

Progress Report 2015

Company Name	MAPFRE GROUP
Address	Carretera de Pozuelo, 52. 28222 Majadahonda (Madrid)
Country	SPAIN
Date	June 2015
Membership date	2012
Number of employees	37.053 (year end 2014)
Contact Position	Corporate Security and Environment Area
Contact name	Sara Fernández Quintano fesara@mapfre.com

MAPFRE is a signatory to the United Nations Principles for Sustainable Insurance (UN PSI), a global sustainability framework and initiative of the UN Environment Program Finance Initiative.

The four main principles (see below) describe how corporate responsibility should be incorporated by insurers in their business. By signing the PSI, MAPFRE is committing to address environmental, social and governance (ESG) issues in the way it conducts its business as an insurer and in its relations with all of the industry's stakeholders, including employees, clients, suppliers and government agencies.

See The [MAPFRE Group 2014 annual Social Responsibility Report](#) for an overview of our key figures and activity.

PRINCIPLES FOR SUSTAINABLE INSURANCE	LOCATION IN THE MAPFRE 2014 ANNUAL SR REPORT	ASSOCIATED GRI 4 INDICATORS
<p>1. EMBED IN OUR DECISION-MAKING ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES RELEVANT TO OUR INSURANCE BUSINESS.</p>	<ul style="list-style-type: none"> - Chairman and CEO’s Letter (pages 5-6) - MAPFRE and Corporate Social Responsibility <ul style="list-style-type: none"> - Materiality Process (pages 19-22) - Stakeholders: table of commitments and relationship channels (pages 24-27) - Ethical and socially responsible conduct (pages 30-48): <ul style="list-style-type: none"> ➤ international commitments ➤ management of environmental, social and governance factors and risks: reference to new Risk Policies and their compliance; turning Risk into an Opportunity: training ➤ prevention and control measures: policies, rules, protocols, etc.; information table - MAPFRE and its employees: Training (pages 57-77) - MAPFRE and its clients <ul style="list-style-type: none"> - Innovation in products and services 2014 (pages 80-83) - Products and services of with a high social and environmental content (pages 84-88) - Complaints and claims (page 92) - MAPFRE and the professionals and companies that collaborate in the distribution of its products: Recruitment and training (pages 104-107) - MAPFRE and its providers: Corporate Purchasing Regulations; Approval criteria (pages 109-112) 	<ul style="list-style-type: none"> • STRATEGY AND ANALYSIS: Indicators G4-1, G4-2 • GOVERNANCE: Indicators G4-34 – G4-55 • ECONOMIC PERFORMANCE: Indicators G4-EC2; G4-EC8 • ENVIRONMENTAL PERFORMANCE: Indicators G4-EN12; G4-EN14; G4-EN27; G4-EN29; G4-EN31 • SOCIAL PERFORMANCE: Indicators G4-LA12, G4-LA13; G4-HR1, G4-HR3; G4-PR1; G4-PR5 • FINANCIAL SUPPLEMENT: FS1-FS4; FS7-FS9; FS11-FS12; FS15-FS16

	<ul style="list-style-type: none"> - MAPFRE's environmental dimension: Climate change and biodiversity (pages 119-156) - Signatory of the Climate Risk Statement of the Geneva Association 	
<p>2. WORK TOGETHER WITH OUR CLIENTS AND BUSINESS PARTNERS TO RAISE AWARENESS OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES, MANAGE RISK AND DEVELOP SOLUTIONS.</p>	<ul style="list-style-type: none"> - Chairman and CEO's Letter (pages 5-6) - MAPFRE and Corporate Social Responsibility <ul style="list-style-type: none"> - Materiality Process (pages 19-22) - Stakeholders: table of commitments (pages 24-27) - Ethical and socially responsible conduct (pages 30-48): <ul style="list-style-type: none"> ➤ management of environmental, social and governance factors and risks: reference to new Risk Policies and their compliance; turning Risk into an Opportunity: training for clients ➤ prevention and control measures: policies, rules, protocols, etc.; information table - MAPFRE and its clients: <ul style="list-style-type: none"> - Customer service channels - Innovation in products and services 2014 (pages 80-83) - Products and services of with a high social and environmental content (pages 84-88) - Complaints and claims (page 92) - MAPFRE and its providers (pages 109-112): <ul style="list-style-type: none"> - Corporate Purchasing regulations - Assessment - Provider relationship channels and support systems 	<ul style="list-style-type: none"> • ENVIRONMENTAL PERFORMANCE: G4-EN1, G4-EN2, G4-EN7, G4-EN27 • SOCIAL PERFORMANCE: G4-LA11, G4-LA12, G4-LA13; G4-HR2; G4-HR7; G4-HR10 • FINANCIAL SUPPLEMENT: FS5; FS10; FS16

