of arrangements with partner establishments, and enable a saving in insurance through «clover-leaves» (exchangeable points) using the *teCuidamos credit card*.

MAPFRE conducts ongoing new product research and design. The table below displays the products launched in the marketplace in 2012:

## New products and services launched in 2012\*

\* List does not include modifications or improvements to existing products already on the market

### INSURANCE SEGMENT: MOTOR

COUNTRY	NEW PRODUCTS AND/OR SERVICES
SPAIN	<b>Green Policy:</b> Insurance for electric, hybrid and green vehicles, featuring a unique pay-per-use system that rewards efficient eco-driving.
	<b>Six Wheels:</b> Policy to combines Motor and Motorcycle insurance in one.
COLOMBIA	<b>127 Trébol Básico:</b> Motor car insurance that includes Civil liability and Legal Advice, among other types of cover.
ARGENTINA	<b>Renewal of the range of Motorcycle insurance policies.</b>
	<b>"Rapid Presence":</b> Coverage included in Motor insurance that includes the sending of motorcycles to pick up drivers who have suffered an accident.
EL SALVADOR	<b>Elite:</b> Motor insurance.
MEXICO	Motor insurance.
BRAZIL	Inclusion of new types of cover in motor insurance.
PARAGUAY	<b>MAPFRE 100:</b> Fully comprehensive motor car insurance.
PUERTO RICO	Renewal of the range of motor insurance policies.
DOMINICAN REPUBLIC	<b>"Trébol Plus":</b> Motor insurance.

### INSURANCE SEGMENT: LIFE, INVESTMENT AND SAVINGS

COUNTRY	NEW PRODUCTS AND/OR SERVICES
ARGENTINA	<b>Monthly Income and Cash Saving:</b> Life Insurance that includes disability coverage, among others.
BRAZIL	Renewal of the Life Insurance and Pension Plan product range.
COSTA RICA	Renewal of the Life Insurance product range.
EL SALVADOR	<b>"De Por Vida":</b> Life Insurance.
SPAIN	<b>"Garantía 16":</b> Single-premium savings insurance linked to the performance of the three-month Euribor.
	<b>"PIAS Ahorro Seguro Garantía Activa":</b> Regular premium systematic individual savings plan, with death cover.
	<b>"Renta Selección PIAS":</b> Life-contingent annuities.
	<b>"Millón Vida":</b> Four-year single-premium savings insurance.
	<b>"MAPFRE Puente Garantía 1":</b> Guaranteed investment fund, whose return is linked to the Eurostoxx 50's performance.
	<b>"MAPFRE Puente Garantía 3":</b> Four-year guaranteed investment fund, with a cumulative minimum return of 4% on maturity.

COUNTRY	NEW PRODUCTS AND/OR SERVICES
SPAIN (cont.)	<b>"MAPFRE Puente Garantía 5"</b> : Guaranteed investment fund, whose return is also guaranteed on maturity.
	<b>"MAPFRE Puente Garantía 10"</b> : Guaranteed investment fund that invests in fixed income.
MEXICO	<b>Endowment insurance</b> : Five-year endowment policy.
PANAMA	<b>Educational Insurance</b> : Savings Insurance, with coverage in case of death.
PERU	<b>Vida Ripley</b> : Life Insurance.
PORTUGAL	Renewal of the Life Insurance and Investment product range.
PUERTO RICO	<b>School Insurance</b> : Life Insurance.

### INSURANCE SEGMENT: PROPERTY INSURANCE

COUNTRY	NEW PRODUCTS AND/OR SERVICES
BRAZIL	Inclusion of I.T. Assistance service in household insurance policies.
	<b>"Crédito Protegido Estoque"</b> : Insurance that includes payment protection.
	<b>"MAPFRE Garantía Fia dor"</b> : Rent payment protection insurance.
COSTA RICA	<b>Unemployment insurance</b> : Policy that includes loan payment protection coverage if the insured person becomes unemployed.
SPAIN	<b>Electrical appliance repair service</b> : Free coverage included in home insurance policies that includes, among other services, travel, parts and labour.
	<b>Pest control service</b> : Inclusion of the pest control, fumigation and disinfection service in insurance policies for Condominiums and residential building Owners.
	<b>" +Dogs"</b> : Pet Insurance that includes coverage of civil liability, legal assistance and assistance services.
HONDURAS	<b>Unemployment insurance</b> : Policy that includes payment protection coverage if the insured person becomes unemployed.
MALTA	<b>Insurance for SMEs</b> : Policy that includes, among other coverage, civil liability and personal accidents.
	<b>Financial Insurance</b> : Policy that increases the compensation and guarantees payment of outstanding principal and interest if the vehicle is declared a total loss.
	<b>Payment protection insurance</b> : A policy that provides coverage in the event of fraudulent use of credit card theft.
MEXICO	<b>"Agrícola Tricapa"</b> : Crop insurance that includes catastrophic damages cover.
	<b>"SeguPyme"</b> : Insurance for businesses, including IT support service and tax advice, among others.

COUNTRY	NEW PRODUCTS AND/OR SERVICES
PARAGUAY	Inclusion of new types of cover in accident insurance.
PUERTO RICO	<b>MAPFRE PET</b> : Pet insurance.
DOMINICAN REPUBLIC	<b>Condominium multi-peril</b> : Insurance for buildings managed as condominiums.
TURKEY	<b>SME</b> : Insurance including cover of civil liability and theft, among others.

### INSURANCE SEGMENT: BUSINESSES

COUNTRY	NEW PRODUCTS AND/OR SERVICES
BRAZIL	Renewal of the range of agricultural insurance policies, including, among others, cover for eucalyptus, coffee, corn or cotton plantations, as well as agricultural, livestock and forestry-related goods.
COSTA RICA	Renewal of the range of Business insurance policies.
SPAIN	<b>Comprehensive insurance for administrative agencies and consultancy firms</b> : Insurance for administrative agencies and employment and tax consultancies that provide advisory and management services to the government.
PERU	<b>MAPFRE Business 24 hours</b> : Multi-peril Insurance for small and medium-sized enterprises.
PORTUGAL	<b>"Responsabilidade Civil Ambiental Express"</b> : Insurance that includes, among others, cover of civil and administrative liability arising from environmental damages.
URUGUAY	Machinery, Furniture and Tool Leasing Insurance linked to leasing transactions that includes, inter alia, fire coverage.

### INSURANCE SEGMENT: PERSONAL INSURANCE

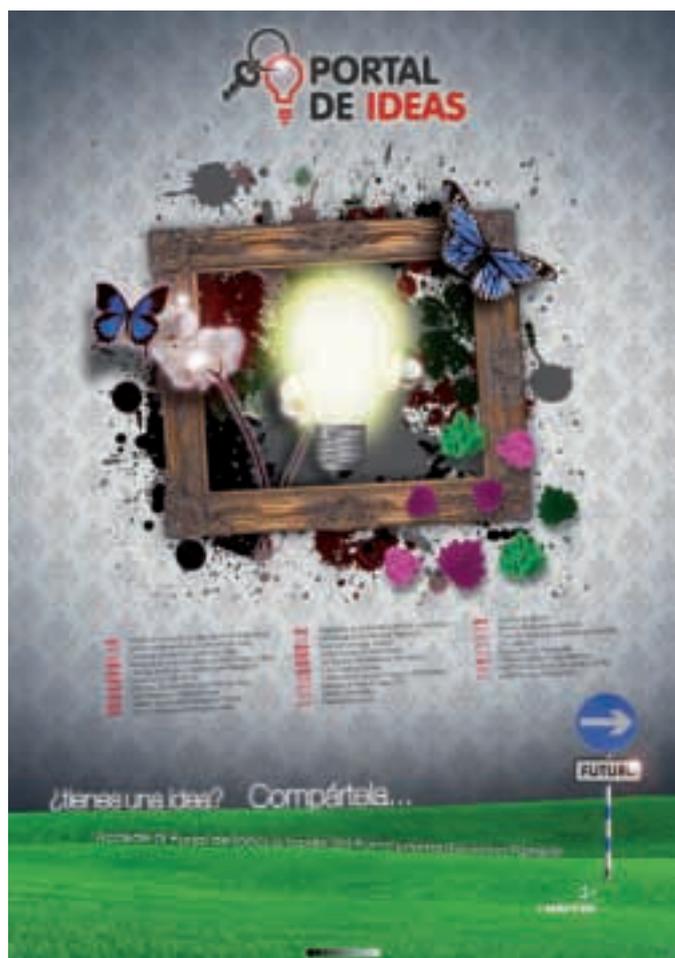
COUNTRY	NEW PRODUCTS AND/OR SERVICES
ARGENTINA	<b>Comprehensive Health</b> : Health insurance, including coverage for serious illnesses and organ transplant operations.
BRAZIL	<b>MAPFRE Decessos Você Tranquil</b> : Death Insurance.
COSTA RICA	Renewal of the range of Accident insurance policies.
	Self-Issue Serious Illness Insurance Health Insurance that includes, among other types of cover, compensation in the case of hospital stay.
	<b>Group Insurance for Medical-Hospital Care Expenses</b> : Health Insurance, which includes illness, accident and hospitalization cover, among others.
	<b>Medical Recovery Insurance</b> : Health Insurance, which includes, among others, coverage of medical treatment or surgery.

COUNTRY	NEW PRODUCTS AND/OR SERVICES
SPAIN	<b>Health Sport:</b> Health Policy, intended for people who practice sports regularly including value added services.
PARAGUAY	<b>Personal Accidents:</b> Inclusion of new types of cover in accident insurance.
PERU	<b>Chiclayo Medical Centre Health:</b> Health Insurance that includes compensation for hospitalization.
PORTUGAL	Renewal of the range of Accident insurance policies.
PUERTO RICO	Renewal of the range of health insurance policies.
	<b>Vida Creciente:</b> Death Insurance.
DOMINICAN REPUBLIC	<b>Group Cancer:</b> Health insurance that covers, among others, oncological diseases.
	<b>"Cancer protection and Tranquility 365":</b> Health Insurance.
URUGUAY	<b>Assistance Programme and Total Protection:</b> Personal Accident Insurance.
	<b>Group International Health:</b> Health insurance that includes coverage for hospitalization abroad.



#### INSURANCE SEGMENT: ASSISTANCE

COUNTRY	NEW PRODUCTS AND/OR SERVICES
MALTA BAHRAIN	Travel Assistance Insurance for Mecca pilgrims
FRANCE	<b>Dings&amp;Dents:</b> Insurance that covers damage to the vehicle's bodywork.
MALTA	<b>Wedding event cancellation insurance:</b> Covers expenses resulting from a wedding cancellation.
MEXICO	<b>Extended Warranty for PC and laptops:</b> Policy that extends the manufacturer's warranty for laptops.
PORTUGAL	<b>Mobile and portable gadget insurance:</b> Policy that includes compensation for mobile theft, fraudulent use or damage.



MAPFRE also designs products and services for low income customers with a view to increasing their access to insurance cover. They are low-premiums policies reduced with limited cover that are distributed through non-traditional channels, especially in Latin American countries..

#### INSURANCE SEGMENT: MOTOR

COUNTRY	TYPE OF PRODUCT AND/OR SERVICE	% OF TOTAL PREMIUMS IN THE BUSINESS SECTOR	Nº CUSTOMERS/ POLICYHOLDERS
BRAZIL	<b>AutoMais Responsável:</b> Third-party motor car insurance.	0.42	36,831
ECUADOR	<b>Auto Exacto:</b> Motor Car Insurance	0.51	178
PUERTO RICO	<b>Auto Plus and Póliza Trébol:</b> Motor insurance.	0.04	459
DOMINICAN REPUBLIC	<b>Econotrebol:</b> Motor insurance.	0.37	223

#### INSURANCE SEGMENT: LIFE, INVESTMENT AND SAVINGS

COUNTRY	TYPE OF PRODUCT AND/OR SERVICE	% OF TOTAL PREMIUMS IN THE BUSINESS SECTOR	Nº CUSTOMERS/ POLICYHOLDERS
BRAZIL	Mutual funds that can be contracted for less than 200 Brazilian reales.	6.54	2,714
	<b>BB Seguro Vida Agricultura Familiar:</b> Life Insurance that covers the outstanding capital in the case of death	0.04	379,393
	<b>VPP - Vida Protegida e Premiada:</b> Life Insurance that includes, among other types of cover, compensation in the case of hospital stay.	0.06	2,468,977
	<b>Seguro Vida Crediamigo:</b> Life Insurance with burial expenses cover.	0.10	163,788
	<b>Agroamigo:</b> Farm insurance.	0.004	8,187
	<b>PASI:</b> Life Insurance that includes, among other types of cover, compensation in the case of incapacity.	1.28	638,407
	<b>Seguro MAPFRE Proteção Financeira:</b> Life Insurance that guarantees the payment of the outstanding debts, in the case of death.	2.33	2,204,343
COLOMBIA	<b>Life Insurance:</b> covering the risk of death from any cause, including murder, war and terrorism, death from any cause or disease, except for serious and terminal illnesses, in accordance with the established periods and grace periods.	12	223,657
EL SALVADOR	<b>Life Insurance:</b> Life Insurance Policy associated to small loans.	34.43	2,690
GUATEMALA	<b>FINCA Guatemala debit balance:</b> Life Insurance that covers the unpaid loan if the insured person dies.	5.29	64,543
MEXICO	<b>Voluntary Life Insurance:</b> Life Insurance that covers the balance of outstanding loans if the insured person dies.	33	9,494,132
PERU	<b>Vida Ripley:</b> Microinsurance marketed by financial institution - retail	10	8,397
URUGUAY	<b>Personal Accidents:</b> Life Insurance with cover of accidental death, total or permanent disability caused by an accident.	ND	ND

**INSURANCE SEGMENT: PERSONAL**

COUNTRY	TYPE OF PRODUCT AND/OR SERVICE	% OF TOTAL PREMIUMS IN THE BUSINESS SECTOR	Nº CUSTOMERS/ POLICYHOLDERS
BRAZIL	Burial Expense Insurance Policy and MAPFRE Decessos Você Tranquil.	0.000006	956,973
	<b>Programa Conta Protegida:</b> Payment protection insurance in the case of unemployment.	0.04	22,037
COLOMBIA	<b>Seguro de Exequias:</b> Covers all the formalities necessary when a person dies: legal formalities, transport, weak, ceremony, burial or cremation and the cemetery services, among others.	85	265,457
	<b>Accident Insurance:</b> covering accidental death. Total and permanent disability. Temporary disability caused by accidents.	50	134,887
	<b>Household Insurance:</b> Modular insurance, that can be tailored to the customer's needs' (family dwellings).	33	67,328
	<b>Dental insurance:</b> Covering priority attention, specialized diagnosis, radiology, restoration, periodontics, oral surgery, pediatric dentistry and amalgam in primary teeth, among others.	100	3,166
	<b>Medical Hotline Insurance:</b> Covering telephone medical advice, home health care or emergency medical transport, among others.	8	5,787
SPAIN	<b>Health Dental and Health Choice:</b> Health Insurance with basic cover.	1.6	98,008
PHILIPPINES	<b>KaKAMP:</b> Policy that includes Life and Non-Life cover.	2.31	25,642
PANAMA	<b>Burial Insurance:</b> Burial Family Assistance product.	0.88	6,812
PERU	Medical Program of primary outpatient care in own medical centres.	0.60	859
PUERTO RICO	<b>Premium Medical Service Card and MAPFRE Hospital Plan:</b> Health insurance policies.	2	128
TURKEY	<b>Supplementary medical insurance:</b> Private health insurance in which the coverage and limits provided by the General Health Insurance (GHI) are the deductibles for the insurance policy and private insurance is only activated when a payment is covered by the basic benefits of the GHI package.	0.17	675

## Environmental risk-related products and services

MAPFRE contributes towards the efficient management of the environmental risk to society through two action lines: the types of cover of environmental risks, with their pertinent risk assessment and control processes, and the marketing of products and services that, in addition to meeting customers' needs, are beneficial to the environment.

The new products created in 2012 that they provide environmental cover are as follows:

- Green Policy: the first pay-per-use insurance for electric, hybrids and green vehicles with less than 120 g of CO<sub>2</sub>/km., which also encourages sustainable behaviour.
- Environmental CL Insurance: Transportation insurance segment policy that provides coverage for repairing the pollution damage resulting from sudden and accidental leaks of hazardous products.
- Policy that covers the shortfall in the energy savings obtained as compared to the initial estimate in implementing LED installations.

These insurance policies join other environmental products that the Group also markets, including:

- Environmental Civil Liability Policy designed specifically for repairing environmental damages.
- Multi-risk products that combine cover of repair of environmental damages with pollution damage claim cover.
- MAPFRE Eco Policy that offers a policy renewal discount to any customers whose cars pass the environmental vehicle inspection.
- Damage and Civil Liability Insurance for photovoltaic solar plants, wind farms and cogeneration plants.

- Contingency Insurance for lack of sun or wind in photovoltaic and wind generation plants, respectively.

- Policy for forest plantations, which aims to ensure the repopulation after an accident, while promoting proper environmental management of forests.

- Damage and Civil Liability Insurance for the design, construction, commissioning and operation phases of large renewable energy plants (solar thermal and wind).

Overall, more than 7,000 policies covering environmental-related aspects were written in 2012, representing a premium volume of more than €31.5 million.

Furthermore, MAPFRE has established criteria which apply to environmental risk assessment and control procedures in its lines of business. Specifically, underwriting risks in the field of Civil Liability for environmental damage always requires a risk assessment.

2% of the 1,066 Environmental Liability policies contributed by MAPFRE to the Spanish Environmental Risk Pool have required inspections for decisions to be made in relation to underwriting, where the potential risk that the customer is exposed to is evaluated, opportunities for improvement in managing the risk are identified, and environmental engineering or management optimisation measures are proposed in order to reduce the aforementioned risk. These actions are carried out through ITSEMAP, which has performed 21 environmental risk verification inspections.

Furthermore, and in relation to the risks derived from the possible increase in the frequency and intensity of natural disasters, the insured and reinsured persons are offered the possibility of having adequate financial protection, by means of insurance and reinsurance cover against natural risks. For some of these risks, advanced probabilistic disaster simulation models or other tools are used to assess the policy cover.

Other non-insurance companies in the Group also contribute towards reducing environmental risk in their respective fields of action:

- CESVIMAP researches broken down vehicle repair techniques, and trains technical staff in repairing and assessing material damage to cars. Much of the research work has made an overall contribution towards reducing the consumption of pollutant resources, such as paint and solvents, and towards minimising the environmental impact of car repairs. In 2012 a study was conducted to measure the environmental impact of recycling vehicles, confirming that it is more sustainable to reuse and recycle than to remanufacture and the most efficient forms of recycling, creating a model to quantify the carbon footprint and recycling efficiency.



— ITSEMAP, an engineering company in the field of Safety and the Environment, performs a technical assistance role in the management of industrial environmental risks in terms of global customers. The Ministry of Agriculture, Food and Environment has chosen this company to provide technical support in developing the Environmental Responsibility Act.

— MULTIMAP, a company specialising in the provision of repairs, alterations and maintenance services, in collaboration with electricity companies, facilitates the installation of charging points for electric vehicles in private residences, which can be installed in the garages of houses or in car parking spaces of housing associations.

The following table lists the environmental indicators associated to the insurance solutions marketed by the Group

ENVIRONMENTAL INSURANCE SOLUTIONS						
	UNIT	Remarks	2010	2011	2012	Trend
<b>INSURANCE SPAIN</b>						
Environmental civil liability policies written	nº		960	1012	1,000	⊖
Wind power facilities underwritten	MW	(1)	N/A	225.50	325.63	⊕
Wind turbine generators (WTGs) underwritten	nº	(1)	N/A	212	233	⊕
Sustainable forest plantations insured	ha		19,980	18,827	16,537	⊖
Green Motor Policies	nº		--	--	2,054	⊕
Net premiums earned on environmental cover	€	(1)	5,765,541	4,850,700	5,702,788	⊕
<b>INSURANCE INTERNATIONAL</b>						
Environmental civil liability policies written	nº		N/A	N/A	2,137	
Net premiums earned on environmental cover	€	(1)	N/A	N/A	3,928,524	
<b>GLOBAL BUSINESSES</b>						
Environmental civil liability policies written	nº		40	53	66	⊕
Wind power facilities underwritten	MW	(1)	11,136	12,200	11,454.3	⊖
Wind turbine generators (WTGs) underwritten	nº	(1)	8,998	9,853	9,135	⊖
Net premiums earned on environmental cover	€	(1)	26,663,374	27,382,987	22,185,151	⊖

(1) Only includes data corresponding to MAPFRE's ownership interest in the case of coinsurance

## Claims and complaints

MAPFRE ensures that its policyholders receive the right service which is why it promotes the internal implementation of customer rights protection bodies in all the countries in which it operates, based on its 28 years of experience in Spain, through the Policyholder Protection Committee (created in 1984) and the Claims Division (since 2004).

The Group has created customer protection services in Brazil, Colombia, Chile, Panama, Costa Rica, Nicaragua, Mexico, Peru, Honduras and Argentina. Both Colombia and El Salvador voluntarily belong to alternative dispute resolution systems under their respective laws, through various insurers' associations.

In Portugal, the company has a Complaints Service and in Malta it has a Complaints Department. Turkey and the Philippines are both currently in the process of setting up a department to deal with their customers' claims. In the United States, the protection of customer interests is handled through different out-of-court systems (Alternative Dispute Resolution (ADR) systems, such as mediation and arbitration.

The table below shows the main information about the claims and complaints received and investigated by the company in 2012 in the principal countries in which MAPFRE operates in direct insurance:

COUNTRY	RECLAMACIONES Y QUEJAS EJERCICIO 2012							PENDING 31/12/2012
	ACCEPTED	REJECTED	PENDING FROM PREVIOUS YEAR	SUSTAINED	DISMISSED	OTHER SIGNS	SETTLED	
<b>SPAIN(**)</b>	<b>6,800</b>	<b>1,569</b>	<b>524</b>	<b>2,850</b>	<b>3,676</b>	<b>578</b>	<b>7,104</b>	<b>438</b>
<b>BRAZIL(*)</b>	<b>36,307</b>	<b>12,629</b>	<b>61,007</b>	<b>N/A</b>	<b>24,292</b>	<b>15,388</b>		
Venezuela	4,800	0	215	4,370	0	0	4,370	430
Mexico	8,719	0	171	4,478	3,466	0	7,944	775
Argentina	10,173	0	658	8,026	19	0	8,045	2,128
Colombia	3,316	0	7	3,313	0	N/A	3,313	3
Puerto Rico	29	66	0	20	60	15	95	0
Chile	1,121	1	41	N/A	N/A	N/A	N/A	36
Peru	558	0	34	304	231	N/A	535	23
Dominican Republic	63	0	6	65	N/A	4	69	4
El Salvador	72	0	0	72	0	0	72	0
Ecuador	7	3	N/A	4	3	N/A	7	10
Nicaragua	13	N/A	N/A	12	1	N/A	13	N/A
Costa Rica	600	0	0	550	0	0	550	10
Costa Rica	600	0	0	550	0	0	550	10
<b>SUBTOTAL 13 COUNTRIES</b>	<b>65,778</b>	<b>12,699</b>	<b>62,139</b>	<b>21,214</b>	<b>3,780</b>	<b>19</b>	<b>49,305</b>	<b>18,807</b>
<b>INTERNATIONAL(*)</b>								
U.S.A.	531	99	3	99	432	0	531	7
Turkey	2,150	0	2,150	427	1,723	0	2,150	0
Portugal	916	0	0	916	752	0	1,668	0
Malta	36	21	0	11	21	1	33	3
<b>SUBTOTAL 4 COUNTRIES</b>	<b>3,633</b>	<b>120</b>	<b>2,153</b>	<b>1,453</b>	<b>2,928</b>	<b>1</b>	<b>4,382</b>	<b>10</b>
<b>TOTAL 18 COUNTRIES</b>	<b>76,211</b>	<b>14,388</b>	<b>64,816</b>	<b>25,517</b>	<b>10,384</b>	<b>598</b>	<b>60,791</b>	<b>19,255</b>

(\*) SOURCE: Corp. Social. Resp. (\*\*) Insurance Spain Division, GLOBAL RISKS UNIT and MAPFRE ASISTENCIA  
N/A= not applicable to the business/no data available

In Spain, MAPFRE has a structure for protecting customer and user rights, channelled through the Claims Division, which is separate to the rest of the organisation's sales and operating services, and the Policyholder Protection Committee, which is completely independent. This commitment, which has been adapted to successive European supranational regulations on this matter, transposed into Spanish law, has a twofold objective:

— **Individual:** it aims to provide the customer a free, voluntary, flexible, simple and quick out-of-court procedure to meet, handle and resolve claims and complaints when, in the customer's opinion, the company has not satisfied its claims.

