



BOARD OF DIRECTORS' REPORT ON THE PROPOSED AMENDMENT OF ARTICLES 9
AND 16 OF THE REGULATIONS FOR THE GENERAL SHAREHOLDERS' MEETING

Madrid, February 6, 2019

I. BACKGROUND AND JUSTIFICATION FOR THE PROPOSAL

This report is prepared by the Board of Directors of MAPFRE S.A. (“**MAPFRE**”) to justify the proposed amendment of Articles 9 and 16 of the Regulations for the Annual General Meeting, in relation to the rights to attend, represent and vote on agreements in the General Meeting.

Section 2 of Article 521 of the Recast Text of the Capital Companies Act establishes that, in accordance with the provisions of the bylaws, the regulations for the general shareholders’ meeting may govern the exercise of such rights.

To this effect, and pursuant to the provisions of Article 12 of MAPFRE’s Articles of Association, the Board of Directors deems it appropriate to incorporate changes into the Regulations for the General Shareholders’ Meeting with a view to amending the arrangements set out for the right to attend, vote and representation in the Meeting, in order to make it even easier for shareholders to participate by remote means of communication, adjusting its regulations to the most common practices.

II. PROPOSED RESOLUTIONS

- To amend Article 9 of the Regulations for the General Shareholders’ Meeting which will be worded as follows:

*Article 9 **Right to representation***

The right to attend the General Meeting may be delegated to another person, who may or not be a shareholder. Representation must be granted in writing or by mail, email or any other remote means of communication, provided that the identity of the parties involved is duly guaranteed, and it is granted in accordance with the legally established procedures. Representation must always be granted on a case-by-case basis for each Meeting.

Based on the current provisions and technological developments, for each Meeting the Board of Directors will establish the most appropriate procedure for granting representation by remote means of communication. The aforementioned procedure will be described in detail in the call to the Meeting.

For its validity, the representation granted by any of the aforementioned remote means of communication must be received by the Company at least 24 hours in advance of the Meeting.

Representation may be revoked at any time. Personal attendance at the General Meeting by the shareholder being represented shall be sufficient to revoke the proxy. No more than one representative shall be allowed at the Meeting.

When the Company's Board of Directors conducts a public request for representation, the rules applicable will be those set forth in the current legislation. Specifically, the agenda should be included in or annexed to the document containing the proxy, as well as the request for instructions for exercising the right to vote and indications as to how the representative will vote where precise instructions are not given and the existence of conflicts of interest will be explicitly stated where these occur.

- To amend Article 16 of the Regulations for the General Shareholders' Meeting which will be worded as follows:

*Article 16 **Voting on the agreements***

Following the shareholders' contributions, the proposed agreements on the matters included in the agenda will be put to the vote.

Any substantially independent matters will be voted on separately, in order to also allow the shareholders to exercise their voting rights separately. This rule will apply in particular:

- a) To the appointment, ratification, reappointment and termination of directors.*
- b) In the event of amendments to the Articles of Association, in each article or group of articles with their own autonomy.*
- c) To any subjects for which such a provision is made in the Articles of Association.*

Financial intermediaries who attend the Meeting acting on behalf of different clients may split their vote and, if they receive different voting instructions, may exercise it by different means to comply with the instructions received from each of their clients.

The shareholders may cast their vote remotely by mail, email or any other remote means of communication, provided that the identity of the party exercising their voting right is duly guaranteed. Voting must take place in accordance with the legally established procedures.

Based on the current provisions and technological developments, for each Meeting the Board of Directors will establish the most appropriate procedure for exercising the right to vote by remote means of



communication. The aforementioned procedure will be described in detail in the call to the Meeting. For its validity, votes conferred by any of the aforementioned remote means of communication must be received by the Company at least 24 hours in advance of the Meeting.

Resolutions shall be adopted by a simple majority of the votes cast by shareholders present or represented at the General Meeting, and a resolution shall be deemed to be adopted when it receives more votes in favor than against, except in those cases where the law or the Articles of Association require a qualified vote in favor. Each share entitles its holder to one vote.

The Chairman of the Meeting will inform the shareholders of whether or not the agreements proposed to the General Meeting are approved when sufficient votes have been received to achieve the majorities required in each of the agreements.

It is the Chairman's responsibility to declare the Meeting finished and adjourn the session."