<p>3. WORK TOGETHER WITH GOVERNMENTS, REGULATORS AND OTHER KEY STAKEHOLDERS TO PROMOTE WIDESPREAD ACTION ACROSS SOCIETY ON ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES.</p>	<p>- MAPFRE and Corporate Social Responsibility : - Stakeholders. Table of commitments (pages 24-27) - Main associations (pages 49-55) - Ethical and socially responsible conduct (pages 30-48) - Management of environmental, social and governance factors and risks: turn Risk into an Opportunity: training and specialized publications. (pages 43-44)</p>	<ul style="list-style-type: none"> • COMMITMENTS TO EXTERNAL INITIATIVES: G4-15, G4-16 • STAKEHOLDER ENGAGEMENT: G4-24 – G4-27 • ECONOMIC PERFORMANCE: G4-EC3 • ENVIRONMENTAL PERFORMANCE: G4-EN14 – G4-EN15 • SOCIAL PERFORMANCE: G4-SO5
<p>4. DEMONSTRATE ACCOUNTABILITY AND TRANSPARENCY IN REGULARLY DISCLOSING PUBLICLY OUR PROGRESS IN IMPLEMENTING THE PRINCIPLES.</p>	<p>- Chairman and CEO's Letter (pages 5-6) - MAPFRE and Corporate Social Responsibility: - Materiality Process (pages 19-22) - Ethical and socially responsible conduct: International commitments (pages 30-48) - Supplementary information: - Principles used to draw up the Corporate Social Responsibility Report - Corporate web: www.mapfre.com</p>	<ul style="list-style-type: none"> • REPORT PARAMETERS: G4-18 – G4-23; G4-32, G4-33 • SOCIAL PERFORMANCE: G4-PR6

Additionally, FUNDACIÓN MAPFRE prepared the official Spanish translation of these principles, which is available at:

http://www.mapfre.es/documentacion/publico/i18n/catalogo_imagenes/grupo.cmd?path=1074133

As a member of the Association of Geneva, MAPFRE signed the Climate Risk Statement in 2014. This statement sets out guiding principles about the potential role of the insurance sector in the worldwide effort to fight climate change risks.

Environmental, social and governance factors and risks

MAPFRE acknowledges the impact of its business activity on its environment and society in general. Its social responsibility model and policy facilitate the integration of environmental, social and governance (ESG) aspects into its business.

Over the last few years, the insurance industry has had to face the financial and reputation consequences of the so-called “emerging” risks, which arise from society’s environmental, social and governance expectations, among others.

MAPFRE knows that the efficient monitoring of the ESG aspects provides additional information about these potential risks and facilitates a better understanding of social movements and transformation, and its stakeholders’ expectations (investors, clients, regulatory bodies, distributors, general public, employees, etc.).

Within this context, the management of ESG risks facilitates decision-making in important issues like underwriting, investment, innovation in products and services, and reputation management. And reputation is essential to gain the trust of our stakeholders.

By integrating the management of these risks with more traditional insurance risks, we can develop and foster more responsible and sustainable businesses.

Even though these risks sometimes require unconventional assessment techniques, the insurance mechanisms (i.e. techniques for transferring risks to a third party subject to prior payment of a premium) are similar to those used by the insurance industry, which has always been able to anticipate, integrate and cover emerging risks.

ESG factors at MAPFRE

Since it joined the United Nations Global Compact in 2004, MAPFRE has undertaken its obligation to integrate the Compact’s 10 principles into its business. These principles address four very specific areas: human rights, labor, environment and anti-corruption. MAPFRE has identified its ESG factors based on these principles and other reference documents such as the report published by the UNEP FI (United Nations Environmental Program Financial Initiative), “The Global State of Sustainable Insurance – Understanding and Integrating Environmental, Social and Governance Factors In Insurance”, and the study by the Spanish agency Servicemedia which involved the media and members of the third sector and addressed social concerns in Spain and the world. In 2012 MAPFRE signed the Principles of Sustainable Insurance, which were derived from the aforementioned UNEP FI report.

MAPFRE is aware that ESG factors are not fixed; they change and evolve depending on their local and global political, economic and social environment. For this reason, MAPFRE’s Corporate Social Responsibility Committee reviews and, when appropriate, updates these factors periodically.

More information: [MAPFRE Group 2014 annual Social Responsibility Report](#)
(Environmental, social and governance risk (pages 37-44))