

## ANNEX 1

### ANNUAL REPORT ON REMUNERATION OF DIRECTORS OF PUBLICLY TRADED COMPANIES

#### ISSUER'S IDENTITY

<b>END DATE OF THE REFERENCED FINANCIAL YEAR</b>	31/12/2014
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#### **COMPANY NAME**

MAPFRE, S.A.

#### **REGISTERED OFFICE**

CARRETERA DE POZUELO No. 52 (MAJADAHONDA) MADRID

# ANNUAL REPORT MODEL ON THE REMUNERATION OF DIRECTORS OF PUBLICLY TRADED COMPANIES

## A REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT YEAR

A.1 Explain the company's remuneration policy. This section will include information on:

- General principles and pillars of the remuneration policy.
- The most significant changes made in the remuneration policy compared to that applied during the previous financial year, as well as modifications made during the year to the conditions for exercising previously granted options.
- Criteria used and the composition of the groups of comparable companies whose remuneration policies were examined to establish the remuneration policy of the company.
- Relative weight of variable remuneration concepts compared with fixed remuneration concepts, and the criteria followed to determine the different components of the remuneration package of the Directors (remuneration mix).

### Explain the remuneration policy

i) General principles and pillars:

The remuneration of the Directors is determined in accordance with the provisions of regulations applicable to corporations, the Corporate Bylaws of the Board of Directors of the company and the decisions adopted by the annual general meeting. The general principles and pillars of the remuneration system established for the Directors aims to keep their remuneration at a reasonable proportion to the importance of the company, its economic situation and market standards of comparable companies. The established remuneration system, especially regarding Executive Directors, aims to promote long term profitability and sustainability of the company and incorporates the necessary precautions to prevent the excessive assumption of risk and unfavorable outcomes. In application of these principles, the remuneration system of the Directors in their status as such, includes the following characteristics:

- It is transparent when reporting on the remuneration of the Directors.
- It provides incentive to remunerate their dedication, skills and responsibility, without it constituting an obstacle to their duty of loyalty.
- It is mainly composed by an assignment for belonging to the Board of Directors and, where appropriate, to the Committee and Steering Committees, and can receive non-monetary remuneration (life or health insurance, bonuses on products sold by companies of the MAPFRE Group, etc.) which are established in general for the personnel of the company.
- The fixed assignment will depend on the duties performed or positions held within the Board of Directors or its Steering Committees.
- It does not incorporate variable or components that are linked to the stock value, in order to separate their remuneration from short term goals and variables.
- Directors are compensated for traveling costs, moving costs and other costs undertaken in order to attend company meetings or for performing their duties.

The remuneration system of the Directors who perform executive duties within the company is based on the remuneration policy of the senior executives of MAPFRE. The following are the general principles and pillars of the aforementioned system:

- Remuneration is assigned for the performance of executive duties in accordance with the established policy for the remuneration of senior executives and in accordance with the stipulations of their respective contracts.
- There is a balanced and efficient relationship between the fixed components and variable components. The fixed remuneration constitutes a sufficiently high proportion of the total remuneration.
- Executive Directors may not receive the remuneration assigned to the Directors in their status as such.
- The remuneration of Executive Directors is intended for the medium and long term, which drives the performance of the Directors in strategic terms, as well as the achievement of short term results.

- The remuneration system is compatible with an appropriate and effective risk management and with the business strategy, the values long term and interests of the company, without variable remuneration threatening the company's capability for maintaining a proper capital base.
- It takes into account the tendencies of the market, and positions itself regarding these tendencies according to the strategic approach of the company, being effective for attracting and retaining the best professionals.
- It guarantees equality for all MAPFRE professionals, without any reference to sex, race or ideology.

The remuneration policy is therefore aimed at the generation of value for the company, seeking alignment with the interests of shareholders, with prudent risk management and strict compliance with current regulations regarding remuneration of Directors of publicly traded companies.

ii) The most significant changes made:

In 2014, the External Directors received a fixed assignment as basic remuneration for their membership on the Board of Directors, and regarding those who are part of the Committee or Steering Committees, an allowance for attendance at meetings.

These attendance allowances were abolished for 2015 and replaced by a fixed assignment for membership of the aforementioned delegate bodies.

iii) Criteria used to establish the company's remuneration policy and remuneration mix:

With regard to the criteria followed to determine the different components in the remuneration package of the Directors, in the case of External Directors, the purpose is to provide them remuneration according to their professional experience, dedication to the position and the responsibility it involves, while ensuring that their objectivity in the defense of company interests is not affected by the remuneration received.

For Executive Directors the purpose is, as with the rest of the Group's senior executives, to provide competitive remuneration packages that will attract and retain outstanding professionals, and to establish a stable link and with vocation for permanence over time between remuneration, results and assumed risk (therefore, these risks constitute a determining factor of the variable remuneration in the medium term).

In this regard, the Executive Directors have an ordinary variable remuneration system which is close to 100 percent of the fixed remuneration and is always linked to the net consolidated profit of the company.

There is also a variable multi-year incentive, described in section A.4 of this report, which is linked to the achievement of corporate and specific goals.

A.2 Information on preparatory work and the decision-making process followed to determine the remuneration policy and the role played, where applicable, by the Remuneration Committee and other control bodies in determining the remuneration policy. This information will include, if applicable, the mandate and composition of the Remuneration Committee and the identity of the external consultants whose services were used to define the remuneration policy. It will also specify the type of consultants who intervened in the definition of the remuneration policy, if applicable.

#### Explain the process for determining the remuneration policy

MAPFRE is aware of the importance of having a corporate governance system which guides the structure and transaction of its management in the interest of the company and its shareholders.

The MAPFRE Board of Directors has a regulation which, including the principles and items that make up the corporate governance system of the company, comprise the internal regulations and transaction of the Board and its Committees, as well as the rights and duties of the Directors in the performance of their duties.

In order to comply with the new legal requirements for remuneration of Directors, incorporated by Law 31/2014, and to continue adapting to the best practices of corporate governance regarding remuneration, on January 22, 2015 the Board of Directors approved the new regulation of the Board of Directors, which governs the duties regarding remuneration of the Board of Directors and the Appointments and Remuneration Committee.

