

Progress Report 2019

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| Company Name | MAPFRE GROUP |
| Address | Carretera de Pozuelo, 52. 28222 Majadahonda (Madrid) |
| Country | SPAIN |
| Date | June 2019 |
| Membership date | 2012 |
| Number of employees | 35,390 (year end 2018) |
| Contact Position | Corporate Security and Environment Area |
| Contact name | Sara Fernández – (fesara@mapfre.com) Assistant Head of Environment Division |

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 2018 Integrated Report for an overview of our key figures and activity.

| PRINCIPLES FOR SUSTAINABLE INSURANCE | LOCATION IN MAPFRE INTEGRATED REPORT 2018 |
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| <p>1. We will embed in our decision-making environmental, social and governance issues relevant to our insurance business</p> | <ul style="list-style-type: none"> • Letter from the Chairman and CEO • Business model, strategy and performance • Corporate Governance <ul style="list-style-type: none"> ○ Governance system ○ Ethics and Sustainability • Risks and opportunities • Creation of shared value: We are sustainable <ul style="list-style-type: none"> ○ Productive capital ○ Human Capital ○ Intellectual Capital ○ Natural Capital ○ Social and Relational Capital • Supplementary Information <ul style="list-style-type: none"> ○ Materiality ○ GRI Content Index ○ Notes (7 and 8) |
| <p>2. We will 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"> • Business model, strategy and performance • Corporate Governance <ul style="list-style-type: none"> ○ Governance system ○ Ethics and Sustainability • Risks and opportunities • Creation of shared value: We are sustainable <ul style="list-style-type: none"> ○ Productive capital ○ Human Capital ○ Intellectual Capital ○ Natural Capital ○ Social and Relational Capital • Supplementary Information <ul style="list-style-type: none"> ○ Materiality ○ GRI Content Index ○ Notes (7 and 8) |
| <p>3. We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues</p> | <ul style="list-style-type: none"> • Business model, strategy and performance • Corporate Governance <ul style="list-style-type: none"> ○ Governance system ○ Ethics and Sustainability • Risks and opportunities • Creation of shared value: We are sustainable <ul style="list-style-type: none"> ○ Natural Capital ○ Social and Relational Capital • Supplementary Information <ul style="list-style-type: none"> ○ GRI Content Index • www.mapfre.com |
| <p>4. We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles</p> | <ul style="list-style-type: none"> • Integrated Report 2018 • www.mapfre.com |

This table of ESG factors has been updated, taking as a reference, among others, the material issues and those of internal and external relevance in the 2018 Materiality Analysis.

Environmental, Social and Governance (ESG) risks and opportunities

The concept of sustainability is founded on three fundamental pillars: economic, social and environmental development. For this reason, managing risks and business opportunities associated with environmental, social and governance (ESG) issues plays a key role in sustainable development.

Proper monitoring of these aspects provides the organization with additional information about these potential risks as well as a clearer insight into social movements and transformations and the expectations of its stakeholders. In this context, MAPFRE's business model and strategy are an example of how the company faces the global challenges regarding sustainability; how it manages ESG risks; and how it innovates in developing insurance products and solutions for the benefit of its clients and the community.

Management of ESG risks helps in decision-making on important issues as underwriting, investment, innovation in products and services, sustainability, the environment and reputation management, the latter being essential to gaining the trust of our stakeholders. Consequently, ESG risks are naturally incorporated into the management and control processes implemented by the Group.

In 2018, MAPFRE joined the United Nations Environment Program Finance Initiative (UNEP FI), along with 15 other leading insurers, in order to assess the impact of climate change and to incorporate the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in the insurance industry. As a global insurance company, MAPFRE is participating in the commitment to contribute to defining a standard of technical and financial action for the entire sector that will help the insurance industry to manage the risks and opportunities of the transition toward a low-carbon economy, and to reduce the impact of climate change for the whole of society. Climate change is part of MAPFRE's sustainability strategy.

(Environmental, social and governance risk and opportunities (page 70))

Additionally, FUNDACIÓN MAPFRE prepared the official Spanish translation of these principles, which is available at: [FUNDACIÓN MAPFRE Web](#).

More information: [MAPFRE Group 2018 annual Social Responsibility Report](#)