



**MAPFRE, SA**

**REPORT ON THE AMENDMENT OF THE**  
**GENERAL SHAREHOLDERS MEETING REGULATIONS**

**FEBRUARY 2008**

**AMENDMENT OF THE GENERAL**  
**SHAREHOLDERS MEETING REGULATIONS**

The Unified Code of Corporate Governance, approved by the *Comisión Nacional del Mercado de Valores* (National Stock Market Commission) on 19 May 2006, contains certain recommendations with regard to the powers and terms of reference of the General Meeting which the Board of Directors has considered it appropriate to include in the General Shareholders Meeting Regulations, with the aim of improving the governance of the company, and so at the meeting of 6 February 2008 it unanimously approved a resolution to submit the proposal for the amendment of Articles 2, 6, 9, and 16 of the said Regulations at the forthcoming General Meeting. The said articles would be worded as is set forth below. The proposed amendments are shown in bold type and the reason for the changes is stated below the proposed text for each article.

*Article 2. General Shareholders Meeting*

**PROPOSED TEXT**

The Shareholders in General Meeting are the superior management body of the Company. The decisions they take according to law and the Bylaws shall bind all shareholders, including absentees and dissidents.

The Shareholders in General Meeting are authorised to decide on any matter relating to the Company. In particular, it is the only body with the power to make a decision on the following matters:

- a) To approve the Annual Accounts, individual and consolidated, of the Company and to apply the results.
- b) To examine and, if appropriate, approve the management of the Board of Directors.
- c) To appoint and remove members of the Board of Directors, and to ratify or revoke provisional appointments made by the Board.
- d) To appoint the External Auditors.
- e) To approve the issue of debentures, increase or reduce the capital, any restructuring, merger, spin-off or dissolution of the Company and any amendment to the corporate bylaws.

- f) To authorise the Board of Directors to increase the share capital, in accordance with the provisions of Article 153.1 of the Limited Liability Companies Act.
- g) To approve and change Shareholders Meeting Regulations.
- h) Approval of those transactions which entail a modification to the structure of the company, such as:**
- **the transformation of the operating company into a holding company, by way of the transfer of the essential activities performed up until that time by the company itself to other subsidiary companies, even where the parent company continues to have complete ownership over them;**
  - **the acquisition or disposal of essential operational assets, where this should entail an actual modification of the corporate intent;**
  - **any transactions which have an effect that is equivalent to the liquidation of the company.**
- i) The disposal of shares in subsidiary companies where, when added to other disposals made in the last three years, this entails the loss of the majority of the votes or of direct or indirect control over all the subsidiary companies or a part thereof representing more than one third of the revenues or of the consolidated results of the Group.**

**In addition, once a year the Board shall submit a report of a consultative nature with regard to the remuneration policy for directors for the current year and, as the case may be, that envisaged for future years.**

#### JUSTIFICATION

The introduction in the General Shareholders Meeting Regulations of numbers 3 and 40 of the Unified Code of Corporate Governance of the *Comisión Nacional del Mercado de Valores*.

Article 6. Information available to the shareholders when General Meetings are held.

PROPOSED TEXT

The Board of Directors will encourage the shareholders to take part at General Meetings on an informed basis, and it will take such measures as it may deem appropriate to enable meetings to effectively perform the purpose for which they are required according to law and the corporate bylaws.

From the time a meeting is called, all information that must be provided to shareholders on the occasion of a General Meeting will be placed at their disposal at the Company's registered address, **as well as the detailed proposal for the resolutions to be presented at the said meeting**. Likewise, shareholders may request such information to be sent to them free of charge.

Without prejudice to the foregoing, the Company will make the said information available through its web page (mapfre.com) and the *Departamento de Relaciones con Inversores* (Investor Relations Office) (CORPORACIÓN MAPFRE, Departamento de Relaciones con Inversores, Carretera de Pozuelo a Majadahonda, nº 52, 28220 Majadahonda (Madrid); electronic mail: [relacionesconinversores.cormap@mapfre.com](mailto:relacionesconinversores.cormap@mapfre.com)). The Company will use all of these means so that the shareholders may avail themselves of a means of communication with the Company to enquire about all matters of interest to them.

Further, the Company will, through its web page and the *Departamento de Relaciones con Inversores* (Investor Relations Office), publish all information deemed to be necessary to facilitate the shareholders attending and taking part in General Meetings.

JUSTIFICATION

The introduction into the General Shareholders Meeting Regulations of Recommendation no. 4 of the Unified Code of Corporate Governance of the *Comisión Nacional del Mercado de Valores*.

Article 9. Right to attend by proxy

PROPOSED WORDING

Without prejudice to the provisions of the Bylaws, the right to attend General Meetings may be delegated to another person who may or may not be a

shareholder. A proxy must be given in writing and especially for each meeting by such means that will duly ensure the identity of whoever exercises the right to give a proxy.

A proxy may always be revoked. If a shareholder who has given a proxy personally attends a meeting this will amount to a revocation. No more than one proxy may attend any meeting.

If the Directors of the Company issue a public request for proxies, those provisions contained in the Limited Liability Companies Act, the Securities Market Act and implementing provisions, shall be applicable. In particular, the document setting out the proxy must include the Agenda or have it attached as an Annex, as well as the request for instructions regarding the right to vote and a statement as to how the donee will vote if no precise instructions are given, **and shall disclose, where appropriate, the existence of conflicts of interest.**

#### JUSTIFICATION

To include the scope of Recommendations nos. 26 and 28 of the Unified Code of Corporate Governance of the *Comisión Nacional del Mercado de Valores* in the General Meeting Regulations with greater precision.

#### *Article 16. Voting on the resolutions*

#### PROPOSED WORDING

Upon the conclusion of the addresses made by shareholders, the proposed concerning those matters contained in the Agenda will be voted on.

**Those matters which are independent in substance shall be voted upon separately, so that the shareholders may likewise exercise their right to vote separately. This rule shall be applicable in particular to the following:**

- a) **The appointment or ratification of directors, which shall be voted upon individually.**
- b) **In the case of amendments to the corporate by-laws, each substantially-independent article or group of articles.**

**Financial intermediaries in attendance at the Meeting on behalf of more than one client may split their vote in order to comply with the instructions as given by their different clients.**

Resolutions shall be taken on a majority vote, save in those cases in which by law or according to the bylaws, a qualified favourable vote is required. Each share confers the right to one vote.

It shall rest with the Chairman to declare the meeting closed.

#### JUSTIFICATION

To include Recommendations nos. 5 and 6 of the Unified Code of Corporate Governance of the *Comisión Nacional del Mercado de Valores* in the General Meeting Regulations.

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