In this regard, the MAPFRE Board of Directors has the following duties:

- Decisions regarding the remuneration of the Directors, within the statutory framework and, as applicable, the remuneration policy approved by the general meeting.
- Approval of the terms and conditions of the contracts of the Managing Directors or Directors who have assigned executive duties.
- Set the remuneration of Directors for the performance of executive duties.

The MAPFRE corporate governance system was configured so that the proposals submitted for consideration to the Board of Directors of the company regarding remuneration would originate in the Appointments and Remuneration Committee, which first analyzes them, with the assessment of the company's internal services and external experts when necessary. In this sense, the Committee also has assistance from the senior executives of the company, who supervise the Human Resources Division.

In accordance with article 11 of the MAPFRE regulations of the Board of Directors, the Appointments and Remuneration Committee proposes to the Board of Directors the remuneration policy for Directors, and for general managers or those who perform senior management duties under the direct authority of the Board, the Steering Committee or the Managing Directors, as well as individual remuneration and the other conditions of the Executive Directors' contracts, ensuring their observance.

To exercise the aforementioned responsibilities, the Committee must consult the Chairman of the Board and it must consider their proposals regarding issues relative to Executive Directors and senior executives.

The regulations of the Board of Directors, in accordance with the provisions of the legislation in force, establishes that the Appointments and Remuneration Committee must consist of a minimum of three and a maximum of five Directors, all of whom are non-executive, and at least two of which must be Independent Directors. Additionally, this Committee will be chaired by an Independent Director.

Meetings will be held every time it is necessary for the proper development of its duties and responsibilities, having held 4 meetings in 2014.

Its members at the time this report was prepared were as follows: Chairman:

Mr. Luis Iturbe Sanz de Madrid (Independent).  
Board Member: Ms. Adriana Casademont i Ruhí (Independent).  
Board Member: Mr. Luis Hernando de Larramendi Martínez (Proprietary Director). Board Member: Mr. Alfonso Rebuelta Badias (Proprietary Director).  
Board Member: Mr. Francisco Vallejo Vallejo (Proprietary Director).

For these purposes, it should be noted that in the performance of its duties, the Appointments and Remuneration Committee, in addition to assessment from MAPFRE internal services, has advising from the firms J&A Garrigues S.L.P. and KPMG, S.A. in the design of the medium term incentive plan described in section A.4 of this report.

Likewise, MAPFRE received advising from J&A Garrigues, S.L.P. for the elaboration of this report, as well as for the proper compliance of the new regulations regarding remuneration introduced by Law 31/2014, on December 3.

A.3 Indicate the amount and nature of the fixed components, with a breakdown where applicable, of the remuneration for performance of senior management duties by Executive Directors, of the additional remuneration as Chairman or as member of any board committee, of allowances for participation in the board and its committees, or other fixed remuneration as Director, as well as an estimate of the annual fixed remuneration they give rise to. Identify other earnings which are not paid in cash and the basic parameters for which they are granted.

#### Explain the fixed components of the remuneration

As indicated in section A.1, the company has a remuneration system which differentiates between External Directors and Executive Directors. The components of their differentiated remuneration are explained below. A) Fixed remuneration for Directors in their status as such.

External Directors will be receive a fixed assignment for their membership on the Board of Directors, as basic remuneration, and where appropriate, on the Committee and Steering Committees, which may be higher for persons who occupy positions on the Board itself or who perform the position of Chairman of the Steering Committee or of the Steering Committees of the Board. This remuneration may be supplemented with other non-monetary compensations established in general for the personnel of the company.

(i) Fixed assignment.

As indicated in the above section A.1, the basic remuneration of External Directors is an annual fixed assignment for their membership on the Board of Directors and, where appropriate, on the Committee and Steering Committees. For 2015, the assignments will be the following:

- Membership on the Board of Directors: €100,000
- Vice Chairman of the Board of Directors: €75,000
- Membership on the Steering Committee: €40,000
- Chairman of the Audit Committee: €40,000
- Board Members of the Audit Committee: €30,000
- Chairman of the Appointments and Remuneration Committee: €40,000
- Board Members of the Appointments and Remuneration Committee: €30,000
- Chairman of the Risk and Compliance Committee: €40,000

- Board Members of the Risk and Compliance Committee: €30,000

(ii) Life insurance and other non-cash earnings.

External Directors have life insurance with an insured capital of €150,253, and have some advantages such as bonuses on products sold by the MAPFRE Group companies, which are established generally for the personnel of the company.

(iii) Assignments for participating in Boards of Directors of subsidiary companies.

Those Executive Directors who are members of the Board of Directors of subsidiary companies also receive a fixed assignment for their membership and, as applicable, for membership on their Steering Committees.

The amount of these assignments varies depending on the size and geographic location of the subsidiary company.

For 2015, these assignments will be the following:

- Membership on the Board of Directors of insurance companies in Spain: €30,000
- Board Members of the Management Committees of insurance companies in Spain: €5,000
- Membership on the Board of Directors of subsidiary companies abroad: \$18,000 - \$60,000

B) Fixed remuneration of Executive Directors. (i)

Fixed remuneration.

Executive Directors do not receive the fixed assignment established for External Directors.

For the performance of their executive duties, the fixed remuneration of Directors is determined according to the policy established for the remuneration of MAPFRE senior executives, and in accordance with the stipulations of their respective contracts.

For 2015, the fixed salary remuneration of the five Executive Directors amounts to a total of €3,559,197, of which €2,903,720 correspond to the company and €655,471 to other companies of the Group in which a Director performs executive duties.

(ii) Life insurance and other earnings.

Executive Directors are entitled to the subsidies or social benefits established in general for company personnel in accordance with the Collective Agreement signed by MAPFRE.

Additionally, Executive Directors have a complementary insurance policy with an insured capital in case of death or permanent disability equivalent to twice the annual fixed remuneration, plus 1 percent for each year of service, and plus 20 percent for each child under 25 years of age or unable to work, with a clause for double capital in case of accidental death. They may also have some other benefits, such as bonuses in products sold by MAPFRE Group companies, which are established generally for the personnel of the company.