Information about this procedure is available in the policies. Our website, [www.mapfre.com](http://www.mapfre.com), and the MAPFRE Internet Office (in both the Spanish and English version) facilitate the electronic filing of claims and complaints which are administered by the Claims Division. This out-of-court procedure does not impede the right of customers to exercise judicial and administrative actions to which they are entitled.

The Policyholder Protection Committee, as part of the same procedure and in line with the Rules of Procedure, examines and resolves any claims submitted by individuals and homeowner associations that are policyholders or beneficiaries of insurance

policies taken out with Group companies and the unit holders and beneficiaries of individual pension plans marketed or managed by MAPFRE companies or on deposit at these companies, and well as all these parties' rightful claimants, that are submitted to its decision by the Complaints Department.

— **Group:** the objective is to maintain the confidence of customers in the working and ability of MAPFRE companies to which they have entrusted their insurance contracts. For this, the Policyholder Protection Committee and Claims Division issue general recommendations and criteria, respectively, drawn from their experience in dealing with claims and complaints to reduce their number and improve the service, promoting responsible, diligent and respectful customer and user management.

The complaints and claims service is a vital source of internal knowledge on causes of customer dissatisfaction. That is why the Policyholder Protection Committee and Claims Division have a process for establishing general recommendations and criteria uniformly with different Units.

The Claims Division, upon approval of MAPFRE's Standing Committee, provides precise instructions, defining actions that should be undertaken and referring them to the Group's different bodies for approval. This process culminates in its supervision and implementation, reporting on it in the following year's Annual Report.

6) These bodies are governed by Ministerial Order ECO 734/2004, of 11 March, and the Rules for Resolving Conflicts between MAPFRE Group Companies and Users of their Financial Services, which have been approved by the Board of Directors of MAPFRE S.A.

In 2012, the Complaints Department handled a total of 8,369 written complaints, of which 6,800 were accepted for investigation, leading to 3,808 claims that include specific aspirations with economic content, and 2,992 related to complaints regarding benefit processing incidents, which were referred to the pertinent departments for due handling. The remaining 1,569 complaints (including 16 unidentifiable ones) submitted were not processed as they lacked sufficient legal grounds. This decision was notified and justified to the various users, providing them with the opportunity to correct the shortcomings flagged, if warranted.

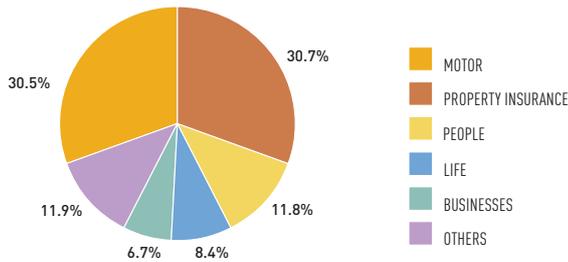
The numbers of claims and complaints received and investigated per company and business area during 2012 are shown below:



UNIT	COMPLAINTS RECEIVED									
	ACCEPTED				REJECTED				TOTAL	
	CLAIMS	COMPLAINTS	TOTAL	% OF TOTAL	CLAIMS	COMPLAINTS	TOTAL	% OF TOTAL	Nº	% OF TOTAL
<b>FAMILY</b>	<b>3,170</b>	<b>2,584</b>	<b>5,754</b>	<b>68.8</b>	<b>323</b>	<b>1,075</b>	<b>1,398</b>	<b>16.7</b>	<b>7,152</b>	<b>85.5</b>
MOTOR	986	1,089	2,075	24.8	91	423	514	6.1	2,589	29.3
PROPERTY INSURANCE	1,547	901	2,448	29.3	173	377	550	6.5	2,998	35.8
PEOPLE	637	594	1,231	14.7	59	275	334	3.9	1,565	18.7
<b>LIFE</b>	<b>291</b>	<b>279</b>	<b>570</b>	<b>6.8</b>	<b>15</b>	<b>72</b>	<b>87</b>	<b>1.0</b>	<b>657</b>	<b>7.9</b>
LIFE	178	198	376	4.5	5	47	52	0.6	428	5.1
LIFE PENSIONS	8	11	19	0.2	1	4	5	0.1	24	0.3
INVESTMENT	6	6	12	0.1	0	1	1	0.1	13	0.2
CAJA MADRID VIDA	99	64	163	1.9	9	20	29	0.3	192	0.2
<b>BUSINESSES</b>	<b>336</b>	<b>121</b>	<b>457</b>	<b>5.5</b>	<b>18</b>	<b>47</b>	<b>65</b>	<b>0.8</b>	<b>522</b>	<b>6.2</b>
<b>TOTAL INSURANCE SPAIN DIVISION</b>	<b>3,797</b>	<b>2,984</b>	<b>6,781</b>	<b>81.0</b>	<b>356</b>	<b>1,194</b>	<b>1,550</b>	<b>18.5</b>	<b>8,331</b>	<b>99.5</b>
<b>GLOBAL RISKS</b>	<b>8</b>	<b>4</b>	<b>12</b>	<b>0.1</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>0.1</b>	<b>15</b>	<b>0.2</b>
CREDIT AND SURETY	7	2	9	0.1	1	1	2	0.0	11	0.1
GLOBAL RISKS	1	2	3	0.1	1	0	1	0.0	4	0.1
<b>ASSISTANCE</b>	<b>3</b>	<b>4</b>	<b>7</b>	<b>0.1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>7</b>	<b>0.1</b>
<b>TOTAL GLOBAL BUSINESS DIVISION</b>	<b>11</b>	<b>8</b>	<b>19</b>	<b>0.2</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>0.1</b>	<b>22</b>	<b>0.3</b>
UNIDENTIFIED	0	0	0	0.0	7	9	16	19.1	16	19.1
%/RECEIVED				81.3				18.7		100

The total number of claims and complaints accepted for investigation in 2012 was 5.5% lower than in 2011; specifically, the claims accepted for investigation rose 6.6%, and complaints dropped 3.9%, underscoring the work put in to continually raise the quality of customer service provided and to correct the causes of the shortcomings on sources of dissatisfaction manifested.

30.7% of the complaints and claims accepted for investigation in 2012 relate to Household Insurance and other Multi-peril policies (Property), 30.5% to Motor Insurance, 11.8% to Health, Casualty and Burial Expenses Insurance (People), 8.4% to Life Insurance, 6.7% to Business Insurance and the remaining 11.9% to other insurance policies.



A total of 8,673 claims and complaints were settled, 5.7% less than in 2011 (9,202). A total of 7,104, (82%) were accepted for investigation and 1,569 (18%) were not accepted because they failed to comply with the proper legal requirements. Each case takes an average of 25 days to process.

In 40.1% of cases (2,850), the claims and complaints accepted for investigation were sustained, while in 51.7% of cases (3,676) they were dismissed and in 8.1% (578) of cases, other solutions (expert appraisal in the presence of both parties to the action, investigation at the same time as court or administrative proceedings, etc) were applied.

FIGURES AT 12/2012	FAMILY				LIFE						BUSINESSES		
	MOTOR	PROPERTY INSURANCE	PEOPLE	TOTAL	LIFE	LIFE PENSIONS	INVER. DOS	INVER. SV	CAJA MADRID VIDA	TOTAL	INDUSTRIAL RISKS	AGRICULTURAL RISKS	TOTAL
ALLOWED	915	1,126	461	2,502	143	5	2	0	45	195	126	17	143
DISMISSED	1,033	1,229	752	3,014	269	11	9	4	116	409	221	24	245
OTHERS (2)	189	199	97	485	17	1	1	0	15	34	51	7	58
<b>TOTAL</b>	<b>2,137</b>	<b>2,554</b>	<b>1,310</b>	<b>6,001</b>	<b>429</b>	<b>17</b>	<b>12</b>	<b>4</b>	<b>176</b>	<b>638</b>	<b>398</b>	<b>48</b>	<b>446</b>

FIGURES AT 12/2012	GLOBAL RISKS			ASIST	TOTAL		
	Call Center AND CRE	GLOBAL RISKS	TOTAL	TOTAL	Nº	% OF TOTAL	Nº OF CLAIMS AND COMPLAINTS SETTLED BY PPC (1)
ALLOWED	3	0	3	7	2,850	40.1	99
DISMISSED	6	2	8	0	3,676	51.7	930
OTHERS (2)	0	1	1	0	578	8.1	4
<b>TOTAL</b>	<b>9</b>	<b>3</b>	<b>12</b>	<b>7</b>	<b>7.104</b>		<b>1,033</b>

(1) Number of rulings issued by the PPC included in the total number of settled claims and complaints.

(2) Section 38 Insurance Contract Act, inhibition due to prior or simultaneous submission of a complaint to Directorate General for Insurance and Pension Funds or courts, lapsing, etc.

In 2012, MAPFRE's Policyholder Protection Committee received 1,035 claims and resolved a total of 1,033, prompting it to include 31 recommendations on how to improve customer service standards in its annual report. These recommendations include:

— Improve the contractual information and documentation that policyholders are given in Group policies.

— Include a health questionnaire in Burial expense insurance policies.

— Improve the wording of some personal insurance policy clauses, such as the period of disability in compensation insurance, the adoption costs in Healthcare policies or definitions in the Personal Accident insurance for sports.

— Refine the text of the general conditions of home insurance policies in areas such as travel assistance or definitions of furniture.

— Review some clauses of the travel assistance policies regarding cancellation travel.

- Reconsider the wording of the driving licence loss warranty in Motor insurance policies.
- Modify the interpretation of some clauses such as the ones regarding waiting periods in healthcare insurance or legal expenses coverage in home insurance policies.
- Require greater rigor and justification in their reports to experts and researchers working with the Company.
- Reinforce communication with customers, giving more accurate and complete information about the settlement or rejection of claims, and about the legal defence services that are provided.
- Limiting the ability to terminate health insurance policies when chronic or long-term illnesses arise to cases where there has been fraudulent concealment or not, or cover the costs incurred as a result of an illness manifested during the policy term.



Throughout 2012, the 38 recommendations made with regard to 2011 followed the action implementation process outlined above, which underscores MAPFRE's sensitivity to the claims made by its customers, which include:

REASON	2011 RECOMMENDATION	2012 ACTIONS
FORMALIZATION OF THE AGREEMENT	Provide more accurate information to customers who transfer from other insurers on the effects of that change.	Remind the sales network that they need to check with the insured person that the special policy conditions faithfully reflect the authorized modifications.
WORDING OF THE CONTRACT	Review the wording of Legal Defence and Motor Vehicle Liability covers insofar as conflict of interests, to balance the benefits guaranteed to customers involved in a loss.  It is also advisable to review other aspects of the Legal Defence cover in Home (sum insured) and Building insurances	Specify in such cases the correct allocation of expenses and to what warranty they are charged, and change the wording of the general conditions in some aspects of the legal assistance warranty.
	Precise drafting in Motor Vehicle theft cover of the events to which it extends, adapting it to the insurer's wish to provide protection.	Change the wording in the general conditions so as to covers damage caused by the theft of the insured vehicle or any of its parts by others.
	Consider the wording of the exclusion from cover in losses that entail the consumption of alcohol (Motor Vehicles, Accidents, Life, etc.), establishing more clearly the cases in which it can be applied.	Continue with the comprehensive discovery and presentation of evidence to determine the causal link, in order to decide whether or not it applies to the case in question.

REASON	2011 RECOMMENDATION	2012 ACTIONS
INTERPRETATION OF THE CONTRACT	Avoid analogous interpretations that restrict the rights of insured parties, particularly in Health insurances, with regard to prostheses, medication and symptoms declared on health questionnaires.	Insist on compliance with this recommendation to waive the exclusion by analogy and review, with the collaboration of the company's medical services, the definition of prostheses, implants and, in particular, their differentiation with materials that can possibly be used as substitutes for them.
	Correct the restrictive interpretation often given to certain clauses of Home policies during the processing of services, as occurs in damages due to atmospheric phenomena, repair of taps, breakage of mirrors and date of occurrence of the loss.	Review the contents of the texts used in the exclusions of coverage for this type of claims and change the warranty of some of the general conditions, and reinforce the need for irrefutable evidence proving the causes of such claims.
MANAGEMENT PROCEDURES	Perfect written communications with customers in Life insurance and, at the same time, with regard to the use of phone text messages addressed to customers of Combined and Motor Vehicle insurances, their terms and content should be in line with the aim pursued.	Check the time that messages are sent and their contents to ensure that the insured person is quite clear about what stage of processing their case has reached, so as to avoid raising false expectations about the final decision, and provide insured parties with better and clearer information in response to the specific issues raised.
	Require greater stringency in adjustment and investigation reports, particularly those that concern covers such as temporary disability, theft outside the dwelling or legal defence.	Remind experts that the reports must include a comprehensive review of the origin of the claim and the damage assessment, ruling in the insured person's favour, within the established contractual limits, whenever the reports do not reasonably prove grounds for the possible exclusion of the claim.
	Favour recourse to the contradictory expert procedure in conflict resolution, depending on the discrepancy in cause and/or amount of the loss.	Recommend that the insured person use the contradictory expert procedure in case of a dispute about the origin and causes of the incident and recall the need to initiate it in legal terms in case of disagreement as to the amount and form of compensation.
	Insist to the sales network on the need to ensure compliance with the legal period for the custody of contractual documentation, as well as a review of current instruments to accredit the date of delivery of policies to customers in the event of telephone or remote sale.	Give the sales network specific instructions on how long contractual documents must be kept by law and reinforce the monitoring mechanisms in place to ensure these actions are carried out.

As a result of these activities, the Complaints Department's Annual Report for 2012 outlines 18 general guidelines devised to reduce the number of complaints from customers, including:

- Improved the wording of settlements and information provided to customers in transfer payments so that they are clear, explanatory and concise.
- Unification of criteria to broaden the application of the premium reserve to other classes other than Motor.
- Use of the expert procedure as a voluntary means for out-of-court settlements to determine the cause of the incident.
- Application of the premium reserve or file a claim against the party who caused the loss in cases of total loss when the other party is found guilty.

- Increase actual co-ordination between the different benefit departments in cases of shared processing and between the professionals involved.
- Possibility of extending the Household assistance warranty to gardening work.
- Analysis of the time scope of the domestic support staff cover in Family Assistance and inclusion of non-working days. Clarification of the concept of insured accident occurring at home, not subject to section 100 of the Insurance Policy Act.
- Consideration of preexisting illnesses in the contractual conditions of new customers when they come from other companies in the same industry.

— Information and operability of the Healthcare Assistance agreements in accident insurance policies during weekends, especially in compulsory sports insurance.

— The different documents issued by the company (special conditions, supplement warranties) for people over 60 years old must match one another.

— Extension of the information given to customers on asset values in life insurance and pension plan handoffs.

— Require more rigorous information in health questionnaires for Life insurance managed by financial institutions.

These general criteria, after being approved by the governing bodies, have been reported to the respective units for analysis and assessment of their implementation as an instrument to improve the service to customers and users.

## Quality at MAPFRE

The MAPFRE Group companies work continually to ensure high-quality service standards for its customers and policyholders, focusing particularly hard on the rapid, efficient and fair handling and settlement of claims. This quality commitment is a constant in all the countries in which MAPFRE operates. Its commitment to quality and service are mirrored by the trust that customers place in MAPFRE, as demonstrated by the renewal indices in the main countries in which the Group is present.

COUNTRY	% OF CUSTOMERS WHO RENEW THEIR INSURANCE EACH YEAR
Argentina	78.3
Brazil	59.6
Chile	85.9
Colombia	75.0
Spain	87.9
U.S.A.	76.3
Malta	80.0
Mexico	53.5
Puerto Rico	80.0
Venezuela	82.0

In addition to its own, in-house quality tracking systems, MAPFRE uses the systems established by the sector's different official bodies for overseeing the quality of service provision and contracting processes.

The following conclusions may be drawn from the surveys conducted to ascertain customers' general level of satisfaction.

	ASSISTANCE COVER % OF CUSTOMERS SATISFIED OR VERY SATISFIED
Roadside assistance	94.0
Medical assistance	94.5
Car Warranty	84.2
Travel Insurance	82.0

These reports allow MAPFRE to periodically monitor cancellations and customer base performance, and take specific courses of action. MAPFRE has 314 employees engaged in monitoring and controlling quality.

The call centres specifically monitor quality through regular customer surveys which measure, among other parameters: the extent to which the caller query was resolved, perceived quality and quality measured in terms of the welcome received, oral expression, language usage, first-call resolution and knowledge and ability to adapt to the issues posed.

All the quality polls taken are analysed and processed daily with a view to undertaking the pertinent corrective actions, establishing specific training initiatives for employees engaged in customer care covering the skills required to perform their function and suitable job techniques, notably the following:

- Customer orientation.
- Customer service over the phone
- Phone selling strategies
- Conflict resolution.
- Interpersonal communication
- MAPFRE Products.
- In-house procedures (collection, claim and complaints management).

The Group also conducts internal management checks evaluating response time and controlling incident and claims handling. Repair team heads also conduct periodic quality control visits. Other quality tools used are customer satisfaction surveys, management process quality audits, and regular telephonic follow-up to control policies and study the reasons for non-payment. These tools enable ongoing follow-up of policy cancellations, analysis of trends in the customer base and enable specific initiatives targeted at retaining or winning back customers.

MAPFRE is aware of the importance of keeping its customer data confidential. To this end it has set up the procedures required to ensure due compliance with strict personal data protection regulations.

The tables below provide a selection of metrics used to evaluate the performance of the call centres from a quality standpoint.

	Customer service calls					
	INCOMING CALLS		CALLS ANSWERED		ANSWER RATE, %	
	2012	2011	2012	2011	2012	2011
ARGENTINA	925,348	869,151	842,349	811,348	91.0	93.3
BRAZIL	4,533,116	1,000,914	4,289,178	965,367	94.6	96.5
CHILE	148,875	163,010	130,454	125,857	87.6	77.2
COLOMBIA	289,803	237,844	286,527	226,858	98.9	95.4
U.S.A.	2,532,698	2,779,272	2,334,107	2,530,699	92.2	91.1
SPAIN	3,463,663	3,417,486	3,233,838	3,287,548	93.4	96.2
MEXICO	585,178	493,245	517,259	475,591	88.4	96.4
PERU	286,466	264,733	243,496	231,536	85.0	87.5
PORTUGAL	240,194	274,021	188,034	200,678	78.3	73.2
PUERTO RICO	535,882	309,418	504,223	290,615	94.1	94.0
TURKEY	216,486	163,667	202,199	157,763	93.4	96.4

	Service provision calls					
	INCOMING CALLS		CALLS ANSWERED		ANSWER RATE, %	
	2012	2011	2012	2011	2012	2011
ARGENTINA	600,123	617,001	549,093	581,908	91.5	94.3
BRAZIL	1,455,641	2,015,745	1,420,607	1,778,409	97.6	88.2
CHILE	72,304	97,657	52,630	76,545	72.8	78.4
COLOMBIA	362,004	252,327	342,477	238,820	94.6	94.6
U.S.A.	93,476	165,126	92,018	153,998	98.4	93.2
SPAIN	7,961,997	7,790,677	7,640,258	7,560,476	96.0	97.0
MEXICO	876,963	1,015,533	868,973	989,492	99.1	97.4
PERU	215,855	230,234	211,538	222,070	98.0	96.5
PORTUGAL	74,008	68,014	69,897	64,706	94.4	95.1
PUERTO RICO	535,882	222,184	504,223	197,391	94.1	88.8
TURKEY	390,890	395,761	376,603	355,791	96.4	89.9

In the main Assistance Unit platforms, the most significant figures are as follows:

	Customer service calls					
	INCOMING CALLS		CALLS ANSWERED		ANSWER RATE, %	
	2012	2011	2012	2011	2012	2011
BRAZIL	1,708,246	1,701,000	1,634,870	1,630,048	96.0	95.8
COLOMBIA	119,438	125,222	109,099	117,083	91.0	94.0
US	77,056	66,209	67,444	60,812	88.0	91.8
TURKEY	2,600,162	2,685,957	2,204,330	2,381,456	85.0	88.7

	Service provision calls					
	INCOMING CALLS		CALLS ANSWERED		ANSWER RATE, %	
	2012	2011	2012	2011	2012	2011
BRAZIL	952,114	1,188,998	908,733	1,145,399	95.0	96.4
COLOMBIA	1,690,642	1,344,520	1,575,417	1,257,126	93.0	93.0
US	1,743,985	1,267,998	1,602,156	1,152,725	92.0	90.9
TURKEY	2,624,705	1,913,285	2,369,725	1,781,929	90.0	93.1

Several Group companies have quality certifications. To renew these certifications, these companies must maintain customer service standards so that these accolades serve as a form of service warranty:

## Company Certifications

### INSURANCE SPAIN

ISO 9001-2008 certification for MAPFRE FAMILIAR'S Motor Benefit Area.

ISO 9001-2008 certification for MAPFRE FAMILIAR'S Property Benefit Area.

ISO 9001:2008 Certification of the customer care process through the C@C24.

### INSURANCE INTERNATIONAL

ISO 9001:2008 Certification of MAPFRE COLOMBIA.

ISO 9001:2008 Certification of MAPFRE NICARAGUA.

ISO 9001:2008 Certification of MAPFRE GENEL SIGORTA.

ISO 9001:2009 Certification of MAPFRE GENEL YASAM.

Probare-Probare Ethics Seal to the MAPFRE BRAZIL Call Center.

HEDIS 2012 Certification, awarded by the National Committee on Quality Assurance (HEDIS-NCQA) to MAPFRE PUERTO RICO.

CONDUSEF 2012 Certification to the Damages business sector of MAPFRE MEXICO.

### GLOBAL BUSINESS

ISO 9001:2008 Certification for MAPFRE ASISTENCIA in:

Brazil	China
Colombia	Bahrain
Venezuela	Philippines
Mexico	Turkey
Chile	Italy
Tunisia	UK

## MAPFRE and its shareholders

MAPFRE's conduct vis-à-vis shareholders is based on the principles of ethical conduct and transparency, as well as on the generation of value. In this regard, in 2012 our business diversification and prudent management have enabled us to successfully weather a very adverse economic climate.

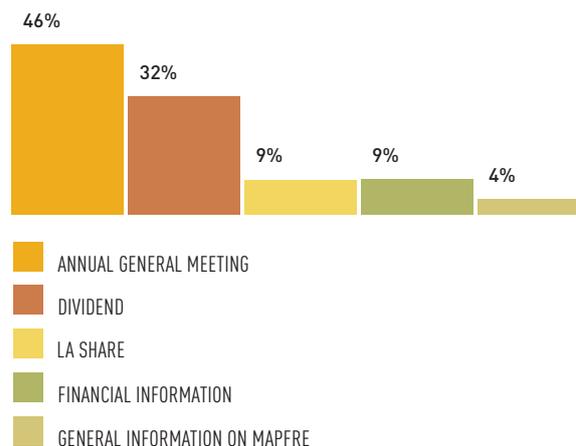
Conduct, as a listed company in favour of sustainable development and respect for Human Rights, has been acknowledged with inclusion in the principal sustainability indexes adopted by the financial markets. Accordingly, since 2006 MAPFRE has formed part of the FTSE4Good and FTSE4Good Ibex indexes, and to the Dow Jones Sustainability World and Dow Jones Sustainability Europe since 2010.

## Investor relation channels

In 2012 the following noteworthy initiatives were undertaken to further develop shareholder and investor communication channels:

- The shareholder hotline (902 024 004) serviced over 2,900 shareholder queries, primarily relating to the AGM, dividend payments, the share price performance and financial information.
- The "Shareholders and Investors" section of the corporate website features specific links to facilitate access to documentation which is deemed of particular importance to shareholders, such as documentation pertaining to the AGM. Pursuant to the amendment to the Securities Market Act introduced on 1st July 2010, the Electronic Shareholders' Forum was created on the occasion of the AGM held on 5th March 2011, and was again used for the AGM held on 10th March 2012.
- Two newsletters were distributed with half-year information on the Group's earnings performance, key events and the parent company's share price performance.

