



## MODIFIED TEXT OF THE MAPFRE, S.A. BYLAWS

### TITLE I

#### NATURE, CORPORATE NAME, REGISTERED OFFICE, CORPORATE PURPOSE AND TERM

##### Article 1

Under the name of MAPFRE, S.A. a company is hereby incorporated subject to these Bylaws, the Spanish Companies Act, and all other provisions that may be applicable.

The Company has full legal capacity to act, and it may acquire, possess and alienate, by any title, any kind of property, rights and securities, and take part in the incorporation of any kind of company without limitation by virtue of its corporate purpose, with the agreement of the corresponding corporate body, as appropriate.

##### Article 2

The corporate purpose comprises the following:

- The acquisition, sale and holding of participations in insurance, finance and mercantile companies in general.
- The monitoring and supervision of the activities and results of its subsidiary or investee companies.
- The provision of any kind of services to the aforementioned companies as required for their better organisation, promotion and development.
- The granting of loans, securities, guaranties and, in general, the execution of any action that the Board of Directors may deem necessary to render financial support to its subsidiary or investee companies.
- Any legitimate activity that may be accessory, complementary, or related to the foregoing.

Should the Board of Directors so decide, the corporate purpose may be pursued in part by holding shares or participations in companies with the same or similar corporate purpose.

##### Article 3

The company is incorporated with perpetual succession, and it will start operating when it is duly authorised thereto.



#### Article 4

Its registered address is Madrid, Paseo de Recoletos 25. The Board of Directors is authorised to transfer the registered address within the same town. Any move outside this town shall require the agreement of the General Meeting.

Its scope of activity covers all the national territory, but it may be extended to other countries by resolution of the Board of Directors, which has the authority to open or close Branch Offices, Agencies, Delegations and Representative Offices, both in Spain and abroad, and to decide on their transfer.

### TITLE II

#### SHARE CAPITAL AND SHARES

#### Article 5

The share capital is set at an amount of THREE HUNDRED AND ONE MILLION, TWO HUNDRED FIFTEEN THOUSAND, FOUR HUNDRED THIRTY FIVE EUROS, TEN CENTS, represented by 3,012,154,351 ordinary shares with a par value of 0.10 euros each, numbered consecutively from number 1 to 3,012,154,351, both inclusive, which have been fully paid up.

#### Article 6

All the shares have the same economic rights. However, the company may issue non-voting shares the par value of which taken together shall not at any time exceed one half of the paid-up share capital. The holders of these shares shall be entitled to be paid a minimum annual dividend of 5% as well as any other right provided for under articles 91 and 92 of the Companies Act.

#### Article 7

Shares shall be represented by means of account entries, which shall be governed by the Securities Market regulations and all other applicable provisions. The company shall acknowledge the status of shareholder to anyone who is duly registered with an entry in the Accounting Register, in which all successive transfers of shares and the establishment of rights *in rem* thereto shall be recorded.

#### Article 8

The provisions of the laws in force shall be applicable to all matters referring to the indivisibility of the co-ownership of shares, their acquisition by the company itself or its subsidiaries, the submission of any shareholder to the corporate resolutions, and the usufruct, pledge, loss or theft of securities.



### TITLE III

## CORPORATE MANAGEMENT AND ADMINISTRATION

### Chapter 1. Annual General Meeting

#### Article 9

It is the supreme governing body of the company. The resolutions it passes in accordance with the Law and the Bylaws are binding on all shareholders, including those who are absent or dissent.

#### Article 10

Its meetings may be Ordinary or Extraordinary and must be called by the Board of Directors.

The Ordinary General Meeting must necessarily be held once a year, within six months following the close of each annual financial year, in order to examine the corporate management, to approve, if pertinent, the Accounts for the previous year, and to take a decision on the application of the results.

An Extraordinary General Meeting shall be held whenever it is called by the Board of Directors in accordance with the legal requirements laid down for this purpose.