#### A.4 Explain the amount, nature and main characteristics of the variable components of the remuneration systems.

In particular:

- Identify each of the remuneration systems of which the Directors are beneficiaries, their scope, approval date, implementation date, effective period and main characteristics. In the case of share option plans or other financial instruments, the general characteristics of the plan will include information on the conditions for the exercise of these options or financial instruments for each plan.
- Indicate any remuneration for profit sharing or premiums, and the reason they were granted.
- Explain the main parameters and foundations for any annual premium system (bonus).

- The types of Directors (Executive Directors, External Proprietary Directors, External Independent Directors or Other External Directors) who are beneficiaries of remuneration systems or plans which include variable remuneration.
- The foundations of those systems or plans of variable remuneration, the criteria of performance evaluations chosen, as well as the components and evaluation methods to determine if the mentioned evaluation criteria was met and an estimate of the absolute amount of variable remuneration which the remuneration plan in force would generate, according to the level of compliance of the assumptions or goals taken as reference.
- If applicable, information will be given on the established deferral or postponement periods for payment and/or periods of retention of shares or other financial instruments.

<b>Explain the variable components of the remuneration systems</b>
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As it was indicated in section A.1 above, only Executive Directors receive variable remuneration, of which there are three types:

(i) Short term variable remuneration:

The Group's Executive Directors are among the senior executives who have an ordinary variable remuneration system established which is close to the 100 percent of the fixed remuneration and is always linked to the net consolidated profit of the company. This remuneration will always be paid in cash.

This short term variable remuneration can reach a total amount of €2,646,088 in 2015, with €2,308,932 corresponding to the company, and €337,156 to other companies of the Group in which a Director performs executive duties.

The ordinary variable remuneration is annually approved by the Board of Directors, following a report from the Appointments and Remuneration Committee, which also assesses, at the end of the financial year, the degree of achievement of goals with respect to the profits of the company.

(ii) Medium term variable remuneration:

In 2013 as proposed by the Appointments and Remuneration Committee, the Board of Directors of MAPFRE, S.A. approved an extraordinary medium term incentive plan for Executive Directors in their status as senior executives. The plan is not cumulative and multi-year, and extends from January 1, 2013 to March 31, 2016.

The payment derived from this plan depends on each of the beneficiaries of the plan meeting specific corporate goals. In general (except for special cases in which the beneficiary concludes his/her relationship with the Group under expressly set out terms), it is also conditioned on the continuation of employment until the date of its termination. The incentive will always be paid in cash.

The quantification of the incentive to be paid will depend on the degree of achievement of the goals established in line with the Strategic Plan of the Group. The defining metrics of the corporate goals are referred to the RAROC (Risk Adjusted Return On Capital) and specific goals of the directive.

The calculation rules to determine the incentive are the following:

- The fulfillment of the goals weighted as a whole must reach an average of 60 percent; otherwise entitlement to reception of the incentive will not be generated.
- If the fulfillment of the goals reaches a percentage between 60 percent and 80 percent, the incentive is paid at 60 percent.
- If the fulfillment of the goals is greater than 80 percent and up to 100 percent, the incentive is paid in a proportional manner.
- If the fulfillment of goals is higher than 100 percent, and with a maximum limit of 150 percent, the incentive is paid proportionally to the fulfillment of 100 percent of the goals, and applying a multiplier coefficient of 2 on the excess of compliance above 100 percent.

If the assumptions and benchmarks governing this remuneration vary as projected at the closing of the financial year 2014, the amount of the remuneration at the end of the period may amount to €6,250,000, with €4,600,000 corresponding to the company and €1,650,000 to the rest of the companies of the Group.

(iii) Incentives indexed to share values:

The Executive Directors are beneficiaries of an incentive plan indexed to the value of the shares for Directors of the Group, approved by the extraordinary general meeting held on July 4, 2007. The main features of this plan are detailed below:

Formula: Each participant is granted the right to receive in cash an amount of money equivalent to the result of multiplying the number of shares of MAPFRE, S.A. theoretically assigned by the difference between the simple arithmetical mean of the closing quotation prices on the trading sessions of the 30 workdays preceding the communication date of the financial year and the simple arithmetical mean of the closing trading prices on the trading sessions corresponding to the 30 workdays immediately preceding the date of inclusion in the plan. In the initial group of participants, this benchmark was fixed at the closing quotation price on Dec. 31, 2006, which was €3.42 per share.

Exercise of the right. The right is exercisable on the following dates:

- A maximum of 30 percent during the month of January of the fourth year following the date of inclusion of the Director in the plan.
- A maximum of 30 percent during the month of January of the seventh year following the date of inclusion of the Director in the plan.
- The remaining percent during the month of January of the tenth year following the date of inclusion of the Director in the plan. The deadline for exercising all the rights granted is the last day of the third period mentioned above.

The number of reference shares amounts to 1,681,286 and the reference quotation is €3.42 per share. At the closing of the financial year, the trading price of the share was below this reference quotation price.

This plan had a favorable report from the Appointments and Remuneration Committee, which met on May 23, 2007 and from the Board of Directors of the company, which met on June 1, 2007. It has been the subject of extensive information through the websites of the company and of the Spanish National Securities and Exchange Commission (the "CNMV").

A.5 Explain the main characteristics of the long term saving systems, including retirement and any other survivor benefits, that are partially or totally financed by the company, whether arranged internally or externally, with an estimate of their amount or equivalent annual cost, indicating the type of plan, whether it is defined-contribution or defined-benefit, the vesting conditions for Directors and their compatibility with any type of compensation for early termination or conclusion of the contractual relationship between the company and the Director.

Indicate also the contributions on behalf of the Director to defined-contribution pension plans; or the increase of consolidated rights of the Director, when dealing with contributions to defined-benefit plans.