These channels enabled management to identify the main shareholder concerns, which have been depicted graphically below:



## MAPFRE'S share price performance

The table below includes key data concerning MAPFRE's shares at year-end 2012:

NUMBER OF SHARES OUTSTANDING	3,079,553,273, fully subscribed and paid in.
PAR VALUE PER SHARE	€0.1
SHARE CLASS	Common, represented by book entries. All outstanding shares carry identical voting and dividend rights
STOCK EXCHANGE LISTINGS	Madrid and Barcelona (continuous electronic market)
STOCK MARKET INDEX MEMBERSHIP	IBEX 35; Dow Jones Stoxx Insurance; MSCI Spain; FTSE All-World Developed Europe; FTSE4Good and FTSE4Good IBEX <sup>1</sup> DJSI World <sup>1</sup> and DJSI Europe <sup>1</sup>
ISIN CODE	ES0124244E34

(1) Indices that measure the performance of companies that meet globally recognised corporate responsibility standards

## Shareholder structure

At year-end 2012 the company had a total of 304,479 shareholders, of which 300,508 were resident in Spain and held shareholdings of less than 0.10%. The MAPFRE FOUNDATION, through its direct and indirect interests, held 64.7% of the share capital; Spanish investors with a stake exceeding 0.1% accounted for 15.4%. As for the shareholders resident in other countries, 11% were investors holding more than 0.1%, and 1.1% were investors with other shareholdings. The table below outlines the shareholder structure by country:

COUNTRY	%
Spain	87,9
U.S.A.	1,6
U.K.	1,2
Germany	0,5
France	0,4
Nordic Countries	0,4
Canada	0,3
Switzerland	0,3
Netherlands	0,2
Italy	0,1
Ireland	0,1
Not identified	7,0

In 2007 the Group approved an incentive plan tied to the Company's share price performance to compensate senior officers at the Company and its subsidiaries. A total of 7,529,241 reference shares, equivalent to 0.24% of the share capital, were taken into account for the plan. During 2012, two employees withdrew from the plan.

## Share value and returns

One of MAPFRE's main goals is generation of value and suitable shareholder remuneration. Therefore, in view of the volatile economic and financial environment, the Board of Directors has deemed it appropriate to raise the Group's levels of capitalisation, liquidity and financial flexibility, and has resolved to pay an interim dividend, for 2012, of €0.04 per share, taking the total dividend payout in 2012 to €0.12 per share. The total dividend payout in 2012 amounted to €369.6 million. Another highlight is that, ever since the current economic and financial crisis broke out in 2007, MAPFRE has increased the amount allocated to dividends by 47,6%.

The final dividend to be proposed at the AGM is a dividend of €0.07 per share (before tax).

The trends in dividend payments and the dividend yield, calculated based on average share prices, are set forth below:

	2012	2011	2010	2009	2008
DIVIDEND (euros)	0,12	0,15	0,15	0,15	0,14
DIVIDEND YIELD	6,1%	5,9%	6,3%	6,3%	4,7%

The table below depicts MAPFRE's share price performance during the last five years compared to two key benchmark indices (the IBEX 35 and the Dow Jones Stoxx Insurance indices):

	1 YEAR	3 YEARS	5 YEARS
MAPFRE	(5,7%)	(20,9%)	(23,1%)
DJ STOXX INSURANCE	32,9%	17,0%	(29,8)
IBEX 35	(4,7%)	(31,6%)	(46,2%)

The trend in MAPFRE's earnings per share (EPS) during the same five-year period was as follows:

	2012	2011	2010	2009	2008
EPS (euros)	0,22	0,32	0,31	0,33	0,33
CHANGE	(31,3%)	3,2%	(6,1%)	--	3,1%

## Public disclosures

Regular information outlining the Company's business performance and the most significant events at the Company is made available to investors via the periodic disclosure of the following documents:

FREQUENCY	TYPE OF INFORMATION
ANNUAL	Individual and consolidated annual report
	Intrinsic value of the life and savings business
QUARTERLY	Regular disclosures following the format required by the CNMV, Spain's security markets regulator
	Earnings releases

## Communication with the financial markets

Communication with the financial markets takes place mainly using the following channels:

- Prior filing of all public disclosures with the CNMV, thereby making them available for download from the regulator's website.
- Publication of information on MAPFRE's corporate website ([www.mapfre.com](http://www.mapfre.com)) in the dedicated investor section. The documents published on this website can be accessed in Spanish and English.
- E-mailings to a database of almost 400 previously registered analysts and institutional investors.
- Regular meetings with research analysts and institutional investors in Spain and abroad

The onsite meetings and conference calls held to present quarterly earnings releases are rebroadcast live via webcasts to broaden public access to the company. 4 of these webcasts were arranged in 2012.

## Investor relations

The financial year 2012 saw brisk activity in communications with financial analysts, shareholders and institutional investors. The main issues that were discussed regarding on MAPFRE's performance include the macroeconomic context in the countries where the Group operates, the balance sheet, and specifically the investment portfolio's balance sheet, rating levels and the shrinking volume of business in Spain due to the sluggish economic climate.

The table below outlines the financial markets communication calendar followed in 2012:

Earnings presentations	4
Conference calls	4
Meetings with Spanish institutional investors and analysts	97
Meetings with institutional investors and analysts from other countries	320
Participation in institutional investor forum	9

On the issue of participation in institutional investor forums, in November 2012 and for the first time MAPFRE took part in the "One stop shop ESG" conference organized by Cheuvreux in Paris, where MAPFRE's Social Responsibility developments and policies were discussed with analysts specializing in this area.

Since 2001, MAPFRE has been an active member of AERI, the Spanish Investor Relations Association.

## Stock market data

In 2012, MAPFRE S.A.'s shares traded for 256 sessions on the continuous market, a frequency index of 100%. 2,421,572,407 shares were traded compared to 2,414,468,276 the year before, representing a 0.3 per cent increase. The value of these transactions amounted to €4,739.4 million compared to €6,169.7 million in 2011, a 23.2 per cent decrease.

At year-end 2012, nine Spanish and international investment banks held "Buy" ratings on the company's shares, eight held "Hold" recommendations, while six had the stock on their "sell" lists.

## MAPFRE and the professionals and entities that help distribute its products

MAPFRE boasts the largest distribution network in Spain, with a high degree of professionalization, and one of the most extensive and embedded networks in Latin America, where it also opens delegations to foster proximity to the customer. The Group's strategy is to maintain proprietary networks in its operating markets, and to supplement these with the building and use of other distribution channels. Customer guidance, the global product supply and the adaptation to the legal and trade peculiarities of each of the markets in which it is present are some of the key features behind the success of MAPFRE'S business model, based on attracting and retaining customers as the force behind future growth. MAPFRE's sales network consists in 5,390 own branches (1,080 direct branches, 4,277 franchise offices and 33 representative offices), 9,475 bancassurance offices and other points of sale under other distribution arrangements.

The Group employs 7,391 professionals in sales and marketing activities (2,579 in Spain). The table below provides further details on the composition of MAPFRE's global network.

<b>BRANCHES</b>	<b>2012</b>	<b>2011</b>
<b>Insurance Spain</b>		
Own	3,069	3,155
Bank insurance	4,049	4,336
<b>SPANISH TOTAL</b>	<b>7,118</b>	<b>7,491</b>
<b>Insurance International</b>		
Own	2,250	2,098
Bank insurance	5,426	5,334
<b>Global Businesses</b>	<b>71</b>	<b>64</b>
<b>TOTAL ABROAD</b>	<b>7,747</b>	<b>7,496</b>
<b>TOTAL OFFICES</b>	<b>14,865</b>	<b>14,987</b>

In Spain, during 2012 MAPFRE implemented the commercial organizational model approved in 2011, with the creation of a single Commercial Directorate General, with two Commercial Managements (Private Individuals and Companies) and specific managements for the main channels: agency network, brokers, agriculture, telephone and Internet, banking and insurance and specific networks. This model is devised to make progress in becoming further oriented to private and business customers and to take advantage of the synergies that enable efficiency to be increased while ensuring, in an orderly fashion, that the different distribution channels complement each other, thus giving customers an extensive range of means of contacting the company. In 2012 MAPFRE also set up a new Global Direct Insurance Division and completed the groundwork for the global development of on-line and telephone sale in the Group.

## Intermediaries

### a. General information

Both in Spain and in Latin America, MAPFRE's distribution network is supplemented by the sales assistance provided by an extensive network of insurance mediators who act as representatives, agents and brokers and play an important role in the customer care function. The following table displays the breakdown of the Group's mediators by role:

<b>SALES NETWORK</b>	<b>2012</b>	<b>2011</b>
<b>Insurance Spain</b>		
Agents	10,495	13,706
Representatives	2,623	2,692
Brokers	4,042	5,673
<b>SPANISH TOTAL</b>	<b>17,160</b>	<b>22,071</b>
<b>Insurance International</b>		
Agents	12,705	17,306
Representatives	4,832	3,101
Brokers	27,348	28,191
<b>TOTAL ABROAD</b>	<b>44,885</b>	<b>48,598</b>
<b>TOTAL SALES NETWORK</b>	<b>62,045</b>	<b>70,669</b>

During 2012, 1,085 exclusive MAPFRE agents registered with the Insurance Intermediaries Register of the Directorate General for Insurance and Pension Funds, in accordance with Law 26/2006 governing mediation in private insurance and reinsurance. In order to speed up the registration process, MAPFRE's insurers are members of the Protocol for Use of Telematics signed between the Directorate of Insurance and Pension Funds and the insurance sector.

MAPFRE maintains agreements with the Spanish Association of Intermediaries; ADECOSE (acronym in Spanish for the independent association of insurance brokers); with the association of professional insurance intermediaries (APROMES); and with the Spanish Federation of Insurance Brokers and Brokerage Firms (FECOR). These agreements underscore the ongoing efforts to enhance relationships with intermediaries and to develop joint initiatives that foster the professionalization of mediation in private insurance provision.

In Latin America, MAPFRE also has ties with brokers' associations, like the AAPAS (Argentinean Association of Insurance Advisers), with which it helps to organise its insurance broker-related activities; and in 2012 it strengthened its ties with major microfinance firms in Nicaragua to promote the massive sale of insurance through them.

### b. Relations with intermediaries

Both in Spain and abroad, MAPFRE's relations with the entities and professionals that collaborate with it in their capacity as insurance intermediaries on the distribution of its products and services are conducted under the spirit of stability, longevity and professionalism. This approach enables MAPFRE to rely on the most extensive distribution network in the sector, underpinned by loyal intermediaries as evidenced by the low turnover rates. This loyalty is reinforced by the breadth of the Group's product and service range which not only constitutes a key distinguishing factor in the eyes of the customer, but also adds significant value to its Brokers by enabling them to offer a comprehensive and tailored product range adapted to the specific needs of each customer and, on the other, with MAPFRE's multichannel approach, that is tailored to each distribution channel's specific nature to ensure the best possible professional relationship.





In Spain, the relationship with the representatives and agents who form the sales network, with whom special ties have been forged through their exclusive dedication and loyalty to the Group's principles, is articulated through various channels. The most significant of these is the extensive technical and human infrastructure contributed by the Direct Branches via their managers, advisory teams and customer account managers. To underpin this relation, Mapfre has designed a commercial operating model that defines how to keep its brokers informed and trained and includes guidelines and criteria on the right professional performance in each case. This close relationship, implemented through the regional organization, is supplemented with written communication channels (magazines, documentation and manuals), information provided over the company portal and contact via the operations and phone platforms which have dedicated resources for dealing with intermediaries who can make all kinds of enquiries and obtain technical and marketing guidance.

In addition, the applications installed in the in-house portal which can be accessed by the entire MAPFRE Network have been upgraded and extended.

The initiatives taken in 2012 include the specific meetings held with the network to present the new commercial business model that the company is rolling out in Spain. This year also saw further work on enhancing the systems in place for facilitating communication between MAPFRE and its intermediaries, rendering them more efficient to speed up information exchange. These systems include the steady implementation of the MAPFRE Agency Network content catalogue and the improvements made to the Retail Management System (SGC) procedures. 2012 also saw the unveiling of the MAPFRE Representatives programme, which provides support for

the implementation of mobile and IP telephony, technology equipment and a business or tax advice hotline, among other things.

Meanwhile dedicated resources have been put in place to articulate the relationship with brokers, considering this channel's specific needs and approach. Dealings with different brokers' firms are handled from the supplementary channel offices, so as to continue reinforcing professional and intimate dealings with this distribution channel which is so prominent in the sector. The National Broker Centre deals with larger brokerages, adding value to their relationship with the Network. The Group has communications channels specifically oriented to brokers, and it has created a newsletter for bank insurance operators.

In Spain MAPFRE provides its intermediaries with a broad range of tools, noteworthy among which are the Internal Portal for the Agency network; Office 2000 for agents and their staff, the PDM IT platform which is exclusive to representatives, the broker portal and the concessionaire portal; the INFORED report publishing system which facilitates follow-up and management of sales activity; the Campaign Manager; the Operational Management System; the Business System Management, and the Agency Distribution System, a tool that allows MAPFRE's direct offices to distribute BANKIA's banking products (formerly CAJA MADRID's banking products).

During the year MAPFRE forged ahead with the "Network in the Network" project, to boost the Internet presence of MAPFRE's offices and their capacity to interface with customers through this tool. It is also working on on-line platforms to further harness social networks in its commercial management.

Outside Spain there are also tools in place to facilitate communication with the sales network, such the Portugal Brokers site; the Mi@pfrenet microsite or the digital newsletter for representatives in Argentina; and the following newsletters: "CIMA Comercial" in Colombia; Mi MAPFRE in Mexico; Notiflash in Panama; and MAPFRE Connect and "blog da rede", in Brazil. Last but not least, in Turkey face-to-face meetings are held and specific online applications and microsities have been developed.



A number of tools are also available in Latin America to facilitate the work of MAPFRE's insurance intermediaries. Noteworthy tools include the Portfolio Retention Centres, the on-line quoting systems, the Pivotal Next tool, a sales management system designed to boost customer retention; the Payment Protection System and Portfolio Management System, in Argentina; the SI24, which provides customer management and claims processing support, and the on-line MAPFRE portal, for portfolio and collection management, both in Chile; the Zona Aliados portal and the Segal II portal for quoting, issuing and collecting policies on line, in Mexico; the web quoting systems in Guatemala and Uruguay; and the Tronador system in Paraguay.

### c. Selection

When recruiting new intermediaries in Spain, MAPFRE follows a hiring protocol that includes two series of psychometric tests designed to assess commercial skills and personality traits such as sales orientation and attitudes. This process requires the intervention of the Network heads of sales and training who are tasked with applying and fine-tuning the psychometric tests in an attempt to select high-potential, skilled and ethical professionals.

In America, there are different broker selection systems: in Chile they complete a sales test that assesses their professional abilities and skills, and in Mexico psychometric examinations are applied to rate their business efficiency and personal skills; while in Peru they take a sales, psycho-technical and psychological test.

### d. Training

One element that sets MAPFRE apart in its dealings with its intermediaries is the prominence given by the Group to training. In 2012 the sales network was further professionalized through the provision of training tailored to the needs of each intermediary, with a special focus on new products, training oriented to customer loyalty-building, initial and ongoing training and centralised information. MAPFRE also continued its specific skill-building scheme for supplementary channel offices, adapted to their specific needs.

Last but not least, the company has launched the 2012 Training Programme for the MAPFRE Agency Network, designed to help the professionals comprising the network meet their professional targets and development milestones. This programme responds to the training requirements of each position, based on the knowledge and experience of each pupil. The programme dovetails the structure already established for all areas of Group training and includes the provision of corporate information designed to transmit the company's policy, culture, strategy and values; technical training devised to raise awareness about the processes of the Group's different areas or Units; and commercial training conceived to provide the Network with knowledge on products and sales tools, skills and techniques. This group also received the MAPFRE Attitude corporate programme.

The kinds of training provided to intermediaries in Spain in 2012 break down as follows:

<b>INTERMEDIARIES</b>	<b>Rate</b>	<b>HOURS</b>
COMMERCIAL	Multimedia	107,601
	On-Site	493,148
CORPORATE	Multimedia	431
	On-Site	452
TECHNICAL	Multimedia	5,652
	On-Site	3,044
<b>GENERAL TOTAL</b>		<b>610,328</b>

<b>EMPLOYEES (SALES NETWORK)</b>	<b>Type</b>	<b>HOURS</b>
COMMERCIAL	Multimedia	19,466
	On-Site	78,809
CORPORATE	Multimedia	808
	On-Site	19,185
TECHNICAL	Multimedia	24,364
	On-Site	1,014
<b>GENERAL TOTAL</b>		<b>143,646</b>



**Training program for new delegates**

It is worth highlighting the training provided to new intermediaries, particularly to MAPFRE Professional Agents and Subsidised Agents. Training was provided to 1,085 new intermediaries in 2012. In all, new intermediaries received 236,288 hours of training.

Internationally, more than one million hours of training in sales techniques and new procedures were given, as well as institutional training related to the MAPFRE culture and policy, among other subjects

## e. Support programmes

During 2012, with regard to the professionalisation of Brokers, MAPFRE continued investing in the MAPFRE Professional Agent programme, extending the subsidy for these new agents from 3 to 4 years, and the Career Guidance Programme was developed in Panama, which is addressed at creating a proprietary sales force.

### Distribution agreements

In Spain in recent years, MAPFRE has bolstered its multi-channel distribution, paying close attention to the various classes of intermediaries it works with (brokers and bancassurance operators) and also to the Group's exclusive agents. Along these lines, the Group has increased the number of offices from supplementary channels with a number of institutions which enable specialised customer services and supplement the distribution capacity of the MAPFRE's sales network.

Worth highlighting in this regard is the alliance with BANKIA (arising from the agreement with the former CAJA MADRID), which entails reciprocal collaboration between both groups' sales networks, as well as the agreements in place with BANKINTER (for Life and General Insurance), CAJA CASTILLA LA MANCHA and CAJA DUERO (for Life and Pensions), and CATALUNYACAIXA (for Life and General Insurance), to name but a few. In all, in 2012 MAPFRE distributed its products in Spain through 4,049 bancassurance branches which generated premiums for MAPFRE amounting to €1,760 billion.

The Group also has insurance distribution agreements with other financial entities, repair centres, car dealers and shopping centres, among others. At year-end 2012 it had 815 of these arrangements.

In Latin America MAPFRE has bancassurance agreements with BANCO HIPOTECARIO DOMINICANO, BBVA, HSBC, and BANCO DO BRASIL, among others. At the end of 2012, MAPFRE had another 1,193 distribution agreements in the region that supplement its network's sales activities. It has also entered into agreements with the leading microfinancing companies of different countries.

In the United States, MAPFRE has exclusive distribution agreements with the American Automobile Association (AAA), which markets its products at all its points of sale.

MAPFRE supports the activities undertaken on its behalf by the entities with which it has alliances or distribution agreements. Along this lines, 2012 saw continued coordination of the sales training programme between MAPFRE and the BANKIA network that stemmed from CAJA MADRID. The Group's training teams provided training on motor, household, health and life insurance products to BANKIA's regional personnel; and specific training plans for all the MAPFRE product lines have been arranged for other bancassurance entities with which the Group has signed distribution agreements.



Roundtable on the exclusive agent and multichannel distribution during the Insurance Week



New office in the MAPFRE building, Majadahonda 3 (Madrid)

## MAPFRE and its suppliers

MAPFRE's dealings with its suppliers are underpinned by the quality of the products and services that they provide and the integrity of their business practices. MAPFRE, in turn guarantees them socially responsible investing policy, transparency, non-discrimination and the employment of objective selection criteria in accordance with the Group's in-house contracting rules.

### Classes of suppliers

The Group distinguishes between three classes of suppliers with which it has different types of relationships:

- Suppliers of generic goods and services (postal services, mailbag and messenger services, advertising and promotional material, document management and filing services, printing services, office furniture, business trips, and real estate management-related services), which are handled by the Central Resources Department, which manages the procurement of these goods and services for the entire Group in Spain, sets the general applicable rules and reports to MAPFRE's decision-making bodies regarding relations with Group suppliers.
- Suppliers of goods and services that are specific to each business line, primarily relating to claims handling (car and home repairs, provision of health services, roadside assistance, etc.), which are managed by the Group's respective business units and operating companies under the general rules of engagement set by the General HR and Resources Department.
- Technology suppliers (hardware, software, development of solutions, technology services and communications), which are coordinated by MAPFRE's General Department of Technology and Procedures.

In all, in 2012 MAPFRE dealt with 339,785 suppliers, broken down as follows:

TPOLOGY	NUMBER OF SUPPLIERS		
	Insurance Spain	Insurance International	Global Businesses
Generic goods and services	272	5,487	6,626
Specific goods and services	67,879	165,596	92,192
IT goods and services	155	1,166	412

Scope: MAPFRE Group

In 2012 suppliers invoiced MAPFRE's insurance companies in the amount of €4,968 billion, which breaks down as follows:

COST	MILLIONS OF EUROS		
	Direct Insurance Spain	Direct Insurance International	Business Global
Generic goods and services	111	114	93
Specific goods and services	1,562	2,315	453
IT goods and services	198	109	9

Millions of euros/Scope: MAPFRE Group

### Communication and support systems

Broadly speaking, Mapfre deals with suppliers via web platforms, specific portals, in-house or outsourced call centres, specific hotlines, social networks, newsletters and working parties. In addition there are officers in charge of specific suppliers in each business area and of IT goods and service procurement and these officers directly manage the relationships with these suppliers. This means that in addition to the dedicated channels put in place for each category of supplier, MAPFRE is in regular contact with this group of stakeholders. The following channels warrant special mention:

- The Purchasing Portal (SAP) set in motion in 2012 and used by MAPFRE FAMILIAR, MAPFRE EMPRESAS and MAPFRE VIDA for ordering material and that lets suppliers access the orders generated.
- The MAPCOL portal for vehicle repair and assistance suppliers (tow trucks, taxis, repair workshops) through which they can self-invoice and channel all dealings with MAPFRE FAMILIAR, including free access to specialist publications and to a forum for posing technical questions, as well as other benefits. At year-end 2012, over 31,701 suppliers had signed up for this portal and it had received more than 1,443,774 views.
- The INFOCOL portal, through which household repair suppliers stay in constant contact with MAPFRE FAMILIAR. At year-end 2012, 531 loss adjusters, 350 lawyers and 3,961 home repair professionals (all the professionals who work for the company) had signed up for and were using this platform. In addition, a job notification system via SMS has been set up.
- The healthcare provider service which entails a dedicated e-mail address on MAPFRE's website and a hotline through which healthcare professionals can get all kinds of information needed to do their jobs. There is also a dedicated portal for healthcare professionals in which they can find out relevant information about bills, rates and services provided.
- MAPFRE ASISTENCIA's World Assistance Application (AMA in Spanish) which features a service, costs and invoicing tracking system.
- The FUTURA Assistance Management operating platform, already in place in Argentina, Brazil, Colombia, Ecuador, Greece, Italy, Mexico, Turkey and Venezuela, which integrates the customer and service provider in the process, thereby enabling enhanced fleet management.

- Others platforms like the “Abastecerse” (“Supply”) online management system in Argentina; the Remedy system for specific Technology suppliers in Brazil; a new portal launched in Colombia; and the new tools for choosing suppliers and Road Assistance in Puerto Rico. In Brazil, supplier relations are managed through the Sustainability Academies and the Sustainable Supplier Management Model.

- In Brazil, Philippines and Peru, social networks are used to communicate with suppliers.

## Selection criteria

As laid down in MAPFRE’s Code of Conduct and Ethics, the global guidelines governing supplier selection at the Group are the following:

- The selection and contracting of third-party products or services must be conducted applying objective technical, professional and financial criteria, at all times upholding the requirements and interests of MAPFRE and in compliance with the in-house selection and contracting rules put in place to this end.

- MAPFRE cannot deal with suppliers in breach of the law or the basic principles laid down in the Code of Conduct and Ethics.

- No MAPFRE employee may receive or offer moneys by means of commissions or bonuses, gifts or favours of any form for activities they are performing on behalf of MAPFRE; courtesy gifts of symbolic value or those of an advertising nature, in accordance with in-house rules on contracting and expenses, are carved out from this rule.