#### Explain the long term saving systems

As a result of the commitments made by the company and its executive board to members prior to their appointment as such, under the provisions of their previous employment contracts, Executive Directors, like other professionals of the company, are beneficiaries of the MAPFRE Employment System Pension Plan. Additionally, Executive Directors have some specific defined contribution pension commitments in the event of retirement, death, and permanent disability, which are materialized in collective life insurance plans organized externally through group life insurance, commitments which bring cause of the prior labor relation that kept the Executive Directors with the company. The above is included in the pay policy established for the senior executives of MAPFRE. The aforementioned pension commitments are as follows:

- Life insurance and savings whereby MAPFRE agrees to make an annual contribution to remunerate for the limitation that entered into effect July 1, 2007 in Law 35/2006 of November 28, Income Tax for Individuals with respect to contributions established in the pension plan of the employment system promoted by the company.
- Life insurance and savings whereby MAPFRE agrees to pay determined annual premiums, of different amounts depending on the case.

The vesting conditions for Executive Directors are set out in the contracts regulating their employment relationships, suspended by Executive Directors of the company, which specify that the vesting of rights begins at the time when the employees have 15 years of service at the MAPFRE Group, with 5 of them as senior executives. This is the case for all Executive Directors.

There is no incompatibility with any kind of compensation for early termination or conclusion of the contractual relationship between the company and Director.

A total of €3,738,494 is expected to be registered as expenses for financial year 2015 under this concept, of which €3,719,244 correspond to the company and €19,250 to other companies of the Group.

**A.6 Indicate any compensation agreed or paid in the event of termination of the duties as a Director**

**Explain compensations**

There is no compensation paid or agreed in the event of termination of duties as a Director in their capacity as such.

**A.7 Indicate the conditions that must be respected by the contracts of those holding senior management duties as Executive Directors. Among other things, they must be informed of the duration, limits to compensation amounts, permanence clauses, notice periods, as well as amount paid in lieu of this notice period, and any other clauses related to signing bonuses, compensation or financial protection in the event of early termination or termination of the contractual relationship between the company and the Executive Director. Include, among others, the clauses or any conflict of interest pacts or agreements, exclusivity, permanence, or loyalty and post-contractual non-competition.**

**Explain the conditions of the contracts for Executive Directors**

(i) Duration:

Contracts for Executive Directors establish the termination of all of their relations with MAPFRE, including suspended labor relations, on the first day of January of the year following the one in which the Director reaches the age of 60, unless annual extensions are implemented at the request of the company until, as a maximum, the date on which the executive reaches the age of 65.

(ii) Signing bonuses:

There are no clauses relating to signing bonuses. (iii)

Notice period:

In the event of early termination by decision of the company, it shall inform the Director of the termination 3 months in advance of the date of termination:

(iii) Compensation for early termination of the contractual relationship:

When the relationship between the Director and company is effectively terminated because the Director has reached the age of 60, the company is bound to pay the Director an amount equivalent to the result obtained by multiplying the constant sum of €750 from the year 2003 by the number of months remaining until the Director reaches the age of 65.

As regards possible compensation due to termination at the company's initiative, except when there is cause to justify lawful dismissal, the Executive Director will be entitled to receive compensation equal to the amount set out in article 56.1.a) of the Workers' Statute.

(iv) Exclusivity and non-competition agreements:

There are no clauses related to conflicts of interest, permanence, or post-contractual competition. Dedication to the role must be exclusive and it will be incompatible with any other paid activity. The provision of services to other companies in the MAPFRE Group or collaboration with these or with other organizations with whom the former have collaborative relationships is considered to form part of their obligations, when required, with no additional payment.

**A.8 Explain any supplementary remuneration payable to Directors as consideration for services rendered other than those inherent in their position.**

**Explain supplementary remuneration**

No Director has rendered services other than those inherent in their position as Directors or their executive duties, as appropriate, except for those services provided by some Directors who are part of the Advisory Committee in the field of Global Risks, and those members who belong to the territorial boards of MAPFRE in Spain. The latter were terminated as of December 31, 2014.



A.9 Indicate any remuneration in the form of advance payments, credits or guarantees granted, indicating the interest rate, their essential characteristics and the amounts eventually returned, as well as the obligations assumed on their behalf by way of a guarantee.

**Explain advances, credits and guarantees granted**

None of the companies in the Group has granted payments in advance or credits to Directors, and they have not offered any guarantees on their account.

A.10 Explain the main characteristics of remuneration in kind.

**Explain remuneration in kind**

The members of the Board of Directors have the following social benefits in accordance with the established policy, in general, for personnel of the company:

- Life insurance, described in section A.3.
- Discounts on products sold by companies belonging to the MAPFRE Group.
- Christmas gifts.

In the case of the Executive Directors, apart from the social benefits applicable to all MAPFRE personnel, they also have, as remuneration in kind, the following concepts:

- Specific life insurance, described in section A.3.
- The private use of a company vehicle according to the conditions established in the policy for assignment of MAPFRE vehicles.
- Discounts on products sold by companies belonging to the MAPFRE Group.
- Annual medical checkup.

A.11 Indicate the remuneration payable to the Director by virtue of the payments made by the company to a third party to which the Director renders services, when such payments are intended to remunerate the Director for the services provided to the company.

**Explain remuneration payable to the Director by virtue of the payments made by the company to a third party to which the Director renders services**

No payments of this nature were made.

A.12 Any remuneration concept other than the above, whatever its nature or the company that pays it, especially when it is considered a related transaction or when its issuance distorts the true image of the total remuneration payable to the Director.

**Explain other remuneration concepts**

There are no remuneration concepts other than the those given above.

A.13 Explain the actions taken by the company relating to the remuneration system to reduce exposure to excessive risk and adjust it to the company's long term goals, values, and interests which will include, where appropriate, a reference to: measures intended to ensure that the remuneration policy serves the long term objectives of the company, measures which provide an appropriate balance between fixed and variable components of remuneration, measures taken in relation to those categories of personnel whose professional activities have a material impact on the risk profile of the company, formulas or recovery clauses to reclaim variable components of remuneration based on results when such components were paid on the basis of data which was subsequently proven manifestly inaccurate, and measures designed to prevent conflicts of interest, where applicable.

**Explain the actions adopted to reduce risk**

The current medium term variable remuneration detailed in section A.4 links the payment of incentives to the achievement of three-year goals. The main objectives relate the company's profit to the risk assumed during the financial years of the plan, take into account the improvement of the combined ratios (the ratio of claims and expenses to premiums), and pursue appropriate risk management.

Regarding the establishment of an appropriate balance between fixed and variable components of remuneration, the MAPFRE remuneration policy includes a variable structure which is calculated as a percentage of total remuneration, which is paid according to the degree of achievement of the objectives reached. The weight of the variable remuneration is determined by the position held within the organization, and increases depending on the level of responsibility and impact of the professional activities of the employee in the company.

Those employee categories that may have a material impact on the company's risk profile have a variable short term remuneration system linked to the achievement of objectives directly connected to strategic plans and carried out over one year.

With respect to potential conflicts of interest, the internal regulations of the company establish that they will be made known to the governing bodies of MAPFRE through the General Secretariat by those affected. These governing bodies will determine the existence or not of conflict, and if so, they will establish measures to protect the company interest in accordance with the circumstances. Such measures must be accepted by those affected.

## **B REMUNERATION POLICY FOR FUTURE FINANCIAL YEARS**

B.1 Make a general forecast of the remuneration policy for future financial years which describes the policy with respect to: fixed components and variable allowances and remuneration, the relationship between remuneration and profits, pension systems, the contractual conditions of Executive Directors, and a forecast of the most significant changes in the remuneration policy with respect to previous financial years.

### **General forecast of the remuneration policy**

The remuneration system established by MAPFRE for members of its Board of Directors, detailed in this report, is to be applied during the current year, in implementation of the resolutions that may be adopted, where appropriate, by the relevant governing bodies of the company, and will continue to apply in future years unless the appropriate corporate bodies so decide, if circumstances so warrant.

At the time of the writing of this report, no substantial changes in the remuneration policy of MAPFRE are anticipated for the coming financial years. Once the multi-year variable remuneration plan for the period 2013 - 2016 is finalized, the company may establish a new plan, linked to the strategic plan of the company, which may result in including Executive Directors of the company together with the other members of the management team.

Notwithstanding the foregoing, the Appointments and Remuneration Committee, in the exercise of the duties conferred to it by the regulations of the Board of Directors, regularly reviews the remuneration policy of the Board of Directors, bringing to it the proposals it considers appropriate as regards the concepts and the amounts, considering the environment and the profits of the company.

In this regard, the company will adapt its remuneration policy, as necessary, to the requirements of the Delegate Regulation of the Committee (EU) 2015/35, of Oct. 10, 2014, which supplements Directive 2009/138/EC of the European Parliament and of the Board on access to the activity of insurance and reinsurance and their pursuit (Solvency II), published in the Official Journal of the European Union on January 17, 2015.

B.2 Explain the decision-making process for determining the remuneration policy planned for future financial years, and the role played, if applicable, by the Remuneration Committee.

### **Explain the decision-making process for determining the remuneration policy**

Unless required by any future regulatory changes, there will be no changes in the decision-making process for determining the remuneration policy planned for future financial years and the role played by the Appointments and Remuneration Committee, with respect to the policy detailed in section A.2 of this report.

B.3 Explain the incentives created by the company in the remuneration system to reduce exposure to excessive risks and adjusted to the company's long term goals, values, and interests.

**Explain the incentives created to reduce risk**

The medium term incentives plan detailed in section A.4 covers, among its main objectives, the achievement of specific levels of profits for the company with respect to the risk assumed, as was explained in section A.13.

**C GENERAL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE CLOSED FINANCIAL YEAR**

C.1 Provide a brief explanation of the main characteristics of the structure and remuneration concepts of the remuneration policy applied during the closed financial year, specifying the individual remuneration payable to each of the Directors as reflected in Section D of this report, as well as a summary of the decisions made by the Board for the application of these concepts.

**Explain the structure and remuneration concepts of the remuneration policy applied during the financial year**

The main remuneration concepts in financial year 2014 were the following:

Salaries: Fixed remuneration of Directors detailed in section A.3, payable for the duties of senior management.

Fixed remuneration: Annual fixed assignment for being a member of the Board of Directors, exclusively for External Directors.

This fixed assignment was increased by 50 percent for persons who hold the position of Vice Chairman of the Board of Directors or who chair the Steering Committee, the Appointments and Remuneration Committee, the Auditing Committee or the Compliance Committee, although this increase is not cumulative for Directors who hold several positions.

Allowances: Allowances for attendance at meetings of the Board's managing committees, (Steering Committee, Appointments and Remuneration Committee, Audit Committee and Compliance Committee), exclusively for External Directors.

Short term variable remuneration: Variable amount paid to Executive Directors for their executive duties, which may be equal to or slightly higher than the fixed remuneration.

Other concepts: This section includes fixed assignments for their membership on territorial boards and the remuneration in kind detailed above, except for premiums paid for life insurance.

At the proposal of the Appointments and Remuneration Committee, the Board of Directors unanimously decided to approve the above concepts and the amounts allocated for each of them for financial year 2014 at the board meeting held on July 24, 2014.

Compensations: in 2014, one Director was compensated as a result of termination of the executive duties he was performing, and as a result, termination of his position on the board.

The individual amounts received by all the Directors appear in section D of this report. Regarding the variable remuneration of the Executive Directors, upon completion of the financial year 2014 the amount was determined based on the achievement of objectives with respect to the profits obtained by the company.