- Employees must place the interests of the company over their own in any negotiations conducted on behalf of MAPFRE.

In accordance with these principles, selection of suppliers in general and oversight of their contracts is performed using objective criteria, mainly via tenders, which assess factors such as value for money, supplier infrastructure, market recognition, the adoption of responsible business practices and, in particular, membership of the groups of associates that collaborate with MAPFRE entities and their track record in terms of service quality.

Compliance with prevailing tax and labour legislation in the various countries and implementation of safety and hygiene measures where warranted are prerequisites. Other highly rated attributes include response times, after-sales service, geographic reach and value-added for MAPFRE policyholders and beneficiaries.

In Spain, MAPFRE FAMILIAR or the Central Resources Department, candidates that meet requirements but are not selected are included in a list of potential suppliers for future reference. The Central Resources Department continues implementing its operational model for the official approval and selection of suppliers in general and in 2012 it launched Corporate Purchasing Portal in Spain. Furthermore, a Suppliers’ Evaluation and Classification Questionnaire, that will include environmental and sustainability criteria, is now being defined.

## Irrespective of these general criteria:

- MAPFRE FAMILIAR, MAPFRE EMPRESAS and MAPFRE VIDA have a classification form that they use to assess suppliers’ overall capacities, in addition to their financial position.

- MAPFRE FAMILIAR has specific procedures for Motor suppliers (List of Outstanding Repair Shops and Travel Assistance Supplier Selection Guide for Taxis and Breakdown Trucks), and its selection procedure for health service suppliers takes account of quality and accreditation criteria, as well as the issues such as the number of policyholders, inhabitants and assistance and commercial needs. In the case of hospitals, it also takes account of the existing range of services.

- MAPFRE ASISTENCIA applies technical criteria in its different selection processes, in terms of the different types of suppliers: breakdown vans, rental cars, medical centres, loss adjusters, repair workshops, medical transport, etc.

- We can also highlight the following selection procedures for suppliers of operational activities goods and services: The On-line Quotations System and Purchasing Committee in Argentina; the Application for Proposal and Quotation tools in Brazil; the Purchasing and Suppliers’ Manual in Chile; the Supplier Registration and Evaluation Policy developed in Colombia; the Suppliers’ Contracting Policies Manual in Nicaragua; the On-line Bidding Programme in Paraguay; and the Credentials Committee for the Health area, the Purchasing Procedures Manual, the Process Documentation System and the request for credential in Puerto Rico. In addition to these specific tools for the selection of this group, Brazil, Chile, Guatemala, Mexico, Nicaragua, Peru and the Dominican Republic have specific supplier approval policies.

- In the generic goods and services supplier selection process, it is worth highlighting the Procurement Policy in Argentina; the Logistics Manual used in Colombia, the Purchasing Policy Manual in Chile, the electronic auction process and the new administrative supplier certification process in Peru; and the Administrative Process Regulations applicable to these suppliers in Venezuela.



— The Directorate General of Procedures and Technologies applies a specific selection policy for its suppliers and has standardized framework service procedures. Also worth mentioning in this respect are the Regulation and Provisions applied in Mexico, and the systems used in Brazil.

## Loyalty-building

Suppliers are highly satisfied with MAPFRE and fast payment is what is most valued. MAPFRE has devised specific schemes to encourage and reward supplier loyalty in a number of businesses. For example, at MAPFRE FAMILIAR schemes of this nature are in place in the motor insurance segment (the 2011-2012 Taxi Loyalty and Quality Scheme and the 2011-2012 Tow Truck Loyalty and Quality Programme), which offer, among other benefits, discounts at Group companies, free services like the legal advice service, and material buying agreements with automobile brands and establishments. MAPFRE also has an agreement with financial institution FRACCIONA through which it can offer its suppliers access to consumer loans on very competitive terms.

MAPFRE ASISTENCIA also has loyalty-building programmes for its suppliers in Turkey, the United States, Greece, Ireland or Italy, with discounts in tyres, navigators, fuel, courier services and work clothing.

Generally speaking, turnover among suppliers collaborating with MAPFRE is low. The most common reasons for service discontinuation are breach of contract and the inability to respond to service requirements at a given point in time.

## Training

MAPFRE is strongly committed to training its suppliers as a means to improving the standard of service provided to its policyholders and beneficiaries. To this end, suppliers receive general information on MAPFRE's culture and its quality philosophy. Generally, the Group prepares training systems, materials and packs, tools, and online and on-site courses for its suppliers with a view to facilitating their jobs and keeping them abreast of regulatory changes, technological developments and other matters of interest to their job performance. Here we would highlight:

— The different courses provided in Spain to service suppliers in connection with repair management and customer service, such as the Roadside Assistance Firm Managers, Roadside Assistance Techniques and Methodology, Motorbike Assistance Techniques and Methodology and Industrial Vehicle Assistance Techniques and Methodology. MAPFRE FAMILIAR's programme also includes specific training for its Distinguished Workshops, such as the Aluminium Welding courses. In 2012, it gave 4,824 hours of training to its suppliers.

— The Health Professional Invoicing Manual and specific training in Bodily Injury Valuation for this collective.

— MAPFRE FAMILIAR Training meetings with new suppliers of goods on the INFOCOL Portal and guidelines on how to deal with customers.

— The training provided at MAPFRE FAMILIAR, MAPFRE VIDA and MAPFRE EMPRESAS on how to use the application in the new supplier portal and how digital invoices work.

— The verification and assessment procedure training materials, according to the VERTI policy.

— Training actions for service management, using MAPFRE ASISTENCIA's Futura tool, held in Argentina, Brazil, Colombia, Ecuador, Greece, Italy, Mexico, Turkey and Venezuela, as well as specific actions for adding new suppliers to this tool (Italy) and for updating existing suppliers and the human relations courses (Turkey). Specific seminars on safe breakdown truck driving (Greece, Malta and Turkey) and on breakdown assistance techniques and customer attention.

— Courses for Adjusters and Workshops on plate, paint, mechanics and efficient administration imparted in Argentina; training given in Brazil to spread awareness of the purchasing policy, and the training provided at the Sustainability Academy, which were attended by 139 suppliers in 2012; the Safety in Work at Height and Industrial Safety courses given in Colombia; the support material distributed in Mexico; the training for technology suppliers, and the commercial training in health and breakdown assistance manuals in Puerto Rico; the sessions on types of insurance covers and benefits in Peru; and the customer care and service courses for the Motor area in El Salvador.

— The courses and congresses organised by CESVIMAP (MAPFRE Experimentation and Road Safety Centre) to which Group suppliers have access.

Along with technical training, suppliers of MAPFRE private and business customers have access to the institutional and business principles of the Group's Code of Good Governance and Liability Policy. In Spain, this information is provided through the MAPCOL portal, among other channels. Various training actions were conducted abroad in 2012 to disseminate these aspects. In particular, in 2012 the Environmental and Energy Policy was distributed to all the suppliers in Argentina; in Brazil, training in this field was managed through the Sustainability Academies and the Sustainable Supplier Management Model. and in Colombia, El Salvador, Mexico, Nicaragua, Paraguay and the Dominican Republic, suppliers also receive information about these issues.

## Quality

All Group entities monitor the quality of the services provided by their suppliers, mainly using supplier site inspections and customer surveys. The quality assessments and criteria used vary as a function of the activities they perform for MAPFRE. Generally, service is assessed in terms of delivery, timeliness and price competitiveness. The supplier evaluation system compiles information from several sources: operator-detected incidents, supplier visits, meetings or conventions, purchasing committees, customer communications and internal and ad-hoc audits. The main quality parameters assessed are:

— MAPFRE FAMILIAR uses a series of checks and measures to assess and raise the quality of the service provided by its suppliers. The company tracks the number of complaints and claims deriving from the intervention of roadside assistance and motor repair suppliers. In addition, under the general quality program, in 2012 the company funded obtention of the TQ quality stamp by 3 Distinguished Repair Shops. This quality certification, issued by CESVIMAP, distinguishes repair workshops that are capable of offering customers superior repair service standards based on criteria relating to installations and equipment, personnel and work procedures. MAPFRE FAMILIAR also uses the Customer Satisfaction Survey for Motor Suppliers conducted by ICEA (Association for Cooperative Research between Insurance Companies and Pension Funds), which includes the following results:

<b>MOTOR SUPPLIERS</b>	
<b>% of customers who, on a scale of 1-10, say that their expectations have been met between 7 and 10</b>	
Rent a Car Service	88%
Windscreen Repair Service	94%
Tow Truck Service	96%
Taxi Service	96%
Bodywork Repair Service	90%
Property Repair service	88%

Source: ICEA. Customer Satisfaction Survey for Motor Suppliers (2011-2012)

The following figures reflect the outcome of the standard of service provided by household repair professionals for MAPFRE FAMILIAR in 2012:

	<b>Repair staff</b>
Late service completion ratio <sup>1</sup>	0.33 %
Average service delay (days) <sup>2</sup>	1.01
Rate of service incidents	0.54%

(1) Measures the percentage of repairs completed outside the established deadline  
(2) Measures the number of days elapsing between the deadline and service completion

A total of 30,135 on-site quality controls were carried out to verify work.

Also, as part of the household repair supplier quality campaign (Tourmap 2012), a total of 80 suppliers were awarded prizes for work attributes such as punctuality, work quality, customer deference, professional image, cleanliness and tidiness and the correct use of MAPFRE uniforms.

A number of different indicators are used to assess the quality of service provided by healthcare and funeral service suppliers such as problem-solving skills, commercial attitude, vehicle availability, funeral home installations, etc. And a comprehensive medical services quality program is in the works.



— In each of its units, MAPFRE ASISTENCIA weighs up a series of minimum parameters which include service rejection and proper complaint ratios, the average time to reach the place of assistance, customer satisfaction and the condition of the equipment and facilities. Overall, 73.4% of this company's suppliers said they were very satisfied in 2012. The highest scores were given in Germany.

— Regular supplier assessments are conducted in Brazil, Chile, Colombia, El Salvador, Guatemala, Mexico, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Dominican Republic and Uruguay. In Argentina, Brazil, Colombia, Mexico, Nicaragua, Peru, Puerto Rico and the Dominican Republic, surveys are conducted to gauge how satisfied suppliers are with MAPFRE, most noteworthy being the results in Peru, where 85% of service providers are proud of their relationship.

Under the umbrella of its relations with suppliers of IT equipment and services, quality control takes differing forms, including in-house surveys and follow-up meetings at which different attributes such as project effectiveness, integration, reliability, transparency, cost efficiency, leadership and management by processes, are measured and rated by the Directorate General of Technologies and Procedures.



The sustainability concept has been embedded in MAPFRE's values since its origins, and is expressly included in its Code of Good Governance. The Environmental Policy, which all of the Group's employees must adhere to and respect, is the expression of this commitment to sustainable development, which is also enshrined in MAPFRE's Code of Ethics and Conduct.

MAPFRE's Environmental and Energy Policy is based on three cornerstones:

**MAPFRE'S ENVIRONMENTAL AND ENERGY POLICY**

<b>INTEGRATING THE ENVIRONMENT AND ENERGY IN ITS BUSINESS</b>	Application of environmental and energy criteria in planning processes and decision-making on matters that might have an environmental and energy impact, such as the investment appraisal process, selection of suppliers or property management
	Development of products and services that help improve environmental risk and sustainable energy consumption management in society
<b>ENVIRONMENTAL AND ENERGY MANAGEMENT</b>	Compliance with environmental and energy legislation applicable to its activity, as well as other commitments undertaken voluntarily, and adoption of measures for the continuous improvement of its performance in this area through the development of an Integrated Environmental and Energy Management System, which establishes periodic goals whose achievement is verified through audits and which provides the information and necessary resources for achieving its annual goals and objectives. This document is a reference framework for establishing and reviewing objectives
	Rational use of resources, minimising water, paper and energy consumption, reducing waste generation and emissions, and favouring recycling through the implementation of good environmental and energy saving and efficiency practices; plus the search for eco-efficient technology solutions for buildings that enable optimal energy performance
	Use of the necessary resources to ensure that this Environmental and Energy Policy is familiar to all employees and available to the public, and periodic information on progress achieved in environmental and energy management

**MAPFRE'S ENVIRONMENTAL AND ENERGY POLICY**

<b>PROMOTING ENVIRONMENTAL AND ENERGY RESPONSIBILITY</b>	Provision of resources to employees so that they can participate in achieving MAPFRE's environmental and energy goals and contribute to sustainable development
	Carrying out of actions that help raise society's environmental and energy awareness through educational, awareness and information communication activities for different groups, as well as promoting good environmental and energy saving and performance practices among customers and suppliers
	Contribution to the research, development and dissemination of scientific and technological knowledge with environmental and energy resource conservation objectives, and participation in bodies and national and international forums in which developing initiatives for their protection of these resources is promoted and supported

**Integration in the business**

Integration in the business involves the entire value chain and particularly affects customers, who are the main beneficiaries of MAPFRE's activity. This takes shape firstly in insurance policies for environmental risks and the appropriate treatment of those risks, in collaboration with the policyholder and for mutual benefit; and secondly in creating and marketing products which apart from providing the customer with the right services for their needs also constitute a tool for environmental conservation and rational energy use.

Its description and scope are displayed in the Environmental Risk-related Products and Services section ("MAPFRE and its Customers" section) of this Report.

**Environmental management**

Environmental management is structured through the Integrated Environmental and Energy Management System, MAPFRE's corporate framework for preventing and managing the potential effects of the Group's activity on the environment and for ensuring correct energy management in carrying out that activity.

**— Assessment of Mapfre's environmental record in 2012**

The system establishes specific objectives for the different installations in which they have been implemented and strategic objectives whose achievement provides an overview of the environmental performance of MAPFRE's operating processes.

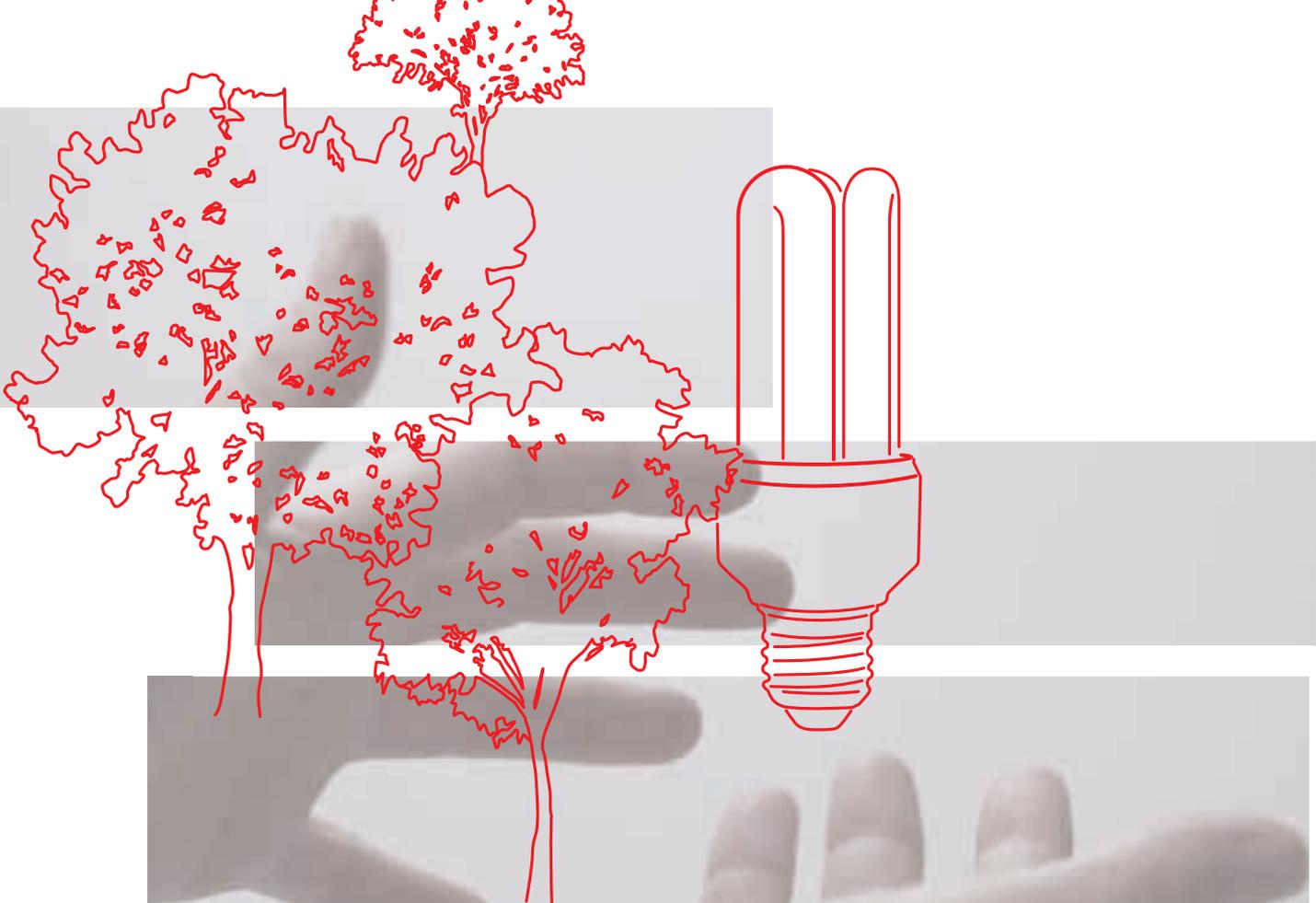
The table below outlines the assessment of achievement of the strategic objectives associated with MAPFRE's activities, specifying the planned initiatives and the degree of compliance:

GOAL	OBJECTIVE ASSESSMENT		COURSES OF ACTION PLANNED TO ACHIEVE OBJECTIVE		
	Result	Trend	Actions	Developed	Comments
Maintain the percentage of employees working under the ISO 14001 environmental certification	(2.8%)		Extend the scope to the new Majadahonda 4 building	YES	Scope Spain. 1 building without MAPFRE employees certified
Extend the scope of the ISO 50001 energy certification to 2 new buildings	2 centres		Updating of the Energy Management System. Supply Management	YES	
Implement the Environmental Management System in 3 MAPFRE companies in America	3 companies		Creation of Local Structure, communication of the Policy. Implementation of procedures and drafting of records	YES	Argentina, Colombia and Puerto Rico
Increase amount of recycled paper by 5% with respect to the total consumed	8.2%		Printing management saving policies. Implementation of recycling plans in international companies	YES	Global Scope. The percentage has risen from 27.1% to 35.3%
Reduce the carbon footprint caused by the consumption of office paper in printers and photocopiers by 5%	(19%)		Printing management saving policies	YES	Scope Spain
Recycle 70% of consumables	69%		Saving policy. Toner removal strategy for the printing manager	YES	Increase by more than 5%
Obtain a 300 MWh-plus energy saving in workstations	> 300		Implementation of saving policy software in PC	YES	

In 2012, MAPFRE consolidated the integration of the Integrated Environmental and Energy Management System in Spain, where 42.2% of employees work in centres with the ISO 14001 environmental certificate, and 31.5% of energy consumed is covered by the scope of the ISO 50001 energy management certification.

In parallel, the Environmental Management System has been implemented in the head offices of MAPFRE's companies in Argentina, Colombia and Puerto Rico, whose ISO 14001 certification is expected next year.

ENVIROMENTAL AND ENERGY INDICATORS						
INSURANCE SPAIN AND GLOBAL BUSINESSES	Unit	Remarks	2010	2011	2012	Trend
Employees in ISO 14001 certified buildings	nº		4,723	4,923	4,549	
Energy consumption under ISO 50001	MWh		N/A	17,202	20,369	
Environmentally committed suppliers	nº		255	260	371	
Environmental expenditure	€		477,052	479,600	459,977	
INSURANCE INTERNATIONAL	Unit	Remarks	2010	2011	2012	Trend
Environmental expenditure	€		N.A.	180,912	484,281	



## Control and evaluation processes

As established in the Integrated Environmental and Energy Management System, in 2012 control visits were made to 60 Group buildings for the purpose of identifying and assessing environmental aspects and establishing procedures to control and minimise their impact. These visits gave rise to actions plans which include proposals on how to improve the buildings' environmental record which have been taken into consideration in drawing up the environmental targets for each work centre.

Periodic control processes and technical reviews enable, among other things, to ensure observance of the maintenance and control programmes of installations capable of generating a significant impact, in order to ensure optimum performance beyond mere compliance with the regulations.

## ENERGY EFFICIENCY

Energy resource consumption savings measures have a twofold advantage. Firstly, they make MAPFRE's business activity more economically efficient and secondly they are beneficial for the environment and favour sustainability. The following are the most important eco-efficiency measures implemented in 2012:

- Establishment of workstation office equipment savings policies through MAPFRE's corporate applications management platform. The user's activity is therefore not vital for achieving efficient energy use of that equipment.

In 2012 those policies were implemented in more than 7,000 office machines and resulted in a saving of more than 300,000 kWh.

- Carrying out of energy audits to identify and assess improvement opportunities that increase the energy efficiency of buildings.
- Application of corporate energy efficiency and saving criteria in renovations and new buildings in MAPFRE's international area.
- Study of savings generated through the application of building operating hours streamlining measures. The average saving in the buildings analyzed accounts for 2.4% of electricity consumption.

MAPFRE's international companies have played an important role here, given that 15 of them have already implemented energy efficiency and saving measures in their installations; 15 companies have also considered the short and medium term establishment of new measures or extending the scope of those already implemented, while a further 3 have opted for energy saving awareness campaigns.

The most widely implemented measures have consisted in replacing traditional lights with more efficient ones and installing presence detection sensors. Updating air conditioning units has also been considered too.

A broad range of measures has been adopted in Brazil and Puerto Rico (the companies there are implementing the Corporate Environmental Strategic Plan), with many more planned in the short term in these two countries and the United States.

INSURANCE SPAIN AND GLOBAL BUSINESSES	ENERGY CONSUMPTION INDICATOR					
	Unit	Remarks	2010	2011	2012	Evolución
Total power consumed	kWh	(1)	64,149,587	63,187,141	66,251,177	N.C
Total power consumption / employee	kWh		5,861	5,738	6,143	N.C
Power consumed from the national grid	kWh	(1)	59,264,616	57,613,966	57,768,256	N.C
Natural gas consumed	m <sup>3</sup>	(1)	150,051	272,585	471,683	N.C
Petrol used	L	(1)	329,185	265,135	341,722	N.C
SEGURO INTERNACIONAL	Unit	Remarks	2010	2011	2012	Evolución
Consumo de energía total	kWh	(2)	N/D	29,213,700	46,163,590	N.C
Total energía consumida/empleado	kWh		N/D	ND	2,685	N.C
Consumo de energía de la red pública	kWh	(2)	N/D	26,055,000	40,437,149	N.C
Consumo de gas natural	m <sup>3</sup>	(2)	N/D	475,758	512,363	N.C
Consumo de gasóleo	L	(2)	N/D	12,102.2	23,028	N.C

(1) The MAPFRE VIDA and CCPP consumption data acquisition system has been adapted to the other MAPFRE companies, and differs from the one used in 2011. Therefore the data vary slightly and are not entirely comparable  
(2) Total consumption of all companies. The 2011 figure only referred to consumption at company head offices

The Energy Management System in place in the buildings is monitored according to ISO 50001 through the energy performance indicators displayed below.