## D

## DETAIL OF INDIVIDUAL REMUNERATION PAYABLE TO EACH OF THE DIRECTORS

Name	Type	Payment period financial year 2014
ESTEBAN TEJERA MONTALVO	Executive	From 01/01/2014 to 12/31/2014.
ADRIANA CASADEMONT I RUHÍ	Independent	From 01/01/2014 to 12/31/2014.
RAFAEL CASAS GUTIÉRREZ	Executive	From 01/01/2014 to 12/31/2014.
ANDRES JIMÉNEZ HERRADÓN	Proprietary	From 01/01/2014 to 12/31/2014.
CATALINA MIÑARRO BRUGAROLAS	Independent	From 01/01/2014 to 12/31/2014.
ESTEBAN PEDRAYES LARRAURI	Executive	From 01/01/2014 to 06/18/2014.
ANTONIO NÚÑEZ TOVAR	Executive	From 01/01/2014 to 12/31/2014.
ANTONIO HUERTAS MEJÍAS	Executive	From 01/01/2014 to 12/31/2014.
IGNACIO BAEZA GÓMEZ	Executive	From 01/01/2014 to 12/31/2014.
RAFAEL BECA BORREGO	Independent	From 01/01/2014 to 12/31/2014.
RAFAEL FONTOIRA SURIS	Independent	From 01/01/2014 to 12/31/2014.
LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	Proprietary	From 01/01/2014 to 12/31/2014.
LUIS ITURBE SANZ DE MADRID	Independent	From 01/01/2014 to 12/31/2014.
ALBERTO MANZANO MARTOS	Proprietary	From 01/01/2014 to 12/31/2014.
RAFAEL MÁRQUEZ OSORIO	Proprietary	From 01/01/2014 to 12/31/2014.
FRANCISCA MARTÍN TABERNERO	Independent	From 01/01/2014 to 04/24/2014.
ANTONIO MIGUEL-ROMERO DE OLANO	Proprietary	From 01/01/2014 to 12/31/2014.
ALFONSO REBUELTA BADIÁS	Proprietary	From 01/01/2014 to 12/31/2014.
MATÍAS SALVÁ BENNASAR	Independent	From 01/01/2014 to 12/31/2014.
FRANCISCO VALLEJO VALLEJO	Proprietary	From 01/01/2014 to 12/31/2014.

D.1 Fill in the following tables on the individualized remuneration for each of the Directors (including remuneration for executive duties) payable for the financial year.

a) Remuneration payable in the company which is the subject of this report:

i) Remuneration in cash (thousands of €)

Name	Salaries	Fixed remuneration	Allowances	Short term variable remuneration	Long term variable remuneration	Remuneration as a result of membership on the Board of Directors committees	Compensations	Other concepts	2014 Total	2013 Total
LUIS ITURBE SANZ DE MADRID	0	71	70	0	0	0	0	1	142	97
CATALINA MIÑARRO BRUGAROLAS	0	47	47	0	0	0	0	0	94	8
ANDRES JIMÉNEZ HERRADÓN	0	47	29	0	0	0	0	0	76	48
RAFAEL MÁRQUEZ OSORIO	0	47	93	0	0	0	0	27	167	101
ANTONIO MIGUEL-ROMERO DE OLANO	0	47	8	0	0	0	0	28	83	84
MATÍAS SALVÁ BENNASAR	0	47	21	0	0	0	0	28	96	101
ALFONSO REBUELTA BADÍAS	0	47	21	0	0	0	0	29	97	103
RAFAEL BECA BORREGO	0	47	8	0	0	0	0	3	58	61
FRANCISCO VALLEJO VALLEJO	0	71	90	0	0	0	0	2	163	171
ALBERTO MANZANO MARTOS	0	47	0	0	0	0	0	30	77	79
RAFAEL FONTOIRA SURIS	0	47	8	0	0	0	0	28	83	84
ADRIANA CASADEMONT I RUHÍ	0	47	0	0	0	0	0	6	53	45
LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	0	47	82	0	0	0	0	29	158	170
FRANCISCA MARTÍN TABERNERO	0	16	20	0	0	0	0	0	36	74
ANTONIO HUERTAS MEJÍAS	665	0	5	668	0	0	0	1	1,339	1,240
ESTEBAN TEJERA MONTALVO	554	0	5	431	0	0	0	8	998	865
ANTONIO NÚÑEZ TOVAR	771	0	5	438	0	0	0	7	1,221	833
RAFAEL CASAS GUTIÉRREZ	0	0	5	0	0	0	0	0	5	47
ESTEBAN PEDRAYES LARRAURI	361	0	5	0	0	0	4,289	4	4,659	688
IGNACIO BAEZA GÓMEZ	0	0	5	0	0	0	0	2	7	93

ii) Share-based remuneration systems

iii) Long term saving systems

Name	Contribution during the financial year by the company (thousands of €)		Amount of accumulated funds (thousands of €)	
	Year 2014	Year 2013	Year 2014	Year 2013
ANTONIO HUERTAS MEJÍAS	476	464	1,439	928
ESTEBAN TEJERA MONTALVO	381	371	1,637	1,216
ANTONIO NÚÑEZ TOVAR	19	258	957	911
ESTEBAN PEDRAYES LARRAURI	487	478	1,411	888

iv) Other earnings (thousands of €)

<b>LUIS ITURBE SANZ DE MADRID</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
4	3	Not applicable	Not applicable

<b>ANDRES JIMÉNEZ HERRADÓN</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
1	1	Not applicable	Not applicable

<b>RAFAEL MÁRQUEZ OSORIO</b>			
<b>Remuneration in advances, credits granted</b>			

<b>RAFAEL MÁRQUEZ OSORIO</b>					
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>		<b>Amounts eventually returned</b>	
		0,00		Not applicable	
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>			
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>		<b>Year 2013</b>	
4	3	Not applicable		Not applicable	

<b>ANTONIO MIGUEL-ROMERO DE OLANO</b>					
<b>Remuneration in advances, credits granted</b>					
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>		<b>Amounts eventually returned</b>	
		0,00		Not applicable	
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>			
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>		<b>Year 2013</b>	
1	1	Not applicable		Not applicable	

<b>MATÍAS SALVÁ BENNASAR</b>					
<b>Remuneration in advances, credits granted</b>					
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>		<b>Amounts eventually returned</b>	
		0,00		Not applicable	



<b>MATÍAS SALVÁ BENNASAR</b>			
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
4	4	Not applicable	Not applicable

<b>ALFONSO REBUELTA BADÍAS</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
2	2	Not applicable	Not applicable