MAPFRE TOWER (BARCELONA)	2012 ENERGY PERFORMANCE INDICATORS (ISO 50001)			
	BASE LINE (2009)	2011	2012	Trend
Electricity consumption (kWh)	2,787,409	2,166,509	2,175,638	NA
Gas consumption (kWh)	433,171	325,235	160,222	NA
Winter Climate control equipment (own indicator)	1	1.10	0.80	+
Summer Climate control equipment (own indicator)	1	1.43	0.88	+
Lifts (kWh/pax)	147	147	147	=
MAJADAHONDA 1-2 (MADRID)	BASE LINE (2010)	2011	2012	Trend
Electricity consumption (kWh)	14,222,948	14,187,726	13,736,304	NA
Gas consumption (kWh)	1,799,233	1,432,721	1,490,856	NA
Winter Climate control equipment (own indicator)	1	1.06	1.04	+
Summer Climate control equipment (own indicator)	1	1.32	1.09	+
Office automation (kWh/pax)	540	540	540	=
CPD (PUE)	1.63	1.65	1.65	=
ARAVACA (MADRID)	BASE LINE (2011)	2011	2012	Trend
Electricity consumption (kWh)		2,529,230	2,539,368	NA
Gas consumption (kWh)		85,182	88,703	NA
Winter Climate control equipment (own indicator)		1	1.14	-
Summer Climate control equipment (own indicator)		1	0.93	+
Office automation (kWh/pax)		254	148	+
OVIEDO (ASTURIAS)	BASE LINE (2011)	2011	2012	Trend
Electricity consumption (kWh)		594,031	590,074	NA
Gas consumption (kWh)		189,864	206,341	NA
Winter Climate control equipment (own indicator)		1	1	=
Summer Climate control equipment (own indicator)		1	0.62	+
Office automation (kWh/pax)		395	332	+

## Resources management

The steady implementation of environmental corporate purchasing criteria in Spain has led to an increase in the percentage of "carbon neutral" paper used, which in 2012 accounted for 0.9% of the total. Similarly, the percentage of environment-friendly paper has been maintained or increased: photocopy paper is 100% elemental chlorine free (ECF) and is certified as coming from forests operating under sustainability criteria. 98% of all paper consumed, including printouts, agendas and posters, also has the sustainable forestry seal.

A resource sustainability initiative launched in 2012 was the new digital format for welcome packs sent to the customer with all of their insurance documentation, and which was tried out firstly with customers with policies in the Cars, YCAR, Trucks, Green Policy and Motorcycles categories.

The development of the centralised print management process, which includes the monitoring of print jobs and paper saving and consumables preference settings included in most office machines, has resulted in paper and consumable savings as shown in the attached table.



INSURANCE SPAIN AND GLOBAL BUSINESSES	PAPER AND TONER CONSUMPTION INDICATORS					
	Unit	Remarks	2010	2011	2012	Trend
Total paper consumption	MT		2,000	1,845	1,463	+
Total recycled paper consumption	MT	(1)	26	27	16.5	-
Total "carbon neutral" paper used	MT		ND	16	12.8	+
ECF paper / total copy paper used	%		100%	100%	100%	+
Paper with environmentally-friendly seal / total paper used	%		99%	97%	98%	+
Paper consumption / employee	MT		0.18	0.17	0.14	+
Total toner consumption	unit		11,880	14,281	8,633	+
INSURANCE INTERNATIONAL	Unit	Remarks	2010	2011	2012	Trend
Total paper consumption	MT		N/A	2,461	1,570	+
Total recycled paper consumption	MT		N/A	N/A	N/A	
Paper consumption / employee	MT		N/A	N/A	0.09	

(1) The percentage of "carbon neutral" with respect to the total amount of paper consumed increased in 2012

As with energy, MAPFRE's international companies have made significant progress in paper, consumables and water management, for which 10 companies have introduced control and savings measures, whose scope will be extended in the short term by 4 of them. A further 5 are planning to implement these types of measures shortly, while another 2 will limit their action to internal awareness campaigns for partners.

The most commonly implemented measures are the installation of aerators and/or automatic controls on taps, as well as saving settings on printers.

## Water Consumption

In 2012, 839,396 m<sup>3</sup> of water were consumed in MAPFRE. At its facilities the water consumed comes from the public water system and is used for healthcare or building heating/cooling.

INSURANCE SPAIN AND GLOBAL BUSINESSES	WATER CONSUMPTION					
	Unit	Remarks	2010	2011	2012	Trend
Water consumed	m <sup>3</sup>	(1)	250,352	223,598	354,208	NC
Water consumption/employee	m <sup>3</sup>	(1)	23	20	35	NC
INSURANCE INTERNATIONAL	Unit	Remarks	2010	2011	2012	Trend
Agua consumida	m <sup>3</sup>	(2)		73,399	485,188	NC
Agua consumida/empleado	m <sup>3</sup>			N/A	28	NC

(1) The MAPFRE VIDA and CCPP consumption data acquisition system has been adapted to the other MAPFRE companies, and differs from the one used in 2011. Therefore the data vary slightly and are not entirely comparable

(2) Total consumption of all companies. The 2011 figure only referred to consumption at company head offices

## Carbon footprint

MAPFRE determines and assesses emissions caused by its activity according to the pertinent international standard, the Greenhouse Gas (GHG) Protocol.

### Direct emissions

It covers emissions generated in buildings, offices, garages and vehicles (Scope 1). MAPFRE applies maintenance and control programmes to not only ensure that installations capable of generating atmospheric emissions comply with the parameters established by the regulations, but also that performance is optimal and emissions minimal.

### Indirect emissions

Calculating the energy consumption emissions caused by activities carried out inside its establishments (Scope 2, according to the GHG Protocol) allows MAPFRE to assess the effect of both the individual and group energy saving programmes and initiatives described above.

In terms of the carbon footprint emissions of goods and services required for its business activity (Scope 3), MAPFRE has calculated and estimated the trends of those associated with business trips and paper consumption.

The programmes for reducing these emissions are focused on promoting conferences, video conferences and other telecommunications tools, and in the above-mentioned "zero emissions" paper consumption and paper acquisition reduction plans.

The table below shows the changes in MAPFRE's carbon footprint.

SEGURO ESPAÑA Y NEGOCIOS GLOBALES	CARBON FOOTPRINT INDICATOR. CO <sub>2</sub> EMISSIONS					
	Unit	Remarks	2010	2011	2012	Trend
Emisiones directas edificios	MT	(1)	1,204	1,301	1,941	NC
Emisiones directas vehículos	MT		1,204	647	727	⊖
Emisiones por consumo eléctrico	MT	(1)	16,001	13,827	16,753	NC
Emisiones alcance 3 GHG. Papel	MT	(2)	1,252	1,071	828	⊕
Emisiones alcance 3 GHG. Viajes	MT		3,904	4,489	4,406	⊕
CO <sub>2</sub> emitido /empleado (Emisiones directas)	MT	(1)	0.22	0.19	0.25	NC
CO <sub>2</sub> emitido/empleado (Consumo eléctrico)	MT	(1)	1.48	1.26	1.55	NC
CO <sub>2</sub> emitido/empleado (Alcance 3)	MT		N/A	0.5	0.49	⊕
SEGURO INTERNACIONAL	Unit	Remarks	2010	2011	2012	Trend
Emisiones directas edificios	MT		N/A	N/A	1,021	
Emisiones directas vehículos	MT		N/A	N/A	3,208	
Emisiones por consumo eléctrico	MT	(3)	N/A	11,882	15,958	NC
Emisiones alcance 3 GHG. Papel	MT	(2)		N/A	1,471	
CO <sub>2</sub> emitido /empleado (Emisiones directas)	MT			N/A	0.25	
CO <sub>2</sub> emitido/empleado (Consumo eléctrico)	MT			N/A	0.93	

Carbon emissions were calculated following the methodology proposed for the office sector in the GhG Protocol of the World Business Council for Sustainable Development

(1) The MAPFRE VIDA and CCGP consumption data acquisition system has been adapted to the other MAPFRE companies, and differs from the one used in 2011. Therefore the data vary slightly and are not entirely comparable

(2) The calculation includes CO<sub>2</sub> emissions from consumption of normal paper and recycled paper and emissions avoided from recycled paper

(3) Total consumption of all companies. The 2011 figure only referred to consumption at company head offices

## Waste management

MAPFRE's business operations generate various classes of waste, management of which is complex on account of the geographic dispersion of its distribution network. The management of all of MAPFRE's waste has grown progressively in both volume and the type of waste managed.

The development of centralised management makes processes more efficient and optimises their costs, achieving in turn greater environmental benefits and better use of MAPFRE's resources. Processes applied to out-of-service PCs are a good example of this. In 2012, particular encouragement was given to the internal and external reuse of those PCs with the resulting benefit for all groups involved in the process.

As a result of these actions, 1,073 tons of paper was recycled in 2012 and more than 71,325 tons of out of use office equipment managed, of which 20,886 devices were donated to schools, associations and other organisations or people and the 50,439 have been sent to authorised plants for their recycling and/or final management.

In 2012, fresh impetus was given to the Red Cross and Entreculturas Foundation campaign to collect obsolete mobile telephones, in which the income generated from the reuse of the handsets is donated to humanitarian, social and educational causes that aid the most underprivileged people and nations. The cumulative number of mobile phones collected stands at 13,940.

The company has also increased its collaboration with Integrated Management Systems as professional channel waste producers. In 2012 the agreement was formalised with FUNDACIÓN ECOPI-LAS grouping together principal battery and accumulators producers, by virtue of which this organisation is responsible for collecting and managing in an environmentally safe way batteries generated by both MAPFRE during its activity and those from employees in the domestic channel.

It also worked with AMBILAMP, a non-profit making association which encompasses the main lighting manufacturers for the recycling of light bulbs and fluorescent lights, through an institutional agreement that guarantees MAPFRE that this waste will continue to be treated sustainably and makes the company a pioneer in having a direct collection service through this Integrated Management System.

Both CESVIMAP and the MULTISERVICAR garages and SALUD 4 medical centres have management systems that cover all the specific types of waste generated by those activities.

On another front, entities CESVIMAP and CESVI RECAMBIOS continued to work on the management of retired vehicles with a

view to reducing the environmental impact deriving from the end of their useful lives and facilitating non-polluting waste treatment, specifically enabling the recovery of components, parts and materials for new uses. CESVI RECAMBIOS' facilities treated 2,385 retired vehicles in 2012, recycling 68,924 parts and components.

The table below shows the waste management indicators:

INSURANCE SPAIN AND GLOBAL BUSINESSES	WASTE MANAGEMENT INDICATORS					
	Unit	Remarks	2010	2011	2012	Trend
Recycled toner cartridges	unit		6,821	9,096	5,945	
Recycled toner / Total toner used	%		57.4%	56.56%	68.86%	+
Total recycled paper	kg		845,057	894,175	709,500	
Recycled paper / total paper used	%		42.3%	48.5%	48.5%	+
Computers and electronic appliances handled	unit	(1)	5,363	4,848	3,938	+
Computers and electronic appliances donated	% unit		29.5%	29%	37.8	+
Retired hardware handled	kg		4,330	5,028	4,065	
Mobile phones recycled (consolidated)	unit		11,946	12,929	13,940	=
Batteries recycled	kg		1,282	1,131	1,331	+
X-rays	kg		80	440	601	+
Expired medicines and medicine packaging	kg		63	98	156	+
Class II and III sanitary waste	kg		6,536	1,946	1,100	
Fluorescent tubes	kg		1710	708	1,178	
Total hazardous waste in buildings	kg		9,804	5,934	5,173	
Hazardous repair shop waste	TM		90	90	81	
Non-hazardous repair shop waste	TM		1,245	1,796	1,654	
Total waste managed	TM		2,268	2,875	2,498	
Retired vehicles handled	unit		2,494	2,462	2,386	-
Retired vehicle parts recovered	unit		68,980	70,640	68,924	-
INSURANCE INTERNATIONAL	Unit	Remarks	2010	2011	2012	Trend
Recycled toner cartridges	kg		N/A	N/A	3,290	
Total recycled paper	kg		N/A	273.1	315,579	
Recycled paper / total paper used	%		N/A	11%	20.1%	+
Computers and electronic appliances handled	kg		N/A	39,170	16,159	
Batteries recycled	kg		N/A	2,742	589	
Sanitary waste	kg		N/A	633.8	3,064	
Fluorescent tubes	kg		N/A	1,405	6,745	
Total hazardous waste	kg		N/A	10,580	9,365	
Total waste managed	TM		N/A	357.8	503.7	

(1) During 2012, MAPFRE has actively engaged in efforts to reutilize computer hardware internally

## Encouraging environmental responsibility

MAPFRE's environmental commitment is also focused on promoting environmental responsibility among employees, suppliers, customers and business managers, public and private associations and organisations and other stakeholders connected to MAPFRE's activity, involving them in the achievement of goals, developing awareness actions and good practices, contributing to the development and dissemination of scientific knowledge and participating in environmental forums.

### Public bodies and authorities

MAPFRE participates in the main sustainability forums, such as the United Nations Environment Programme Finance Initiative (UNEP FI) and the Global Compact. It is also very active in other forums, such as the National Congress of the Environment (CONAMA) and participates in conferences and working groups related to the analysis and evaluation of environmental risks, climate change and greenhouse gases. MAPFRE also participates in initiatives designed to raise the public's awareness of the challenges posed by sustainable development and the risks associated with climate change.

An example of this has been the participation, for the fourth year, in "Earth Hour", in which the MAPFRE companies in Brazil, Mexico, Puerto Rico, Argentina, Colombia and Spain have taken part. In addition to participating in this initiative with the symbolic gesture of turning off the company's neon signs and its advertising billboard lights for one hour in 34 main buildings and 204 commercial offices, employees have been encouraged through the Corporate Portal to take part from their homes.

The Group also backs global environmental programmes such as the Carbon Disclosure Project, of which MAPFRE is a signatory, and in whose 2012 "Iberia 125" report it has advanced 11 points to an 83 disclosure score, and a C-band performance score.

### Suppliers

As established by the Principles for Sustainable Insurance, Environmental Responsibility is propagated in the value chain. MAPFRE contributes to its suppliers' environmental performance by establishing selection criteria that assess their environmental conduct, and by ensuring that environmental clauses feature systematically in contracts. Environmental clauses in bidding specifications help to foster sustainability in suppliers, as do sustainability criteria in procurement specifications and in the matrices used for comparing tenders, with particular attention to large corporate supplies.

In addition, it issues guidelines to suppliers of businesses or services that impact the environment and operate in environmentally certified work centres with a view to informing them of best practice in their business lines.

Compliance with these measures is audited by MAPFRE's in-house audit department.

Meanwhile, MAPFRE's Environmental Services suppliers form part of a constant evaluation process that guarantees the continuity of their authorizations and their service capacity.

### Employees

MAPFRE employees in Spain received 2,693 hours of environmental training in 2012. MAPFRE's environmental commitment remains a core component of the corporate training that all employees follow. In addition, MAPFRE's environmental department takes part as a speaker in a range of environmental training courses given to third parties..

During 2012, participation in the "Car Sharing" project, which encourages employees to share private vehicles for their everyday journey to work, was even easier thanks to direct access on the "en Persona" corporate portal.

Employee participation has been essential in the "Green Signature" project carried out in 2012 to establish a corporate awareness message on printing emails, with a winner to be selected from the 594 creative proposals sent by MAPFRE employees from 29 countries.

General information on MAPFRE's Environmental and Energy Policy can be accessed in the Internal Website Employee Area. A special section with information and precise indications on environmental management and energy saving has also been created in this space for application in certain work centres.

MAPFRE's environment portal received more than 400 visits in 2012, and includes an environmental suggestion box which registered 55 enquiries during the year.

Any enquiry or suggestion regarding MAPFRE's environmental record can be addressed to the following e-mail address [medioambiente@mapfre.com](mailto:medioambiente@mapfre.com).



# Principles used to draw up the CSR Report

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## Report scope and boundary

As in previous years, MAPFRE has prepared its CSR report in accordance with version G3.1 of the Global Reporting Initiative (GRI) guidelines in respect of both the general indicators, core and additional, and those contained in the Financial Services Sector Supplement which are applicable to insurers<sup>10</sup>. The Report covers MAPFRE's **insurance-related** business activities.

## Reliability and assurance

The qualitative and quantitative data that underlie the GRI indicators have been externally assured by Ernst & Young, and include the data submitted by MAPFRE's companies in Argentina, Brazil, the US, Colombia, Chile, Mexico, Puerto Rico, Turkey and Spain (which on aggregate represent 84% of the Group's volume of business).

MAPFRE's internal audit department was also involved in the entire report analysis and assurance process and, as required, the report was reviewed by MAPFRE's Audit Committee prior to its definitive approval by the Board of Directors.

The figures underpinning this corporate report have been obtained with CREDIT360, our new computerised social responsibility data management tool implemented throughout the Group.

## Clarity, accuracy and completeness

The information is presented schematically, following a general index (page 1) and a global GRI indicator grid (pages 79-89) which enables the easy and ready retrieval of the information reported.

The report is drafted in sufficient detail to enable the various stakeholders to assess MAPFRE's economic, social and environmental performance from a qualitative and quantitative standpoint, avoiding the use of technical vocabulary and acronyms where possible and adding explanatory footnotes where required.

The reports for the last nine years can be downloaded from the Group's corporate website ([www.mapfre.com](http://www.mapfre.com)).

## Timeliness and comparability

This report covers a one-year period (January – December) and is presented at the General Shareholders' Meeting together with the Group's financial disclosures before publication on the website.

In keeping with the pattern followed in previous years, the quantitative figures included in the report are presented side by side those of the immediately preceding year, enabling analysis and comparison of the organisation's performance.

Any significant changes in boundary setting, scope, time coverage or disclosures are identified and explained in the corresponding index.

## Balance

The report reflects positive and negative aspects of the organisation's performance and when results fall short of initial expectations, this under-performance is noted in the corresponding headings.

## Materiality and stakeholder inclusiveness<sup>11</sup>

Representatives of the Group's different Corporate Areas, Business Divisions and Companies participated in drawing up this report with a view to ensuring that it includes relevant and sufficient data on topics and indicators considered important for reflecting the organisation's economic, environmental, and social impacts of significance.

Consideration has also been given to the remarks of the stakeholders with which the Group engages, obtained during the year through the communications channels formally put in place by MAPFRE. Management also considered the guidelines contained in the international agreements and standards applicable.

Disclosures on certain material aspects are not included in this report as they are fully fleshed out in other reports published by the Group. In these cases, the GRI indicator index includes, as it does each year, pertinent references to the following documents:

- Corporate Governance Report, included in the Consolidated Management Report (Published on the corporate website [www.mapfre.com](http://www.mapfre.com))
- Annual Report of FUNDACIÓN MAPFRE. (Published on the website ([www.fundacionmapfre.com](http://www.fundacionmapfre.com)))

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<sup>10</sup> In addition, the report is aligned with the recommendations laid down in the AA1000 Framework, which includes the Accountability AA 1000APS (2008) Principles Standard, and the AA 1000 AS (2008) Sustainability Assurance Standard in relation to the inclusiveness, materiality and responsiveness principles; application of these latter standards has not been independently assured.

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<sup>11</sup> The Global Reporting Initiative defines materiality as the "threshold at which an issue or Indicator becomes sufficiently important that it should be reported".

## Level of application of the GRI Indicators v3.1

This Social Responsibility Report has been produced in line with the requirements laid down by the A+ level of application of the G3 Social Responsibility Reporting Guidelines of the Global Reporting Initiative, this level having been verified externally by a third party through the assurance certificate issued by Ernst&Young.

## Responsiveness

In addition to providing information that is of relevance to all of MAPFRE's stakeholder groups, the report responds to the observations conveyed to the organisation by these stakeholders throughout the course of the year. However, anyone interested in consulting or completing the information provided in this report can contact the Company through:

- The Social Responsibility Department: [cbazanc@mapfre.com](mailto:cbazanc@mapfre.com)
- The Communication Department: [comunicacion@mapfre.com](mailto:comunicacion@mapfre.com)
- The Environmental Department: [medioambiente@mapfre.com](mailto:medioambiente@mapfre.com)
- And MAPFRE's corporate portal: [www.mapfre.com](http://www.mapfre.com)

# GRI indicator index

## General section

Scope of information. **G**: GENERAL INFORMATION **E**: INFORMATION ONLY IN SPAIN **NA**: INDICATOR THAT DOES NOT APPLY **ND**: INFORMATION NOT AVAILABLE

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments
<b>STRATEGY AND ANALYSIS</b>		
1.1	G	— Page 4 — Chapter 3. Mapfre and Corporate Social Responsibility: pages 13-25
1.2	G	— Page 4 — Chapter 3. Mapfre and Corporate Social Responsibility: ESG Risks: pages 18-19 — Book 1. Annual Accounts and Management Report; Subsidiaries
<b>ORGANISATIONAL PROFILE</b>		
2.1	G	— MAPFRE
2.2	G	— Chapter 4. MAPFRE and its customers: pages 41-46 — Book 1. Annual Accounts and Management Report; Subsidiaries
2.3	G	— Chapter 2. General information: 2.1.Presence, 2.2. Corporate Organization Chart: pages 7-9 — Chapter 6. Supplementary information: Principles used to draw up the CSR Report Report scope and boundary pages 77-78 — Book 1. Annual Accounts and Management Report; Subsidiaries
2.4	G	MAPFRE 1 Ctra. de Pozuelo nº 52 28222 – Majadahonda Madrid (Spain)
2.5	G	— Chapter 2. General Information: 2.1. Internacional Presence: pages. 7-8 — Book 1. Annual Accounts and Management Report; Subsidiaries
2.6	G	— Chapter 2. General Information: page 6
2.7	G	— Chapter 4. MAPFRE and its customers: page 38 — Book 1. Annual Accounts and Management Report; Subsidiaries
2.8	G	— Chapter 2. General Information: Key economic figures. page 10 — Book 1. Annual Accounts and Management Report; Companies
2.9	G	— Page 4 — Chapter 6. Supplementary information: Principles used to draw up the CSR Report Report scope and boundary: pages 77-78 — Book 1. Annual Accounts and Management Report; Subsidiaries
2.10	G	— Chapter 3. MAPFRE and SR: 3.6 Main Associations: pages 20-25 — Book 1. Annual Accounts and Management Report; Subsidiaries
<b>REPORT PARAMETERS</b>		
3.1	G	<b>2012</b>
3.2	G	— MAPFRE 2011 Social Responsibility Report — Group company local reports: MAPFRE ARGENTINA 2011; MAPFRE BRAZIL 2011; MAPFRE COLOMBIA 2011; MAPFRE MEXICO 2011; MAPFRE PUERTO RICO 2011
<b>REPORT PROFILE</b>		
3.3	G	<b>Annual</b>
3.4	G	— Chapter 6. Supplementary Information: Principles used to draw up the CSR Report responsiveness: page 78
<b>REPORT SCOPE AND BOUNDARY</b>		
3.5	G	—The report boundary extends to all MAPFRE's business endeavours in its core business, namely the field of insurance
3.6	G	— The report does not reflect the philanthropic activities of the MAPFRE Foundation, as these are totally separate from the Group's business activities.
3.7	G	MAPFRE FOUNDATION prepares its own independent annual report. See www.fundacionmapfre.com
3.8	G	— Chairman's Letter: page 4 — Chapter 6. Supplementary information Principles used to draw up the CSR Report; External Assurance Report: page 77-78; page 95
3.9	G	— Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report