<b>ESTEBAN PEDRAYES LARRAURI</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>

<b>ESTEBAN PEDRAYES LARRAURI</b>			
5	8	Not applicable	Not applicable

<b>RAFAEL BECA BORREGO</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
2	2	Not applicable	Not applicable

<b>FRANCISCO VALLEJO VALLEJO</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
4	3	Not applicable	Not applicable

<b>ALBERTO MANZANO MARTOS</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
4	3	Not applicable	Not applicable

<b>RAFAEL FONTOIRA SURIS</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
3	3	Not applicable	Not applicable

<b>LUIS HERNANDO DE LARRAMENDI MARTÍNEZ</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>

<b>LUIS HERNANDO DE LARRAMENDI MARTÍNEZ</b>				
		0,00	Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>		
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>	
2	2	Not applicable	Not applicable	

<b>ANTONIO NÚÑEZ TOVAR</b>				
<b>Remuneration in advances, credits granted</b>				
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>	
0,00		Not applicable	Not applicable	
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>		
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>	
21	15	Not applicable	Not applicable	

<b>ANTONIO HUERTAS MEJÍAS</b>				
<b>Remuneration in advances, credits granted</b>				
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>	
0,00		Not applicable	Not applicable	
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>		

<b>ANTONIO HUERTAS MEJÍAS</b>			
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
10	8	Not applicable	Not applicable

<b>FRANCISCA MARTÍN TABERNO</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
1	2	Not applicable	Not applicable

<b>ADRIANA CASADEMONT I RUHÍ</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>

ADRIANA CASADEMONT I RUHÍ			
1	0	Not applicable	Not applicable

CATALINA MIÑARRO BRUGAROLAS			
Remuneration in advances, credits granted			
Interest rate of the transaction		Essential characteristics of the transaction	Amounts eventually returned
0,00		Not applicable	Not applicable
Life insurance premiums		Guarantees given by the company for the Directors	
Year 2014	Year 2013	Year 2014	Year 2013
1	0	Not applicable	Not applicable

ESTEBAN TEJERA MONTALVO			
Remuneration in advances, credits granted			
Interest rate of the transaction		Essential characteristics of the transaction	Amounts eventually returned
0,00		Not applicable	Not applicable
Life insurance premiums		Guarantees given by the company for the Directors	
Year 2014	Year 2013	Year 2014	Year 2013
17	13	Not applicable	Not applicable

b) Remuneration payable to the company's Directors as a result of their membership on committees in other Group companies:

i) Remuneration in cash (thousands of €)

Name	Salaries	Fixed remuneration	Allowances	Short term variable remuneration	Long term variable remuneration	Remuneration as a result of membership on the Board of Directors committees	Compensations	Other concepts	2014 Total	2013 Total
LUIS ITURBE SANZ DE MADRID	0	19	0	0	0	0	0	0	19	20
CATALINA MIÑARRO BRUGAROLAS	0	20	7	0	0	0	0	0	27	0
ESTEBAN TEJERA MONTALVO	0	0	0	0	0	0	0	0	0	0
ANDRES JIMÉNEZ HERRADÓN	0	111	0	0	0	0	0	3	114	111
RAFAEL MÁRQUEZ OSORIO	0	29	0	0	0	0	0	0	29	30
ANTONIO MIGUEL-ROMERO DE OLANO	0	116	26	0	0	0	0	0	142	150
MATÍAS SALVÁ BENNASAR	0	88	29	0	0	0	0	26	143	147
ALFONSO REBUELTA BADÍAS	0	88	32	0	0	0	0	0	120	123
ESTEBAN PEDRAYES LARRAURI	0	0	0	0	0	0	0	0	0	0
RAFAEL BECA BORREGO	0	29	7	0	0	0	0	0	36	37
FRANCISCO VALLEJO VALLEJO	0	117	62	0	0	0	0	0	179	151
ALBERTO MANZANO MARTOS	0	88	0	0	0	0	0	0	88	90
RAFAEL FONTOIRA SURIS	0	58	3	0	0	0	0	0	61	63
ADRIANA CASADEMONT I RUHÍ	0	0	0	0	0	0	0	0	0	0
RAFAEL CASAS GUTIÉRREZ	439	0	0	324	0	0	0	7	770	643
IGNACIO BAEZA GÓMEZ	459	0	0	403	0	0	0	7	869	745
LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	0	59	19	0	0	0	0	0	78	90
ANTONIO NÚÑEZ TOVAR	0	0	0	0	0	0	0	0	0	0
ANTONIO HUERTAS MEJÍAS	0	0	0	0	0	0	0	0	0	0
FRANCISCA MARTÍN TABERNEIRO	0	23	3	0	0	0	0	0	26	76

ii) Share-based remuneration systems

iii) Long term saving systems

Name	Contribution during the financial year by the company (thousands of €)		Amount of accumulated funds (thousands of €)	
	Year 2014	Year 2013	Year 2014	Year 2013
ESTEBAN PEDRAYES LARRAURI	0	0	424	414
RAFAEL CASAS GUTIÉRREZ	334	326	1,515	1,142
IGNACIO BAEZA GÓMEZ	412	402	1,737	1,284
ANTONIO HUERTAS MEJÍAS	0	0	620	602



iv) Other earnings (thousands of €)

<b>ANDRES JIMÉNEZ HERRADÓN</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
1	0	Not applicable	Not applicable

<b>RAFAEL CASAS GUTIÉRREZ</b>			
<b>Remuneration in advances, credits granted</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
22	16	Not applicable	Not applicable

<b>IGNACIO BAEZA GÓMEZ</b>			
<b>Remuneration in advances, credits granted</b>			

<b>IGNACIO BAEZA GÓMEZ</b>			
<b>Interest rate of the transaction</b>		<b>Essential characteristics of the transaction</b>	<b>Amounts eventually returned</b>
0,00		Not applicable	Not applicable
<b>Life insurance premiums</b>		<b>Guarantees given by the company for the Directors</b>	
<b>Year 2014</b>	<b>Year 2013</b>	<b>Year 2014</b>	<b>Year 2013</b>
11	8	Not applicable	Not applicable

**c) Summary of remuneration (thousands of €):**

The summary must include the amounts corresponding to all remuneration concepts included in this report payable to the Director, in thousands of euros.