## General section

	GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments	
	3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement	G	There are no significant changes in the scope and boundary of the information that affects the overall content of this report nor are there significant changes with respect to prior years. However, where there has been a change in scope and/or measurement method, this has been duly disclosed in the corresponding notes
	3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	G	
	<b>GRI CONTENT INDEX</b>			
	3.12	Table identifying the location of the Standard Disclosures in the report	G	— <b>Chapter 6.</b> Supplementary information: Indicator Index: <b>page 79</b>
	<b>ASSURANCE</b>			
	3.13	Policy and current practice with regard to seeking external assurance for the report	G	— <b>Page 4</b> — <b>Chapter 6.</b> Supplementary information: Principles for drafting the Report; External Assurance Report: <b>pages 77-78; page 95</b>
	<b>GOVERNANCE</b>			
	4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight. Mandate and composition (including number of independent members and/or non-executive members) of such committees and indication of any direct responsibility for economic, social, and environmental performance	G	— <b>Chapter 2.</b> General Information: 2.4. Governing Bodies: <b>page 11</b> — Code of Good Governance: ( <a href="http://www.mapfre.com">www.mapfre.com</a> ) — Book 1. Annual Accounts and Management Report; Subsidiaries
	4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement)	G	
	4.3	Number of members of the highest governance body that are independent and/or non-executive members	G	
	4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	G	— <b>Chapter 3.</b> MAPFRE and RS: <b>page 12</b> — <b>Chapter 4.</b> MAPFRE and its shareholders: relationship channels: <b>page 55</b> — <b>Chapter 4.</b> MAPFRE and its employees: relationship channels and Code of Ethics and Conduct ( <a href="http://www.mapfre.com">www.mapfre.com</a> ): <b>page 27; page 35</b> — Code of Good Governance: ( <a href="http://www.mapfre.com">www.mapfre.com</a> ) — Book 1. Annual Accounts and Management Report; Subsidiaries
	4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance)	G	— <b>Chapter 4.</b> MAPFRE and its employees: <b>page 30; pages 32-33</b> — Code of Good Governance ( <a href="http://www.mapfre.com">www.mapfre.com</a> ) — Book 1. Annual Accounts and Management Report; Subsidiaries
	4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided	G	— <b>Chapter 2.</b> General Information: 2.4. Governing Bodies: <b>page 11</b> — <b>Chapter 3.</b> MAPFRE and SR: MAPFRE's ethical and socially responsible behaviour: <b>page 16</b> — Code of Good Governance ( <a href="http://www.mapfre.com">www.mapfre.com</a> ) — Book 1. Annual Accounts and Management Report; Subsidiaries — The internal code of conduct relating to listed securities issued by MAPFRE is published on the company's intranet, on the corporate webpage ( <a href="http://www.mapfre.com">www.mapfre.com</a> ) and on the CNMV webpage — Code of Ethics and Conduct: Ethics Committee: Ethical Whistleblowing Channel for Employees ( <a href="http://www.mapfre.com">www.mapfre.com</a> )
	4.7	Processes for determining the loyalty and experience required from members of the highest governing body in order to guide strategy of the organisation in social, environmental and economic affairs	G	— Code of Good Governance ( <a href="http://www.mapfre.com">www.mapfre.com</a> ) — Book 1. Annual Accounts and Management Report; Subsidiaries.
	4.8	Mission statements and values developed internally, codes of conduct and relevant principals for economic, environmental and social performance and the state of their implementation	G	— <b>Page 4:</b> Chairman's Letter: mission, vision and values — Institutional and business principles of the Code of Good Governance ( <a href="http://www.mapfre.com">www.mapfre.com</a> ) — <b>Chapter 3.</b> Mapfre and Corporate Social Responsibility: policy and model (published on the corporate website <a href="http://www.mapfre.com">www.mapfre.com</a> ) Ethical and socially responsible action: <b>page 12</b> — <b>Chapter 4.</b> MAPFRE and Employees: protocols, Code of Ethics and Conduct — <b>Chapter 4.</b> MAPFRE and its customers — <b>Chapter 5.</b> MAPFRE's Environmental Dimension: Policy. (published on the website <a href="http://www.mapfre.com">www.mapfre.com</a> ): <b>page 67</b>

## General section

Scope of information. **G**: GENERAL INFORMATION **E**: INFORMATION ONLY IN SPAIN **NA**: INDICATOR THAT DOES NOT APPLY **ND**: INFORMATION NOT AVAILABLE

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	6 <ul style="list-style-type: none"> <li>– Code of Good Governance (www.mapfre.com)</li> <li>– <b>Page 4</b>: Chairman's Letter: mission, vision and values</li> <li>– <b>Chapter 3</b>. MAPFRE and Corporate Social Responsibility: Ethical and socially responsible action: ESG Risks: <b>pages 18-19</b></li> <li>– <b>Chapter 4</b>. MAPFRE and its employees: Introduction - Code of Ethics and Conduct SE: <b>pages 16-17, page 27</b></li> <li>– <b>Chapter 6</b>. Supplementary information: Principles for drafting the Report: <b>pages 77-78</b></li> <li>– Book 1. Annual Accounts and Management Report; Subsidiaries</li> </ul>
4.10	Processes for evaluating performance of highest governing body, particularly with regard to economic, environmental and social performance	6 <ul style="list-style-type: none"> <li>– <b>Chapter 3</b>. Mapfre and Corporate Social Responsibility: Ethical and socially responsible action: Internal Control: <b>page 17</b></li> <li>– Code of Good Governance: (www.mapfre.com)</li> <li>– Book 1. Annual Accounts and Management Report; Subsidiaries</li> </ul>
<b>COMMITMENTS TO EXTERNAL INITIATIVES</b>		
4.11	Description of how organisation has adopted an approach or precautionary principle	6 <ul style="list-style-type: none"> <li>– <b>Page 4</b> Chairman's Letter: mission, vision and values</li> <li>– Code of Good Governance:</li> <li>– <b>Chapter 3</b>. MAPFRE and Corporate Social Responsibility: ESG Risks: <b>pages 18-19</b></li> <li>– Book 1. Annual Accounts and Management Report; Subsidiaries</li> </ul>
4.12	Principles or social, environmental or economic programs developed externally, as well as any other initiative the organisation signs or approves	6 <ul style="list-style-type: none"> <li>– <b>page 4</b> Chairman's Letter</li> <li>– <b>Chapter 3</b>. MAPFRE and Corporate Social Responsibility: Main associations: <b>page 23</b></li> <li>– <b>Chapter 4</b>. MAPFRE and its shareholders: Stock market index membership: <b>pages 55-56</b></li> <li>– <b>Chapter 5</b>. Environmental Dimension: Participation in the Carbon Disclosure Project report and sponsorship of the Carbon Disclosure Project Iberia (www.cdproject.net): <b>page 75</b></li> <li>– <b>Chapter 6</b>. Supplementary information: Global Compact Principles and the Millennium Development Goals: <b>pages 19-20; pages 92-93</b></li> <li>– MAPFRE promotes and sponsors the international and Latin American edition of the Robin Cosgrove prize for papers on ethics in finance written by people under 35</li> </ul>
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations in which the organisation has positions in governance bodies	6 <ul style="list-style-type: none"> <li>– <b>Chapter 3</b>: MAPFRE and Corporate Social Responsibility: Main associations: <b>page 23</b></li> </ul>
<b>STAKEHOLDER ENGAGEMENT</b>		
4.14	List of stakeholder groups engaged by the organisation	6 <ul style="list-style-type: none"> <li>– <b>Capítulo 3</b>. MAPFRE and Corporate Social Responsibility. Stakeholders and social responsibility action policy: <b>págs. 13-16</b></li> <li>– MAPFRE's Annual Social Responsibility Report earmarks a dedicated chapter to the following stakeholders: employees, customers, shareholders, the professionals and entities that help distribute its products and suppliers. In addition, MAPFRE earmarks another chapter to its environmental dimension. Each chapter specifically details the channels put in place by MAPFRE for communicating and dealing with each stakeholder group</li> </ul>
4.15	Basis for identification and selection of stakeholders with whom to engage	6 <ul style="list-style-type: none"> <li>– Mapfre and Corporate Social Responsibility: Stakeholders: corporate map: <b>págs. 13-16</b></li> </ul>
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	6 <ul style="list-style-type: none"> <li>– <b>Pág. 4</b> Chairman's Letter</li> <li>– <b>Capítulo 6</b>. Supplementary information: Principles for drafting the Report: <b>págs. 77-78</b></li> </ul>
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	6 <ul style="list-style-type: none"> <li>– See indicator 4.14</li> </ul>

# Economic performance

Scope of information. G: GENERAL INFORMATION E: INFORMATION ONLY IN SPAIN NA: INDICATOR THAT DOES NOT APPLY ND: INFORMATION NOT AVAILABLE

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments
<b>ECONOMIC PERFORMANCE</b>		
EC1 Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	G	— Chapter 4. MAPFRE and its employees: Pay policy: <b>pages 32-33</b> — Book 1. Annual Accounts and Management Report; Subsidiaries — <b>(Related to LA14; LA3; S01)</b>
EC2 Financial consequences and other risks and opportunities for activities of organisation owing to climate change	G	— Chapter 3. MAPFRE and Corporate Social Responsibility: ESG Risks: <b>pages 18-19</b> — Book 1. Annual Accounts and Management Report; Subsidiaries — <b>(Related to EN3)</b>
EC3 Coverage of obligations of organisation owing to social benefit programs	G	— Chapter 4. MAPFRE and its employees: <b>page 33; page 35</b> — Book 1. Annual Accounts and Management Report; Subsidiaries — <b>(Related to LA3)</b>
EC4 Significant financial assistance received from government	G	— Book 1. Annual Accounts and Management Report; Subsidiaries
<b>MARKET PRESENCE</b>		
EC5 Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation	G	MAPFRE complies with the labour legislation in force in each country and in the collective agreements that also apply to the Group undertakings. Therefore there is no "standard starting salary" — Chapter 4. MAPFRE and its employees: Remuneration policy (chart): <b>pages 32-33</b> — <b>(Related to LA14)</b>
EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	G	<b>Policy and practice:</b> — Chapter 3. MAPFRE and Corporate Social Responsibility: Stakeholder commitment chart. CSR Policy: <b>pages 13-16</b> — Chapter 4. MAPFRE and its suppliers: <b>page 62</b> — Code of Ethics and Conduct: <a href="http://www.mapfre.com">www.mapfre.com</a> <b>Suppliers expense:</b> — Chapter 4. MAPFRE and its suppliers: <b>page 62</b> — Book 1. Annual Accounts and Management Report; Subsidiaries
EC7 Processes for local contracting and proportion of top executives from local community in places where significant operations are undertaken	G	<b>Code of Good Governance (<a href="http://www.mapfre.com">www.mapfre.com</a>)</b> — Institutional Principles. Ethically and socially-responsible conduct, section c) "Equal treatment in relations with those who provide their services as directors, managers, employees, delegates, agents, and professional associates. This requires objectivity in their appointment and promotion, and suitable and reasonable remuneration and conditions; and no discrimination on the grounds of their race, political ideology, religious beliefs, sex, or social condition" — <b>TII (Senior Representative and Managerial Officers) (Senior Executives) Group hiring policy</b> <b>92,3%</b> of senior management working in the Group's companies outside Spain are hired locally
<b>INDIRECT ECONOMIC IMPACTS</b>		
EC8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	NA	
EC9 Understanding and description of significant indirect economic impacts, including the scope of said impacts	NA	

# Environmental performance

Scope of information. G: GENERAL INFORMATION E: INFORMATION ONLY IN SPAIN NA: INDICATOR THAT DOES NOT APPLY ND: INFORMATION NOT AVAILABLE

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments
<b>MATERIALS</b>		
EN1	Materials used by weight or volume	G — Chapter 5. MAPFRE's Environmental Dimension: Environmental and energy management: <b>pages 67-70</b>
EN2	Percentage of materials used that are recycled input materials	E
<b>ENERGY</b>		
EN3	Direct energy use segmented by primary source	G — Chapter 5. MAPFRE's Environmental Dimension: Eco-Efficiency: <b>pages 69-70</b>
EN4	Indirect energy consumption by primary source	G
EN5	Energy saved due to conservation and efficiency improvements	G
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved	G
<b>WATER</b>		
EN8	Total water withdrawal by source	G — Chapter 5. MAPFRE's Environmental Dimension: Water management: <b>page 72</b>
EN9	Water sources significantly affected by withdrawal of water	NA
EN10	Percentage of total volume of recycled and reused water	NA
<b>BIODIVERSITY</b>		
EN11	Description of land in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas. Location and size of land owned, leased or managed in areas of high biodiversity value outside protected areas	G The buildings that house the head offices of Companies or Regional Head Offices of the MAPFRE GROUP in Spain and of Direct Insurance companies in America are not located in protected spaces or in unprotected High Diversity Areas
EN12	Description of most significant impacts in biodiversity in protected natural spaces related to the activities, products and services in protected areas and in areas of high value in biodiversity in areas outside the protected areas	G
EN13	Protected or restored habitats	G
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	G
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	G
<b>EMISSIONS, EFFLUENTS, AND WASTE</b>		
EN16	Total direct and indirect greenhouse gas emissions by weight	G
EN17	Other relevant indirect greenhouse gas emissions by weight	G — Chapter 5. MAPFRE's Environmental Dimension: Eco-Efficiency: <b>pages 69-70</b>
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved	G — Chapter 5. MAPFRE's Environmental Dimension: Eco-Efficiency; Employees/ car share: <b>pages 69-70</b>
EN19	Emissions of ozone-depleting substances by weight	G — Chapter 5. MAPFRE's Environmental Dimension: Waste management: <b>page 72</b>
EN20	NO, SO, and other significant air emissions by type and weight	NA
EN21	Total water discharge by quality and destination	NA
EN22	Total weight of waste by type and disposal method	G — Chapter 5. MAPFRE's Environmental Dimension: Waste management: <b>page 73</b>
EN23	Total number and volume of significant spills	G We are not aware of any significant spills in 2012 in the establishments and facilities managed by MAPFRE in Spain. Accordingly, no emergency plans of an environmental nature were activated during the year
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally	NA
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff	G The buildings that house the MAPFRE Group's Regional Head Offices or companies in Spain and Direct Insurance companies in America, are not located in protected spaces or in unprotected High Diversity Areas

## Environmental performance

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments	
<b>PRODUCTS AND SERVICES</b>			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	G	— Chapter 4. MAPFRE and its customers: Products and services for the environmental risk: <b>page 46</b>
EN27	Percentage of products sold and their packaging materials that are reclaimed at the end of their useful life, by product category	NA	
<b>COMPLIANCE</b>			
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	G	We are not aware of any pending significant fines or sanctions for non-compliance by MAPFRE with Spanish environmental laws and regulations during 2011
<b>TRANSPORT</b>			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	NA	
<b>GENERAL</b>			
EN30	Breakdown by type of total environmental expenses and investments	G	— Chapter 5. MAPFRE's Environmental Dimension: Wastes; Environmental and energy management: <b>pages 67-70</b>

## Social performance

Scope of information. G: GENERAL INFORMATION E: INFORMATION ONLY IN SPAIN NA: INDICATOR THAT DOES NOT APPLY ND: INFORMATION NOT AVAILABLE

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments	
<b>EMPLEO</b>			
LA1	Breakdown of workers by type of employment, contract and region	G	— Chapter 4. MAPFRE and its employees: Workforce structure: <b>pages 27-28</b>
LA2	Total number of employees and average employee turnover, broken down by age, sex and region	G	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	G	— Chapter 4. MAPFRE and its employees: Pay policy: <b>pages 32-33</b>
LA15	Return to work and retention rates after parental leave, by gender	G	98% of women return to work after taking maternity leave. 99.3% of men return to work after taking paternity leave.
<b>LABOUR/MANAGEMENT RELATIONS</b>			
LA4	Percentage of employees covered by collective bargaining agreements	G	— Chapter 4. MAPFRE and its employees: Employee communication and labour-management relations: <b>page 35</b> — (Related to LA1)
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	G	The provisions of the employment legislation in force in each country are applied
<b>WORKPLACE HEALTH AND SAFETY</b>			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes	G	— Chapter 4. MAPFRE and its employees: Health and safety at work; Health Promotion: <b>pages 35-36</b>
LA7	Percentage of employees receiving regular performance and career development evaluations	G	— Chapter 4. MAPFRE and its employees: Health and safety at work: <b>pages 35-36</b>

## Social performance

Scope of information. G: GENERAL INFORMATION E: INFORMATION ONLY IN SPAIN NA: INDICATOR THAT DOES NOT APPLY ND: INFORMATION NOT AVAILABLE

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	G — Chapter 4. MAPFRE and its employees: Health and safety at work; Health Promotion: <b>page 36</b>
LA9	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements	G — Chapter 4. MAPFRE and its employees: Health and safety at work — (Related to indicator LA6): <b>page 35</b>
<b>TRAINING AND EDUCATION</b>		
LA10	Average hours of training per year per employee by employee category	G — Chapter 4. MAPFRE and its employees: Training and career development: charts: <b>pages 30-32</b>
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	G — Chapter 4. MAPFRE and its employees: Training and career development: <b>pages 30-32</b>
LA12	Percentage of employees receiving regular performance and career development evaluations	G — Chapter 4. MAPFRE and its employees: Assessment and development: <b>pages 30-32</b>
<b>DIVERSITY AND EQUAL OPPORTUNITIES</b>		
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	G — Chapter 4. MAPFRE and its employees: <ul style="list-style-type: none"> <li>— Workforce structure: <b>pages 27-28</b></li> <li>— Disabled employees: <b>page 29</b></li> <li>— Selection: <b>page 29</b></li> <li>— Job mobility and internal promotion: <b>page 29</b></li> <li>— Equal opportunities and work-life balance: equal opportunities: <b>pages 33-34</b></li> </ul> — Book 1. Annual Accounts and Management Report; Subsidiaries (Related to indicator LA1)
<b>EQUAL REMUNERATION FOR WOMEN AND MEN</b>		
LA14	Relationship between the base salary of men compared to women, broken down by professional category	ND — Chapter 4. MAPFRE and its employees: Pay policy: <b>pages 32-33</b>
<b>INVESTMENT AND PROCUREMENT PRACTICE</b>		
HR1	Percentage and total number of significant investment agreements that include clauses on human rights or that have been subject to analysis on human rights	G — Chapter 3. Mapfre and Corporate Social Responsibility: ESG Risks: <b>pages 18-19</b> — RS Policy, principle 1 — Code of Ethics and Conduct (Art. 3.2.3) applicable throughout the Group www.mapfre.com
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	G
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	G — Chapter 3. Mapfre and Corporate Social Responsibility: <b>pages 16-18</b> Ethical and Socially Responsible action: Anti-corruption Training — See indicator SO3 — Chapter 4. MAPFRE and its employees: Training and career development: charts, Moral and sexual harassment in the workplace: <b>pages 30-31; page 34</b>
<b>NON-DISCRIMINATION</b>		
HR4	Total number of discrimination incidents and measures taken	G <b>page 17; page 34</b>

## Social performance

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments
<b>FREEDOM OF ASSOCIATION AND COLLECTIVE AGREEMENTS</b>		
 HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	G
<b>CHILD LABOUR</b>		
 HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour	G
<b>FORCED LABOUR</b>		
 HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour	G
<p>MAPFRE is committed to defending, respecting and protecting basic labour rights, and the human rights and public liberties recognized in the Universal Declaration of Human Rights and has formally endorsed the Ten Principles contained in the UN Global Compact. MAPFRE is committed to fully respecting workers' freedom of association and collective bargaining rights, complying with prevailing legislation in each country. (MAPFRE and its employees. Labour-Management Relations). It does not directly or indirectly use child labour, does not allow forced labour and guarantees the freedom of opinion and expression of its employees. All pursuant to the provisions of its Code of Ethics and Conduct, which applies to all the SISTEMA MAPFRE Employees, whatever their position or level, as well as in its subsidiaries and investee companies in which the Group has control of management, irrespective of their activity or geographical location. This declaration features in the MAPFRE Code of Ethics and Conduct, published on the corporate web <a href="http://www.mapfre.com">www.mapfre.com</a>, in Spanish, Englishwoman and Chinese</p> <ul style="list-style-type: none"> <li>– <b>page 4.</b> Chairman's Letter</li> <li>– <b>Chapter 3.</b> MAPFRE and Corporate Social Responsibility: Social Responsibility Policy; ESG Risks: <b>pages 18-19</b></li> <li>– <b>Chapter 4.</b> MAPFRE and its employees: Introduction page. Employee communication and labour-management relations: Workers' representatives: <b>page 27; page 35</b></li> <li>– <b>Chapter 4.</b> MAPFRE is part of the FTSE4Good and FTSE4Good IBEX indices and the Global Compact (see website); DJSI</li> <li>– Global Compact Progress Report (<a href="http://www.pactomundial.org">www.pactomundial.org</a>)</li> </ul>		
<b>SECURITY PRACTICES</b>		
 HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations	G
<b>INDIGENOUS RIGHTS</b>		
 HR9	Total number of incidents of violations involving rights of indigenous people and actions taken	G
<p>There is no record of any incidents of violations involving rights of indigenous people caused directly by MAPFRE and measures adopted</p> <ul style="list-style-type: none"> <li>– Global Compact Progress Report (<a href="http://www.pactomundial.org">www.pactomundial.org</a>)</li> <li>– Membership of FOOTSE4Good and FOOTSE4Good IBEX; DJSI</li> </ul>		
<b>ASSESSMENT</b>		
 HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	G
<ul style="list-style-type: none"> <li>– <b>Chapter 3.</b> Mapfre and Corporate Social Responsibility: Ethical and socially responsible action: <b>page 17</b></li> <li>– Related to indicators HR5, HR6 and HR7</li> </ul>		
<b>CORRECTIVE MEASURES</b>		
 HR11	Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms	G
<b>LOCAL COMMUNITY</b>		
 S01	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating and exiting	NA
 S09	Percentage of operations with significant potential or actual negative impacts on local communities	NA
 S10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	NA
<p>These indicators are not considered material in relation to this CSR Report. The operations performed by MAPFRE do not have a significant negative impact on the local communities in which it operates.</p> <p>Moreover, there is a procedure governing the opening of new commercial branches, which includes, among other aspects, performing economic viability analysis of the operation to ensure the business will be sustainable and profitable over time, benefitting the community of which it is part</p> <ul style="list-style-type: none"> <li>– <b>Page 4</b></li> <li>– <b>Chapter 3.</b> MAPFRE and Corporate Social Responsibility: Social Responsibility Policy. ESG Risks: <b>pages 14-15; pages 18-19</b></li> <li>– Global Compact Progress Report (<a href="http://www.pactomundial.org">www.pactomundial.org</a>)</li> <li>– Membership of FTSE4Good y FTSE4Good IBEX; DJSI</li> </ul>		

## Social performance

Scope of information. G: GENERAL INFORMATION E: INFORMATION ONLY IN SPAIN NA: INDICATOR THAT DOES NOT APPLY ND: INFORMATION NOT AVAILABLE

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments
<b>CORRUPTION</b>		
S02	Percentage and total number of business units analysed with regard to corruption-related risks	G Pages 16-18
S03	Percentage of employees trained in the organisation's anti-corruption policies and procedures	G — Chapter 3. MAPFRE and Corporate Social Responsibility: Ethical and socially responsible action. Training table: pages 16-17
S04	Actions taken in response to incidents of corruption	G We are not aware of any significant incidents of corruption in the Group. MAPFRE has in place oversight mechanisms to avoid this type of conduct within the organization — Chapter 3. MAPFRE and Corporate Social Responsibility: Ethical and socially responsible action: pages 16-17 — See Code of Ethics and Conduct www.mapfre.com
<b>PUBLIC POLICY</b>		
S05	Public policy positions and participation in public policy development and lobbying	G — MAPFRE's Code of Good Governance, published on the corporate webpage. www.mapfre.com
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	G — MAPFRE's Code of Ethics and Conduct, published on the corporate webpage. www.mapfre.com
<b>ANTI-COMPETITIVE BEHAVIOUR</b>		
S07	Total number of legal actions for anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes	G In the 2010 Annual CSR Report, this indicator included information about the appeal lodged before the pertinent courts against an anti-trust ruling regarding an alleged MAPFRE infraction for premium setting for new build construction cover. MAPFRE lodged an appeal with the High Court, which ruled in its favour, cancelling the fine
<b>COMPLIANCE</b>		
S08	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations	G — See Book1. Annual Accounts and Management Report; Subsidiaries — Related to the following indicators HR4, HR9; S07; PR4, PR8-9
<b>CUSTOMER HEALTH AND SAFETY</b>		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	NA MAPFRE's insurance products and services do not affect its customers' health and safety. The life cycle of insurance policies varies by customer and insurer and all matters are regulated in the contract arranged between both parties
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes	NA
<b>PRODUCT AND LABELLING SERVICES</b>		
PR3	Types of information on products and services required by present processes and regulations and percentage of products and services subject to these reporting requirements	G MAPFRE complies with all applicable laws and regulations in this respect in all the countries where it operates. In addition, it applies the institutional principles laid down in its Code of Good Governance which are mandatory Group-wide. — Chapter 3. Mapfre and Corporate Social Responsibility: Social Responsibility Policy: pages 14-15 — Chapter 4. MAPFRE and its employees: Introduction page. Code of Ethics and Conduct: page 17 — Code of Good Governance (www.mapfre.com)

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments
 PR4	G	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes We are not aware of any claims of non-compliance with voluntary codes concerning product and service information and labelling
PR5	G	Practices related to customer satisfaction, including results of customer satisfaction studies — <b>Chapter 4.</b> MAPFRE and its customers: Quality: <b>page 53</b>
<b>MARKETING</b>		
 PR6	G	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion and sponsorship MAPFRE applies the provisions of the UNESPA Good Practice Guide on advertising and transparency throughout the Group.
PR7	G	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes We are not aware of any pending significant fines or sanctions for non-compliance by MAPFRE with regulations concerning marketing communications, including advertising, promotion and sponsorship
<b>CUSTOMER PRIVACY</b>		
 PR8	G	Total number of complaints based on respect for privacy and loss of this personal customer data In 2012, the MAPFRE Group was notified of only two disciplinary inquiries relating to the Spanish Personal Data Protection Act 15/1999 of 13th December, both of which have yet to be resolved by the Data Protection Agency. Judgment has also been given in court proceedings pending from 2008, fully upholding our lawsuit and cancelling the penalty imposed on a Group company. MAPFRE has continued to work on developing, implementing and providing training for the procedures and mechanisms required to duly comply with personal data protection legislation throughout the Group MAPFRE's Code of Ethics and Conduct ( <a href="http://www.mapfre.com">www.mapfre.com</a> )
<b>COMPLIANCE</b>		
 PR9	G	Monetary value of significant fines for noncompliance with laws and regulations concerning the provision and use of products and services — Related to indicator PR4

## GRI financial services supplement indicators

Scope of information. G: GENERAL INFORMATION E: INFORMATION ONLY IN SPAIN NA: INDICATOR THAT DOES NOT APPLY ND: INFORMATION NOT AVAILABLE

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments
<b>IMPACT OF PRODUCTS AND SERVICES</b>		
 FS1	G	Policies with specific environmental and social components applied to business lines — <b>Page 4</b> Chairman's Letter — <b>Chapter 3.</b> MAPFRE and Corporate Social Responsibility: Social Responsibility Policy (also available on the corporate web <a href="http://www.mapfre.com">www.mapfre.com</a> ): <b>pages 14-16</b> — <b>Chapter 5.</b> MAPFRE's Environmental Dimension: Environmental Policy (also available on the corporate web <a href="http://www.mapfre.com">www.mapfre.com</a> ): <b>page 67</b>
FS2	G	Procedures for assessing and screening environmental and social risks in business lines — <b>Chapter 3.</b> MAPFRE and Corporate Social Responsibility: ESG Risks: <b>pages 18-19</b> — <b>Chapter 5.</b> MAPFRE's Environmental Dimension: Environmental and energy management <b>pages 67-70</b> — Book 1. Annual Accounts and Management Report; Subsidiaries

## GRI financial services supplement indicators

Scope of information. **G**: GENERAL INFORMATION **E**: INFORMATION ONLY IN SPAIN **NA**: INDICATOR THAT DOES NOT APPLY **ND**: INFORMATION NOT AVAILABLE

GRI Indicator	Scope of the information and assurance	Where to find the information/ Comments
FS3	Processes for monitoring customers' implementation of and compliance with environmental and social requirements included in agreements or transactions	G – Chapter 3. MAPFRE and Corporate Social Responsibility: ESG Risks. CSR Audits – Internal Control System: <b>pages 18-19</b>
FS4	Processes for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	G – Chapter 4. MAPFRE and its employees: Training and career development: <b>page 30</b> – Chapter 5. MAPFRE'S Environmental Dimension: Employees: <b>page 75</b>
FS5	Interactions with customers/investee/business partners regarding environmental and social risks and opportunities	G <b>Interactions with customers:</b> – Chapter 4. MAPFRE and its customers: Customer service channels: <b>page 39</b> – Chapter 4. MAPFRE'S Environmental Dimension: Products and services for the environmental risk: <b>pages 46</b> <b>Interactions with investors and shareholders:</b> – Chapter 4. MAPFRE and its shareholders: Investor relation channels. Investor Relations: <b>page 55</b> . Corporate web: <a href="http://www.mapfre.com">www.mapfre.com</a>
<b>PRODUCT PORTFOLIO</b>		
FS6	Breakdown of the portfolio for each business lines by specific region, size (e.g. micro/SME/large) and by sector	G – Chapter 4. MAPFRE and its customers: <b>page 38</b> Book 1. Annual Accounts and Management Report; Subsidiaries: <b>pages 41-46</b>
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	G – Chapter 4. MAPFRE and its customers: <b>page 38; pages 40-46</b>
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	G – Chapter 4. MAPFRE and its customers. Environmental risk products: <b>page 46</b>
<b>AUDIT</b>		
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	G – page 4 Chairman's Letter – Chapter 3. Mapfre and Corporate Social Responsibility: CSR audits; ESG Risks: <b>pages 18-19</b> – Chapter 6. Supplementary information. Principles for drafting the Report: <b>pages 77-78</b> – Book 1. Annual Accounts and Management Report; Subsidiaries
<b>ACTIVE OWNERSHIP</b>		
FS10	Percentage and number of companies held in the portfolio with which the reporting organisation has interacted on environmental or social issues	ND We do not have this information broken down as required in this indicator
FS11	Percentage of assets subject to positive and negative environmental or social screening	NA
FS12	Voting policy or policies applied to environmental or social issues for shares over which the reporting organisation holds the right to vote shares or advises on voting	NA
<b>COMMUNITY</b>		
FS13	Access points in low-populated or economically disadvantaged areas by type	G – General information
FS14	Initiatives to improve access to financial services for disadvantaged people	G – page 4 Chairman's Letter – Chapter 4. MAPFRE and its customers: Customer Assistance Channels. Insurance products and services: <b>page 39</b>
<b>CUSTOMER HEALTH AND SAFETY</b>		
FS15	Policies for the fair design and sale of financial products and services	G – page 4 Chairman's Letter: Disabilities Taskforce MAPFRE applies the institutional principles laid down in its Code of Good Governance which are mandatory Group-wide. In Spain it applies the provisions of the Guide to Good practice in transparency and disclosure and the UNESPA Disability guide and, throughout the rest of the Group, the self-regulatory guidelines applicable in this area in each country – Chapter 3. MAPFRE and Corporate Social Responsibility: Social Responsibility Policy: <b>pages 14-16</b> – Chapter 4. MAPFRE and its employees: Introduction page. Code of Ethics and Conduct: <b>page 27</b>
<b>MARKETING COMMUNICATIONS</b>		
FS16	Initiatives to enhance financial literacy by type of beneficiary	G MAPFRE, through and in collaboration with the Insurance Institute of the MAPFRE FOUNDATION promotes awareness and knowledge of insurance ( <a href="http://www.fundacionmapfre.com">www.fundacionmapfre.com</a> ) – Chapter 4. MAPFRE and its employees: Training and career Development In-house training courses

## Index of Icea indicators for the insurance sector

In 2008, the ICEA (*Association for Cooperative Research between Insurance Companies and Pension Funds*)<sup>1</sup>, set up the Spanish Social Responsibility Working Group, formed by representatives of different insurance groups, including MAPFRE, with the goal of becoming a forum where Spanish insurance firms could meet and pool social responsibility-related experiences that enable the sector to move forward in this area.

In 2010 the Working Group drafted its first report “*CSR as a generator of value*” and in 2012, on the premise from the premise that the drafting and publication of social responsibility reports is voluntary for companies, it published its second report, “*CSR Indicators in the Insurance Sector*”.

This guide supplements the current reporting models such as the one used to draft the MAPFRE 2012 Social Responsibility Report, and provides common minimum standards for insurance firms who want to “*express their commitment to sustainability as another asset of their insurance business*”<sup>2</sup>, as well as providing us with a common language in this field of social responsibility.

MAPFRE has resolved to include them as indicators to supplement the GRIs described in the previous section anterior.

### Index of Icea CSR indicators for the Insurance Sector

Stakeholder	Indicators	Indicators GRI	CSR Annual Report MAPFRE 2012
 <b>Customers/ Mutual society members</b>	Customer retention	PR5	<b>Chapter 3. MAPFRE and Corporate Social Responsibility</b> – Stakeholders and social responsibility action policy: <b>pages 13-16</b> – MAPFRE’s ethical and socially responsible behaviour: <b>page 17</b>
	Level of Satisfaction (GRI)		
	Insurance Policy Complaints and Claims	4.16; PR8	<b>Chapter 4. MAPFRE’s Social Dimension</b> – MAPFRE and its costumers: <b>págs. 38-54</b>
	Complaints and Claims submitted to the DGS (Insurance Authority)		
	Number of new products or improvements on existing ones with respect to previous year’s insurance offering	EN26; FS6; FS14	
	Characteristics of the new products or improvements made	2.2; FS6	
	Adoption of the Customer-related guides published by UNESPA (Spanish Association of Insurers and Reinsurers)	PR6	
 <b>Distributors</b>	Broker training	FS4; 4.16, 4.17	<b>Chapter 3. Mapfre and Corporate Social Responsibility</b> – Stakeholders and social responsibility action policy: <b>pages 13-16</b> – MAPFRE’s ethical and socially responsible behaviour: <b>page 17</b>
	Agent Retention		
	Level of Satisfaction		<b>Chapter 4. MAPFRE’s Social Dimension</b> – MAPFRE and the professionals and entities that help distribute products: <b>page 57</b>
	Existence of procedures for guidelines or codes of conduct		
 <b>Business Suppliers</b>	Supplier selection under CSR criteria	4.16; FS1	<b>Chapter 3. MAPFRE and Corporate Social Responsibility</b> – Stakeholders and social responsibility action policy: <b>pages 13-18</b> – MAPFRE’s ethical and socially responsible behaviour: <b>page 17</b>
	Business supplier training	4.16	
	Level of Satisfaction	4.16; 4.17	<b>Chapter 4. MAPFRE’s Social Dimension</b> – MAPFRE and suppliers: <b>page 62</b>

(1) [www.icea.es](http://www.icea.es)

(2) Report, “*RSC Indicators in the Insurance Sector*”. [www.icea.es](http://www.icea.es)

## Index of Icea CSR indicators for the Insurance Sector

Stakeholder	Indicators	Indicators GRI	CSR Annual Report MAPFRE 2012
<b>Employees</b>			
	Temporary employment	LA1	<b>Chapter 3. MAPFRE and Corporate Social Responsibility</b> – Stakeholders and social responsibility action policy: <b>pages 13-16</b> – MAPFRE’s ethical and socially responsible behaviour <b>page 17</b>  <b>Chapter 4. MAPFRE’s Social Dimension</b> – MAPFRE and its employees: <b>págs. 27-37</b>
	Average length of service of the work force	LA1 - 15	
	Internal Promotion	LA11; LA12	
	Standardised performance assessment processes	LA12	
	Ongoing training laid down by law	LA10, LA11	
	Existence of reconciliation policies / Description of reconciliation policies	LA14	
	Level of Satisfaction	4.17; LA2	
	Equality	LA2, LA13, LA14	
	Disability % that exceeds LISMI (Disabled Social Integration Act)	LA13	
<b>Shareholders/ Mutual Society Members</b>			
	Adoption of the UNESPA guides on Shareholders	4.8; PR6	<b>Chapter 3. MAPFRE and Corporate Social Responsibility</b> – Stakeholders and social responsibility action policy: <b>pages 13-16</b> – MAPFRE’s ethical and socially responsible behaviour: <b>page 17</b>  <b>Chapter 4. MAPFRE’s Social Dimension</b> MAPFRE and its shareholders: <b>pages 55-56</b>
<b>Environment</b>			
	Existence of an environmental policy in place in its company	FS1	<b>Chapter 3. MAPFRE and Corporate Social Responsibility</b> – Stakeholders and social responsibility action policy: <b>pages 13-16</b> <b>Chapter 4. MAPFRE’s Social Dimension</b> – and its customers: environmental risk-related insurance products: <b>page 39</b> <b>Chapter 5. MAPFRE’s Environmental Dimension : pages 66-75</b>
<b>Company</b>			
	Corporate volunteer work	LA11; FS13; FS14	<b>Chapter 3. MAPFRE and Corporate Social Responsibility</b> – Stakeholders and social responsibility action policy: <b>pages 13-16</b> <b>Chapter 4. MAPFRE’s Social Dimension</b> – MAPFRE and its employees: volunteer work: <b>page 37</b>  FUNDACIÓN MAPFRE: <a href="http://www.fundacionmapfre.com">www.fundacionmapfre.com</a> MAPFRE 2012 Annual Accounts
	Percentage of premiums allocated to contribution to Society	FS7, FS14	
	Contribution to Society		



# Global Compact Principles and Millennium Development Goals

The following table shows the correlation between Global Compact Principles, GRI V3 performance indicators and Millennium Development Goals according to the MAPFRE Social Responsibility Report.

AREAS	GLOBAL COMPACT PRINCIPLES	GRI 3 INDICATORS*	MILLENNIUM DEVELOPMENT GOAL
HUMAN RIGHT	1. Businesses should support and respect the protection of internationally proclaimed human rights under their sphere of influence	<b>SOCIAL PERFORMANCE</b> – Investment and procurement practice: HR1-HR3 – Non-discrimination: HR4 – Freedom of association and collective agreements: HR5, HR6, – Forced labour: HR7 – Security practices: HR8 – Indigenous rights: HR9 – Labour-Management Relations LA4 – Occupational Health and Safety: LA6-LA9 – Diversity and equal opportunities: LA13, LA14 – Public Policy: S05 – Customer health and safety: PR1, PR2, – Customer privacy: PR8. <b>ECONOMIC PERFORMANCE: EC5</b>	<b>Goal 1:</b> Eradicate extreme poverty and hunger  <b>Goal 3:</b> Promote gender equality and empower women  <b>Goal 4:</b> Reduce child mortality  <b>Goal 5:</b> Improve maternal health  <b>Goal 6:</b> Combating HIV/AIDS, malaria, and other diseases  <b>Goal 8:</b> Create a global partnership for development
	2. Businesses should make sure they are not complicit in human rights abuses	<b>SOCIAL PERFORMANCE</b> – Investment and procurement practice: HR1-HR3 – Non-discrimination: HR4 – Freedom of association and collective agreements: HR5, HR6, – Forced labour: HR7 – Security practices: HR8 – Indigenous rights: HR9 – Evaluation: HR10 – Remedial action: HR11 – Public Policy: S05	
DERECHOS LABORALES	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	<b>SOCIAL PERFORMANCE</b> – Labour-Management Relations LA4-LA5 – Investment and procurement practice: HR1-HR3 – Freedom of association and collective agreements: HR5 – Public Policy: S05	<b>Goal 1:</b> Eradicate extreme poverty and hunger <b>Goal 3:</b> Promote gender equality and empower women <b>Goal 8:</b> Create a global partnership for development
	4. Businesses should uphold the elimination of all forms of forced and compulsory labour	<b>SOCIAL PERFORMANCE</b> – Investment and procurement practice: HR1-HR3 – Forced labour: HR7 – Public Policy: S05	<b>Goal 1:</b> Eradicate extreme poverty and hunger <b>Goal 2:</b> Achieve universal primary education <b>Goal 4:</b> Reduce child mortality
	5. Businesses should uphold the effective abolition of child labour	<b>SOCIAL PERFORMANCE</b> – Investment and procurement practice: HR1-HR3 – Freedom of association and collective agreements: HR6 – Public Policy: S05	<b>Goal 1:</b> Eradicate extreme poverty and hunger <b>Goal 2:</b> Achieve universal primary education <b>Goal 4:</b> Reduce child mortality <b>Goal 8:</b> Create a global partnership for development
	6. Businesses should uphold the elimination of discrimination in respect of employment and occupation	<b>SOCIAL PERFORMANCE</b> – Employment: LA2, LA15 – Diversity and equal opportunities: LA13, LA14 – Investment and procurement practice: HR1-HR3 – Non-discrimination: HR4 – Public Policy: S05 <b>ECONOMIC PERFORMANCE: EC7</b>	<b>Goal 1:</b> Eradicate extreme poverty and hunger <b>Goal 2:</b> Achieve universal primary education <b>Goal 4:</b> Reduce child mortality <b>Goal 7:</b> Ensure environmental sustainability

AREAS	GLOBAL COMPACT PRINCIPLES	GRI 3 INDICATORS*	MILLENNIUM DEVELOPMENT GOAL
The Environment	7. Businesses should support a precautionary approach to environmental challenges	<b>ECONOMIC PERFORMANCE: EC2</b> <b>ENVIRONMENTAL PERFORMANCE</b> – Emissions, effluents, and waste: EN18 – Products and services: EN26 – General: EN30 <b>SOCIAL PERFORMANCE</b> – Public Policy: S05	<b>Goal 1:</b> Eradicate extreme poverty and hunger <b>Goal 2:</b> Achieve universal primary education <b>Goal 4:</b> Reduce child mortality <b>Goal 7:</b> Ensure environmental sustainability
	8. Businesses should undertake initiatives to promote greater environmental responsibility	<b>ENVIRONMENTAL PERFORMANCE</b> – Materials: EN1, EN2 – Energy: EN3-EN7 – Water: EN8-EN10 – Biodiversity: EN11-EN15 – Emissions, effluents, and waste: EN16-EN25 – Products and services: EN26, EN27 – Compliance: EN28 – Transport: EN29 – General: EN30 <b>SOCIAL PERFORMANCE</b> – Public Policy: S05 – Product and labelling services: PR3, PR4	<b>Goal 1:</b> Eradicate extreme poverty and hunger <b>Goal 2:</b> Achieve universal primary education <b>Goal 4:</b> Reduce child mortality <b>Goal 7:</b> Ensure environmental sustainability
	9. Businesses should encourage the development and diffusion of environmentally friendly technologies	<b>ENVIRONMENTAL PERFORMANCE</b> – Materials: EN2 – Energy: EN5-EN7 – Water: EN10 – Emissions, effluents, and waste: EN18 – Products and services: EN26, EN27 – General: EN30 <b>SOCIAL PERFORMANCE</b> – Public Policy: S05	<b>Goal 7:</b> Ensure environmental sustainability
ANTICORRUPTION	10. Businesses should work against corruption in all its forms, including extortion and bribery	<b>SOCIAL PERFORMANCE</b> – Community: S02-S04 – Public Policy: S05-S06	<b>Goal 1:</b> Eradicate extreme poverty and hunger <b>Goal 2:</b> Achieve universal primary education <b>Goal 8:</b> Create a global partnership for development

[Source: prepared internally by MAPFRE taking into consideration the Global Compact principles and the GRI indicators. Making the Connection Report (MTC). Information contained in [www.globalreporting.org](http://www.globalreporting.org)]





## INDEPENDENT REVIEW REPORT OF MAPFRE'S 2012 ANNUAL SOCIAL RESPONSIBILITY REPORT

To the management of MAPFRE, S.A.:

### Scope of the work:

We have carried out the review of the contents of the MAPFRE's 2012 Social Responsibility Report, globally, and its adaptation to:

- The Guide for the preparation of Sustainability Reports of the Global Reporting Initiative (GRI), version 3.1 (G3) and the financial sector supplement.
- The CSR indicators defined by Cooperative Investigation for ICEA (Insurance Companies and Pension Funds).

The scope determined by MAPFRE for the development of its 2012 Social Responsibility Report includes the activities of MAPFRE's insurance companies worldwide.

The preparation of the Annual Social Responsibility Report, as well as its content, is the responsibility of the Governing Bodies and the Management of MAPFRE, SA. They are also responsible to define, adapt and maintain the management systems and the internal control through which the information is obtained. Our responsibility is to issue an independent review report based on the procedures applied in our review.

We have performed our review in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) of the International Auditing and Assurance Standards Board (IAASB) with a limited scope of assurance and the performance Guide for reviewing Corporate Responsibility Reports issued by the Institute of Auditors of Accountants of Spain (ICAJCE).

The revisions relate to the year 2012, having also collated the coincidence of the data on core indicators from the previous year with the 2011 MAPFRE's Social Responsibility Report.

The procedures performed were as follows:

- Meetings with MAPFRE's responsible for obtaining the information on activities and the data collection systems used.
- Analysis of the adequacy of the structure and contents of the 2012 MAPFRE's Social Responsibility Report to GRI standards.
- Analysis, if applicable, of the information systems and the methodology used for compiling quantitative data for core and sectorial indicators of MAPFRE.
- Checking, by screening tests based on the selection of a sample, of quantitative and qualitative core indicators and the specific ones of the financial supplement included in the 2012 MAPFRE's Social Responsibility Report and their proper compilation

from the data supplied by sources of information for MAPFRE activities carried out in Spain, Argentina, Brazil, Colombia, Mexico, Puerto Rico, Chile, USA and Turkey, which together represent about 64% of turnover.

- Analysis of the reasonableness of the criteria used for considering as "not applicable" or "unavailable" indicators.

The attached Annex contains a list of indicators included in our scope with the description of the review procedures. It also includes a detail of the revised indicators in each of the countries included in the scope of our work.

The scope of this review is substantially less than to a reasonable assurance. This report in no case can be understood as an audit report.

### Independence

We conducted our work in accordance with the standards of independence required by the Code of Ethics of the International Federation of Accountants (IFAC).

### Conclusions

As a result of our review of the 2012 MAPFRE's Social Responsibility Report, and to the extent indicated, we conclude that:

- No matter came to our attention that would lead us to believe that the Report had not been prepared according to the Guidelines included in the Global Reporting Initiative (GRI) Preparation Guide for Sustainability Reports or according to the indicators defined by ICEA.
- No matter came to our attention that would lead us to believe that the remaining information and indicators included in the accompanying Report contain significant errors.

This report has been prepared exclusively in the interests of the Management of MAPFRE, SA, in accordance with the terms and condition set out in our the engagement letter.

ERNST & YOUNG, S.L.