In the case of long term saving systems, the summary must include the contributions or payments made to these types of systems:

Name	Remuneration payable in the company				Remuneration payable in Group companies				Total		
	Total remuneration in cash	Amount of issued shares	Gross earnings from exercised options	Year 2014 company total	Total remuneration in cash	Amount of granted shares	Gross earnings from exercised options	Year 2014 Group total	Year 2014 total	Year 2013 total	Contribution to saving systems throughout the financial year
LUIS ITURBE SANZ DE MADRID	142	0	0	142	19	0	0	19	161	117	0
CATALINA MIÑARRO BRUGAROLAS	94	0	0	94	27	0	0	27	121	8	0
ESTEBAN TEJERA MONTALVO	998	0	0	998	0	0	0	0	998	865	381
ANDRES JIMÉNEZ HERRADÓN	76	0	0	76	114	0	0	114	190	159	0
RAFAEL MÁRQUEZ OSORIO	167	0	0	167	29	0	0	29	196	131	0
ANTONIO MIGUEL-ROMERO DE OLANO	83	0	0	83	142	0	0	142	225	234	0
MATÍAS SALVÁ BENNASAR	96	0	0	96	143	0	0	143	239	248	0
ALFONSO REBUELTA BADÍAS	97	0	0	97	120	0	0	120	217	226	0
ESTEBAN PEDRAYES LARRAURI	4,659	0	0	4,659	0	0	0	0	4,659	688	487
RAFAEL BECA BORREGO	58	0	0	58	36	0	0	36	94	98	0
FRANCISCO VALLEJO VALLEJO	163	0	0	163	179	0	0	179	342	322	0
ALBERTO MANZANO MARTOS	77	0	0	77	88	0	0	88	165	169	0
RAFAEL FONTOIRA SURIS	83	0	0	83	61	0	0	61	144	147	0
ADRIANA CASADEMONT I RUHÍ	53	0	0	53	0	0	0	0	53	45	0
RAFAEL CASAS GUTIÉRREZ	5	0	0	5	770	0	0	770	775	690	334
IGNACIO BAEZA GÓMEZ	7	0	0	7	869	0	0	869	876	838	412

Name	Remuneration payable in the company				Remuneration payable in Group companies				Total		
	Total remuneration in cash	Amount of issued shares	Gross earnings from exercised options	Year 2014 company total	Total remuneration in cash	Amount of granted shares	Gross earnings from exercised options	Year 2014 Group total	Year 2014 total	Year 2013 total	Contribution to saving systems throughout the financial year
LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	158	0	0	158	78	0	0	78	236	260	0
ANTONIO NÚÑEZ TOVAR	1,221	0	0	1,221	0	0	0	0	1,221	833	19
ANTONIO HUERTAS MEJÍAS	1,339	0	0	1,339	0	0	0	0	1,339	1,240	476
FRANCISCA MARTÍN TABERNEO	36	0	0	36	26	0	0	26	62	150	0
<b>TOTAL</b>	<b>9,612</b>	<b>0</b>	<b>0</b>	<b>9,612</b>	<b>2,701</b>	<b>0</b>	<b>0</b>	<b>2,701</b>	<b>12,313</b>	<b>7,468</b>	<b>2,109</b>

D.2 Report on the relationship between the remuneration obtained by the Directors and the company's profits or other measures of performance, explaining, where appropriate, how variations in the company's performance have affected the variation of the remuneration for Directors.

The variable remuneration of the Executive Directors is always linked to profits.

D.3 Report on the result of the advisory vote at the general meeting on the annual report on remuneration for the previous financial year, indicating the number of negative votes that were cast:

	<b>Number</b>	<b>percent of the total</b>
<b>Votes cast</b>	2,458,816,930	79,85%

	<b>Number</b>	<b>percent of the total</b>
<b>Negative votes</b>	187,943,089	6,10%
<b>Votes in favor</b>	2,265,464,715	73,56%
<b>Abstentions</b>	5,409,126	0,18%

## **E** OTHER USEFUL INFORMATION

If there is any relevant aspect regarding the remuneration of Directors that has not been covered in the sections of this report, but that should be included in order to provide more complete and explanatory information about the remuneration structure and practices of the company in relation to its Directors, please provide a brief explanation here.

This report includes the remuneration policy of MAPFRE, S.A. ("MAPFRE" or "the company") for the members of its Board of Directors, which was drawn up in accordance with the provisions in the new Article 541 of the Spanish Corporations Act introduced by Law 31/2014 of December 3, by which the policy is modified to improve corporate governance (LSC), which establishes the obligation of publicly traded companies to draw up an annual report on the remuneration of its Directors, following the content, format and structure given in Order ECC/461/2013 of March 20 and Circular 4/2013 of June 12 of the Spanish National Securities and Exchange Commission (the "CNMV").

Article 529r of the LSC establishes that the remuneration policy for Directors must be approved at the annual general meeting at least every three years as a separate point on the agenda. However, in accordance with the stipulations in the temporary provision of Law 31/2014, if the first ordinary general meeting held after January 1, 2015 approves the report on Director remuneration on a consultative basis, it shall be understood that the company's remuneration policy contained therein was also approved for the purposes of the provisions in Article 529r, with this article applying to the company from that time.

In applying the stipulations in the aforementioned temporary provision, this report has been approved as proposed by the Appointments and Remuneration and Committee and the Board of Directors of the company dated February 10, 2015 for the purposes of voting on it, on a consultative basis, at the company's annual general meeting as a separate point on the agenda, thus complying with, upon approving this report at the annual general meeting, the mandate established in the previously mentioned Article 529r of the LSC. The remuneration policy included in this report will be valid for the three years following the financial year in which it was approved at the general meeting.

This annual report on remuneration was approved by the company's Board of Directors on 02/10/2015.

Indicate whether any Directors voted against this report or abstained.

Yes

No