(signed in the original issued in spanish language)

(Free translation from the Original Report on Independent Review in Spanish dated 4<sup>th</sup> February 2013. In case of any discrepancy, the Spanish version always prevails)

ECONOMIC PERFORMANCE				
ASPECT	IND	SCO	V.P.	CHAP
Economic performance	EC1	G	CA	4
	EC2	G	CA	4
	EC3	G	CA	4
	EC4	G	CA	4
Market position	EC5	G	SI	4.1
	EC6	G	CA	4
Infectious economic impact	EC7	G	SI	4.1
	EC8	o.a.	o.a.	-
ENVIRONMENTAL PERFORMANCE INDICATORS				
ASPECT	IND	SCO	V.P.	CHAP
Materials	EH1	G	TE	1
	EH2	E	FE	1
Energy	EH3	G	FE	1
	EH4	G	FE	1
	EH5	G	FE	1
	EH6	G	SI	1
	EH7	G	FE	1
Water	EH8	o.a.	o.a.	-
	EH9	o.a.	o.a.	-
Biodiversity	EH10	G	DE	1
	EH11	G	DE	1
	EH12	G	DE	1
	EH13	G	DE	1
	EH14	G	DE	1
	EH15	G	DE	1
	EH16	G	SI	1
	EH17	G	SI	1
	EH18	G	SI	1
	EH19	G	SI	1
Emissions, Effluent and Waste	EH20	o.a.	o.a.	-
	EH21	o.a.	o.a.	-
	EH22	G	FE	1
	EH23	G	DE	1
	EH24	o.a.	o.a.	-
	EH25	G	DE	1
	EH26	G	DE	1
	EH27	G	DE	1
	EH28	G	DE	1
	EH29	G	DE	1
Products and Services	EH30	G	SI	1
	EH31	o.a.	o.a.	-
Compliance	EH32	G	DE	1
	EH33	o.a.	o.a.	-
Oversight	EH34	G	SI	1
	EH35	G	SI	1
SOCIAL PERFORMANCE INDICATORS				
LABOUR PRACTICES				
ASPECT	IND	SCO	V.P.	CHAP
Employment	LA1	G	SI/FE	4.1
	LA2	G	SI/FE	4.1
	LA3	G	SI/FE	4.1
	LA4	G	SI	4.1
	LA5	G	SI/PP	4.1
Labour management relations	LA6	G	SI	4.1
	LA7	G	SI/FE	4.1
Health and Safety	LA8	G	SI/FE	4.1
	LA9	G	SI	4.1
Training and education	LA10	G	SI/FE	4.1
	LA11	G	SI	4.1
Diversity and equality	LA12	G	SI	4.1
	LA13	G	CA/PPSI	4.1
LA14	o.a.	o.a.	-	

G: Generally  
 SI: Scope  
 FE: Full-time/seasonal  
 CA: Career  
 SI: Staff/Temp  
 PP: Part-time/Temp

HUMAN RIGHTS				
ASPECT	IND	SCO	V.P.	CHAP
Investment and procurement Practices	HR1	G	E	1
	HR2	G	SI	4.1V
	HR3	G	SI	4.1
	HR4	G	SI/PP	4.1
Freedom of association and collective bargaining	HR5	G	FE	4.1
	HR6	G	FE	4.1
Child Labour	HR7	G	SI	4.1
	HR8	G	SI	4.1
Forced and compulsory labour	HR9	G	SI	4.1
	HR10	G	SI	4.1
Slavery Practices	HR11	G	SI	4.1
	HR12	G	SI	4.1
Indigenous Rights	HR13	G	SI/PP	4.1
	HR14	G	SI	4.1
Risk Management	HR15	G	SI/PP	4.1
	HR16	G	SI	4.1
Corrupt Practices	HR17	G	SI/PP	4.1
	HR18	G	SI	4.1
SOCIETY				
ASPECT	IND	SCO	V.P.	CHAP
Community	SO1	o.a.	o.a.	-
	SO2	o.a.	o.a.	-
	SO3	o.a.	o.a.	-
	SO4	o.a.	o.a.	-
Corruption	SO5	G	SI	4.2.4.1
	SO6	G	SI	4.2.4.1
	SO7	G	SI	4.2.4.1
	SO8	G	SI	4.2.4.1
Public Policy	SO9	G	SI	4.2.4.1
	SO10	G	SI	4.2.4.1
Anti-corruption & Bribery	SO11	G	SI	4.2.4.1
	SO12	G	SI	4.2.4.1
Charitable	SO13	G	SI	4.2.4.1
	SO14	G	SI	4.2.4.1
PRODUCT RESPONSIBILITY				
ASPECT	IND	SCO	V.P.	CHAP
Customer Health and Safety	PR1	o.a.	o.a.	-
	PR2	o.a.	o.a.	-
Product and services labeling	PR3	G	PP/CI	4.8
	PR4	G	DE	4.8
Marketing Communications	PR5	G	SI	4.8
	PR6	G	SI/PP	4.8
Customer Privacy	PR7	G	SI/DE	4.8
	PR8	G	SI/PP	4.8
Compliance	PR9	G	SI/DE	4.8
	PR10	G	SI/DE	4.8

SUPPLEMENT GRID OF FINANCIAL SECTION ENVIRONMENTAL AND SOCIAL PERFORMANCE				
ASPECT	IND	SCO	V.P.	CHAP
Product and Service Impact Indicators	PS1	G	PP	1+2
	PS2	G	PP/CI	1+2
	PS3	G	CI	1+2
	PS4	G	SI	1+2
	PS5	G	SI	4.0+3
Product Portfolio	PS6	G	CA	4.8
	PS7	G	A	4.8
	PS8	G	SI	4.8
Audit	PS9	G	E	1+2
	PS10	o.a.	o.a.	-
Active Ownership	PS11	o.a.	o.a.	-
	PS12	o.a.	o.a.	-
Community	PS13	G	SI	2
	PS14	G	SI	4.8
Customer Health and Safety	PS15	G	PP	1+4.8
	PS16	G	E	4.8

CHAPTER	CONTENT
CHAP. 1	General Information
CHAP. 1.01	Key Economic Figures
CHAP. 1	MAPPRE and Corporate Social Responsibility
CHAP. 2	MAPPRE's Social Dimension
CHAP. 4.1	MAPPRE and its employees
CHAP. 4.01	MAPPRE and its customers
CHAP. 4.01	MAPPRE and its shareholders
CHAP. 4.01	MAPPRE and its stakeholders
CHAP. 4.01	MAPPRE and the professionals and entities that help distribute its products
CHAP. 5	MAPPRE's Environmental Dimension
CHAP. 6.1	ESG Indicator Index
CHAP. 6.2	Global Compact Principles and Millennium Development Goals

LEGEND	Assessment Process	
	CA	DE
FE	Verification with the audited Consolidated Annual Accounts	Obtaining of express declaration of the person in charge of the corresponding services
	Verification with external sources	In contact with the assigned information through external survey to the Divisions
SI	Verification with internal information systems	Verification of its inclusion in the Code of Good Governance of MAPPRE
PP	Verification of the internal Regulations, Systems and Procedures risks	Verification of the numbering of the charts used for its identification (the "non applicable" in the activities developed by MAPPRE)
PN	Verification of its inclusion in the principles of the Well-Being Pact	Indicators of application to the MAPPRE activities in which it is not used information

**ANNEX II: COUNTRY INDICATORS**

ARGENTINA INDICATORS						
ASPECT	ISS	ASPECT	ISS	ASPECT	ISS	
ECONOMIC PERFORMANCE		SOCIAL PERFORMANCE DIMENSIONS		ISSUE		
Economic performance	001	LABOR PRACTICES AND RELATED ISSUES		Corporate	002	
	002		Employment		003	
	003				004	
	004				005	
Market presence	007	Labor Management relations	L011	Public Policy	006	
	008		007			
ENVIRONMENTAL SUSTAINABILITY DIMENSIONS			L04	PROJECT RESPONSIBILITY		
	Materials	Workplace Health and Safety	L07		Product and Service Labeling	008
			L08			009
	Energy	Training and Education	L09		Marketing and Communication	010
L10			011			
Waste	Diversity and Equality	WORLD BANK'S	L11	Client Privacy	012	
			L12		Compliance	013
			L13			014
			L14			015
Activities, Spills and Wastes	Government and government Practices	ENVIRONMENTAL AND SOCIAL ASPECTS	001	Product and Service Impact	016	
			002		017	
			003		018	
			004		019	
			005		020	
Product and Services	No Discrimination	Freedom of association and collective bargaining	001	Human Rights	021	
			002		022	
Compliance	Child Labor	Forced and compulsory labor	003	Anti-Corruption	023	
			004		024	
Environmental Management	Security Practices	Indigenous Rights	005	Anti-Money Laundering	025	
			006		026	
			007		027	
			008		028	
	Risk Management	Confidential Business	009	Client Health and Safety	029	
010			030			
			011	Marketing and Communication	031	
			012		032	

BRAZIL INDICATORS						
ASPECT	ISS	ASPECT	ISS	ASPECT	ISS	
ECONOMIC PERFORMANCE		SOCIAL PERFORMANCE DIMENSIONS		ISSUE		
Economic performance	001	LABOR PRACTICES AND RELATED ISSUES		Corporate	002	
	002		Employment		003	
	003				004	
	004				005	
Market presence	007	Labor Management relations	L011	Public Policy	006	
	008		007			
ENVIRONMENTAL SUSTAINABILITY DIMENSIONS			L04	PROJECT RESPONSIBILITY		
	Materials	Workplace Health and Safety	L07		Product and Service Labeling	008
			L08			009
	Energy	Training and Education	WORLD BANK'S		L09	Marketing and Communication
L10				011		
Waste	Diversity and Equality	ENVIRONMENTAL AND SOCIAL ASPECTS	L11	Client Privacy	012	
			L12		Compliance	013
			L13			014
			L14			015
Activities, Spills and Wastes	Government and government Practices	SUSTAINABLE SOCIAL AND ENVIRONMENTAL	001	Product and Service Impact	016	
			002		017	
			003		018	
			004		019	
			005		020	
Product and Services	No Discrimination	Freedom of association and collective bargaining	001	Human Rights	021	
			002		022	
Compliance	Child Labor	Forced and compulsory labor	003	Anti-Corruption	023	
			004		024	
Environmental Management	Security Practices	Indigenous Rights	005	Anti-Money Laundering	025	
			006		026	
			007		027	
			008		028	
	Risk Management	Confidential Business	009	Client Health and Safety	029	
010			030			
			011	Marketing and Communication	031	
			012		032	

CHILE INDICATORS					
ASPECT	IND.	ASPECT	IND.	ASPECT	IND.
<b>ECONOMIC PERFORMANCE</b>		<b>SOCIAL PERFORMANCE EVALUATION</b>		<b>SOCIETY</b>	
Economic performance	801	LABOR PRODUCTIVITY AND BENEFIT FROM WORK		Compliance	802
	802		Employment		803
	803				804
	804				805
Market presence	805	Labor Management relations	806	Human Rights	806
	806		807		
	807		808		
<b>ENVIRONMENTAL MANAGEMENT INDICATORS</b>				<b>ENVIRONMENTAL AND SOCIAL ASPECT</b>	
Materials	808	Welfare, Health, and Safety	809	Product and Services Labeling	809
Energy	809		810		810
Water	810		811		811
Sustainability	811	Training and Education	812	Marketing and Communication	812
	812		813		813
	813	Diversity and Equality	814	Clean Energy	814
	814		815		815
Stakeholder engagement and issues	815	<b>GLOBAL ISSUES</b>		<b>ENVIRONMENTAL AND SOCIAL ASPECT</b>	
	816	Incidents and government relations	816	<b>ENVIRONMENTAL AND SOCIAL ASPECT</b>	
	817		817	Product and Services Support	817
	818	818	818		
	819	819	819		
Product and Services	820	Freedom of acquisition and collection of financing	820	820	
Compliance	821	Trade Labor	821	Product Portfolio	821
	822	Forced and compulsory labor	822		822
	823	Security Practices	823		823
	824	Indigenous Rights	824		824
		Risk Management	825	825	
		Credit Resolution	826	826	
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COLOMBIA INDICATORS					
ASPECT	IND.	ASPECT	IND.	ASPECT	IND.
<b>ECONOMIC PERFORMANCE</b>		<b>SOCIAL PERFORMANCE EVALUATION</b>		<b>SOCIETY</b>	
Economic performance	801	LABOR PRODUCTIVITY AND BENEFIT FROM WORK		Compliance	802
	802		Employment		803
	803				804
	804				805
Market presence	805	Labor Management relations	806	Human Rights	806
	806		807		
	807		808		
<b>ENVIRONMENTAL MANAGEMENT INDICATORS</b>				<b>ENVIRONMENTAL AND SOCIAL ASPECT</b>	
Materials	808	Welfare, Health, and Safety	809	Product and Services Labeling	809
Energy	809		810		810
Water	810		811		811
Sustainability	811	Training and Education	812	Marketing and Communication	812
	812		813		813
	813	Diversity and Equality	814	Clean Energy	814
	814		815		815
Stakeholder engagement and issues	815	<b>GLOBAL ISSUES</b>		<b>ENVIRONMENTAL AND SOCIAL ASPECT</b>	
	816	Incidents and government relations	816	<b>ENVIRONMENTAL AND SOCIAL ASPECT</b>	
	817		817	Product and Services Support	817
	818	818	818		
	819	819	819		
Product and Services	820	Freedom of acquisition and collection of financing	820	820	
Compliance	821	Trade Labor	821	Product Portfolio	821
	822	Forced and compulsory labor	822		822
	823	Security Practices	823		823
	824	Indigenous Rights	824		824
		Risk Management	825	825	
		Credit Resolution	826	826	
				827	
				828	
				829	
				830	
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MEXICO INDICATORS					
ASPECT	IND	ASPECT	IND	ASPECT	IND
<b>ECONOMIC PERFORMANCE</b>		<b>GENERAL PERFORMANCE INDICATORS</b>		<b>ACTIVITY</b>	
Economic performance	001	<b>LABOR PRACTICES AND EMPLOYMENT INDICES</b>		Compliance	001
	002	Employment	001		001
	003		002		004
	004		003		001
Market process	005	Labor Management relations	004	Public Policy	002
	006		005		007
	007		006		008
<b>ENVIRONMENTAL MANAGEMENT INDICATORS</b>				<b>INDUSTRY RESPONSIBILITY</b>	
Intensity	010	Workplace Health and Safety	007	Product and Services Labeling	001
Energy	010		008		004
Waste	010		009		001
Sustainability	011	Training and Education	010	Marketing and Communication	006
	012		011		007
	013	Diversity and Equality	012	Clear Privacy	008
	014		013		009
	015		014		004
Business, Rights and Values	016	<b>INTERNAL ISSUES</b>		<b>FINANCIAL SECTION AND COMPLIANCE</b>	
	017	Document and governmental Practices	001	<b>ENVIRONMENTAL AND SOCIAL ASPECT</b>	
	018		002	Product and Services Impact	001
	019	No Discrimination	003		002
	020	Freedom of association and collective bargaining	004		003
Product and Services	020	Child Labor	005	004	005
Compliance	020	Control and compliance system	007	Product Portfolio	006
	021		008		007
	022	Audience Rights	009	Auditing	008
	023		010		009
	024		011		010
				Clear Privacy and Safety	011
				Marketing and Communication	012

PUERTO RICO INDICATORS					
ASPECT	IND	ASPECT	IND	ASPECT	IND
<b>ECONOMIC PERFORMANCE</b>		<b>GENERAL PERFORMANCE INDICATORS</b>		<b>ACTIVITY</b>	
Economic performance	001	<b>LABOR PRACTICES AND EMPLOYMENT INDICES</b>		Compliance	001
	002	Employment	001		001
	003		002		004
	004		003		001
Market process	005	Labor Management relations	004	Public Policy	002
	006		005		007
	007		006		008
<b>ENVIRONMENTAL MANAGEMENT INDICATORS</b>				<b>INDUSTRY RESPONSIBILITY</b>	
Intensity	010	Workplace Health and Safety	007	Product and Services Labeling	001
Energy	010		008		004
Waste	010		009		001
Sustainability	011	Training and Education	010	Marketing and Communication	006
	012		011		007
	013	Diversity and Equality	012	Clear Privacy	008
	014		013		009
	015		014		004
Business, Rights and Values	016	<b>INTERNAL ISSUES</b>		<b>FINANCIAL SECTION AND COMPLIANCE</b>	
	017	Document and governmental Practices	001	<b>ENVIRONMENTAL AND SOCIAL ASPECT</b>	
	018		002	Product and Services Impact	001
	019	No Discrimination	003		002
	020	Freedom of association and collective bargaining	004		003
Product and Services	020	Child Labor	005	004	005
Compliance	020	Control and compliance system	007	Product Portfolio	006
	021		008		007
	022	Audience Rights	009	Auditing	008
	023		010		009
	024		011		010
				Clear Privacy and Safety	011
				Marketing and Communication	012

TURKEY INDICATORS					
ASPECT	IND.	ASPECT	IND.	ASPECT	IND.
BUSINESS PERFORMANCE	SOCIAL PERFORMANCE DIMENSIVE		SOCIETY		
	LARGE PRICES AND ENERGY COSTS				
Economic performance	001	Economic		Economic	001
	002		002		
	003		003		
	004		004		
Market position	005	Labor Management relation		Public Policy	005
	006		006		
	007		007		
	008		008		
ENVIRONMENTAL MANAGEMENT DIMENSIONS		ENVIRONMENTAL RESPONSIBILITY			
Air quality	009	Workplace Health and Safety	009	Product and Service Labeling	009
	010		010		
	011		011		
Waste	012	Training and Education	012	Marketing and Communication	012
	013		013		
	014		014		
Water	015	Diversity and Equality	015	Client Privacy	015
	016		016		
	017		017		
	018		018		
Biodiversity	019	HUMAN RIGHTS		ENVIRONMENTAL ACTION AND COMPLIANCE	
	020	019	019		
	021	020	020		
	022	021	021		
	023	022	022		
Innovation, Supply and Waste	024	Government and government relations	024	Product and Service Support	024
	025		025		
	026		026		
	027		027		
Product and Services	028	No Discrimination	028	Product and Service Support	028
	029		029		
	030		030		
	031		031		
Compliance	032	Freedom of operations and reliability of reporting	032	Product Portfolio	032
	033		033		
	034		034		
	035		035		
Environmental Management	036	Child Labour	036	Selling	036
	037		037		
	038		038		
	039		039		
Community	040	Forced and compulsory labour	040	Community	040
	041		041		
	042		042		
	043		043		
Climate Change and Safety	044	Slavery Practices	044	Client Health and Safety	044
	045		045		
	046		046		
	047		047		
Marketing and Communication	048	Indigenous Rights	048	Marketing and Communication	048
	049		049		
	050		050		
	051		051		

USA INDICATORS					
ASPECT	IND.	ASPECT	IND.	ASPECT	IND.
BUSINESS PERFORMANCE	SOCIAL PERFORMANCE DIMENSIONS		SOCIETY		
	LARGE PRICES AND ENERGY COSTS				
Economic performance	001	Economic		Economic	001
	002		002		
	003		003		
	004		004		
Market position	005	Labor Management relation		Public Policy	005
	006		006		
	007		007		
	008		008		
ENVIRONMENTAL MANAGEMENT DIMENSIONS		ENVIRONMENTAL RESPONSIBILITY			
Air quality	009	Workplace Health and Safety	009	Product and Service Labeling	009
	010		010		
	011		011		
Waste	012	Training and Education	012	Marketing and Communication	012
	013		013		
	014		014		
Water	015	Diversity and Equality	015	Client Privacy	015
	016		016		
	017		017		
	018		018		
Biodiversity	019	HUMAN RIGHTS		ENVIRONMENTAL ACTION AND COMPLIANCE	
	020	019	019		
	021	020	020		
	022	021	021		
	023	022	022		
Innovation, Supply and Waste	024	Government and government relations	024	Product and Service Support	024
	025		025		
	026		026		
	027		027		
Product and Services	028	No Discrimination	028	Product and Service Support	028
	029		029		
	030		030		
	031		031		
Compliance	032	Freedom of operations and reliability of reporting	032	Product Portfolio	032
	033		033		
	034		034		
	035		035		
Environmental Management	036	Child Labour	036	Selling	036
	037		037		
	038		038		
	039		039		
Community	040	Forced and compulsory labour	040	Community	040
	041		041		
	042		042		
	043		043		
Climate Change and Safety	044	Slavery Practices	044	Client Health and Safety	044
	045		045		
	046		046		
	047		047		
Marketing and Communication	048	Indigenous Rights	048	Marketing and Communication	048
	049		049		
	050		050		
	051		051		

MAPFRE contributes to the preservation of the environment. This report has been printed recycled paper, which has resulted in a reduction in environmental impact equivalent to:

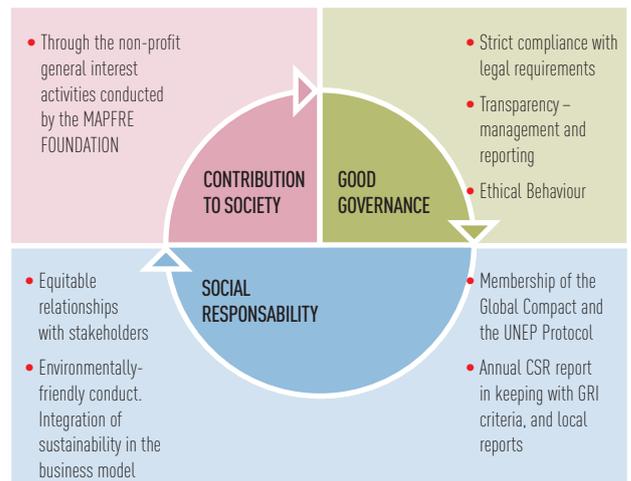
	<b>1,569</b> kg of waste
	<b>293</b> kg of CO <sub>2</sub> greenhouse effect gases
	<b>2,931</b> kms. in a standar European car
	<b>30,716</b> litres of water
	<b>2,892</b> kWh of electricity
	<b>2,549</b> kgs of wood

Source: European BREF (data on virgin fiber).  
Data footprint audited by the Carbon Neutral Company.

## MAPFRE'S SOCIAL RESPONSIBILITY POLICY

1. Compliance with the prevailing national and international standards in all the Group's operating markets, adopting supplementary international standards and guidelines wherever local legislation is insufficiently advanced, and upholding, by way of a declaration of minimum humanitarian standards, respect for the United Nations Universal Declaration of Human Rights and the ten Global Compact principles.
2. A corporate governance record based on corporate transparency and mutual trust with shareholders and investors, respecting the rules of the free market and free competition and rejecting any irregular practice with a view to obtaining business benefits.
3. Respect for employees' rights to equal opportunities, privacy and freedom of opinion; fairness in labour relations, fostering a safe and healthy workplace and providing the job specific training needed to ensure individual career development; fair pay and job stability; and prevention of all forms of persecution, abuse or discrimination on grounds of ideology, beliefs, gender, sexual orientation, race or other; promotion of work-life balance; and the express rejection of child and forced labour.
4. Ongoing innovation in insurance products and prevention and assistance services that add value for policyholders and beneficiaries, facilitating, fostering and extending the population's access to insurance coverage; the provision to policyholders and beneficiaries of accessible and quality service within the agreed timeframe, providing them with honest advice, protecting and handling their personal data with due discretion and providing a procedure free of charge to enable them to address their claims as quickly as possible.
5. Development of responsible practices throughout the value chain, materialising primarily in responsible practices for selecting and contracting with suppliers and other service providers and providing them with assistance in their sustainable development in order to engage them in the Group's social responsibility policy.
6. Maintenance of an environmentally friendly record, promoting effective measures to curtail ecological and environmental fallout from its business activities and encouraging suppliers and contractors of goods and services to adopt MAPFRE's sustainable development values and environmental management practices.
7. Communication and dialogue with all stakeholders, predicated on transparency, honesty and engagement.
8. Active participation in Spanish and international organisms and forums that seek to promote corporate citizenship.
9. Drafting and dissemination of an annual social responsibility report including relevant and accurate information on MAPFRE's activities in this arena during the year, subjecting the contents to internal and external assurance as deemed appropriate to guarantee the report's reliability and to stimulate ongoing improvements.
10. Contribution to the development of the non-profit activities engaged in by the MAPFRE FOUNDATION, within bylaw stipulated limits.

## MAPFRE GROUP CORPORATE MODEL



## RELATION'S LEVELS OF STAKEHOLDERS

<p><b>Level 1</b> These are the first affected by the organisation's strategic decision-making and vice versa. The mutual influence capacity is "immediate"</p>	<ul style="list-style-type: none"> <li>• Policyholders and customers</li> <li>• Shareholders and investors</li> <li>• Partners</li> <li>• Employees</li> <li>• Workers' representatives/trade unions</li> <li>• Intermediaries/associates</li> <li>• Suppliers</li> </ul>
<p><b>Level 2:</b> The stakeholders whose decisions may impact the organisation, but are less affected by the decisions. of this</p>	<ul style="list-style-type: none"> <li>• Governments, Institutions, Public Authorities and regulatory bodies</li> <li>• Media</li> <li>• Society/public opinion</li> <li>• Consumers' and users' associations</li> </ul>
<p><b>Level 3:</b> Stakeholders that MAPFRE acknowledges as having mutual influencing ability, but whose strategic decisions may or may not directly and vice-versa</p>	<ul style="list-style-type: none"> <li>• Competitors</li> <li>• Professional and trade associations</li> <li>• Third sector (non-profit associations, foundations, NGOs)</li> </ul>

## MAPFRE STAKEHOLDER RELATIONSHIP MATRIX

<p><b>OUR PRINCIPLES</b></p> <ul style="list-style-type: none"> <li>ETHICAL AND SOCIALLY RESPONSIBLE ACTION</li> <li>HUMANISM</li> <li>SEPARATION BETWEEN THE MAPFRE GROUP'S AND FUNDACIÓN MAPFRE'S BUSINESS ACTIVITIES</li> <li>GLOBALITY AND CONSTANT INNOVATION IN SUPPLY</li> <li>MULTINATIONAL VOCATION</li> <li>SPECIALIZATION</li> <li>DECENTRALISATION</li> <li>COORDINATED ACTIONS</li> <li>MAXIMUM REALISATION OF SYNERGIES</li> <li>COMMITTED TO LEADERSHIP</li> <li>HIGH QUALITY CUSTOMER SERVICE</li> <li>CONSTANT QUEST FOR EFFECTIVENESS</li> </ul>	<p><b>SOCIAL RESPONSIBILITY POLICY</b></p>	<ul style="list-style-type: none"> <li>• Professional and trade associations</li> <li>• Third sector (non-profit associations, foundations, NGOs)</li> </ul>				
		<ul style="list-style-type: none"> <li>• Governments, Institutions, Public Authorities and regulatory bodies</li> <li>• Consumers' and users' associations</li> </ul>				
		<ul style="list-style-type: none"> <li>• Shareholders and investors</li> <li>• Suppliers</li> <li>• Partners</li> <li>• Intermediaries/Associates</li> <li>• Workers' representatives / Trade unions</li> <li>• Insured &amp; customers</li> <li>• Employees</li> </ul>				
		<ul style="list-style-type: none"> <li>• Competitors</li> <li>• Society / public opinion</li> <li>• Media</li> </ul>				
		<p><b>OUR VALUES</b></p>				
		SOLVENCY	COMPLETENESS	COMMITTED TO SERVICE	INNOVATION FOR THE LEADERSHIP	COMMITTED TEAM



 **MAPFRE**

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