#### Article 11

It shall meet at the company's registered office, or wherever it is stated in the meeting call, within the town where the registered office is located. However, a General Shareholders' Meeting may be held anywhere within the national territory.

The holders of 1,500 shares which are registered in the Accounts Register five days prior to the meeting date shall be entitled to attend the meeting. Resolutions shall be approved by a majority of votes. Each share entitles its holder to one vote.

The Chairman and the Secretary of the meeting shall be the Chairman and the Secretary of the Board of Directors, or such persons as may stand in for them in accordance with the provisions contained in these Bylaws.

#### Article 12

Where these Bylaws are silent, the requirements for the General Meeting to be quorate, for the attendance of shareholders at the meeting, shareholders' right to information, the majority necessary for a resolution to be approved, the submission of shareholders to the resolutions approved by the majority and, in general, all matters relating to administrative issues, shall be governed by the provisions of the law in force.



## Chapter 2. Board of Directors

### Article 13

The Board of Directors is the body entrusted with the management, administration and representation of the Company. It has full power of representation, disposal and management, and its acts bind the Company without any limitation other than that which is expressly reserved to the Annual General Meeting pursuant to the Law and these bylaws. In particular, it has authority to decide whether the company will take part in the promotion and incorporation of any other mercantile company, in Spain or abroad, whatever its corporate purpose may be, and its shareholding therein.

It may set up Delegated Committees to improve the performance of its functions, and it may delegate all or some of its powers to its members and grant powers of attorney to anyone deemed necessary, subject to the restrictions and limits laid down by law.

It issues the regulations for the activities of the Steering Committee and the Executive Committee, and any other committee referred to in the previous paragraph. It sets their powers and freely appoints and replaces their members, unless they are *ex-officio* members due to the office they hold.

### Article 14

It is composed of a minimum of five and a maximum of twenty-four Directors. The total number of Directors shall be determined by the General Meeting.

The persons who hold the office of director should have a renowned reputation in their professional and commercial activity, and should hold the necessary professional qualifications or experience, in the same terms as those required by law for financial or insurance companies subject to the supervision of the Public Authorities. Under no circumstances may any of the following hold the office of director:

- a) Those who have a criminal record for offences involving dishonesty, breach of confidence, disclosure and revealing of secrets, offences against the Tax Authorities, the Social Security, misappropriation of public funds, and against property in general.
- b) Those who are barred from holding public office or from holding administrative or managerial positions at financial or insurance companies.
- c) Persons who are barred pursuant to insolvency legislation, for as long as the period of rehabilitation has not expired.
- d) In general, any persons who incur in a situation of incompatibility, incapacity or prohibition pursuant to the law, in particular Law 5/2006 of 10<sup>th</sup> April, of the Autonomous Region of Madrid.

Likewise, membership of the Board of Directors is barred to those persons who hold substantial holdings in entities belonging to financial groups other than that of the



Company and its dependent companies, and those who are directors, managers or employees of such entities, or who act at their service or on their behalf, unless they are appointed following a proposal by the Board of Directors itself, and provided that they do not, as a whole, represent more than twenty per cent of the total number of Directors.

#### Article 15

The Board shall, from amongst its members, elect a Chairman and it may likewise appoint one or more Vice-Chairmen as well as one or more Managing Directors. It shall also appoint a Secretary and it may appoint a Vice-Secretary, for which offices it shall not be necessary to be a Director.

The Chairman shall represent the Company, call and chair the meetings of the Board of Directors, enforce compliance with its decisions, and exercise any other functions conferred to him/her by these bylaws.

The Vice-Chairmen, in the order established in their appointment, shall stand in for the Chairman if he/she is absent, ill, or following an express delegation made by the Chairman. In default of this, they shall be replaced by the eldest Director.

The Secretary shall, on behalf of the Chairman, sign calls to General Meetings and Board meetings; he/she shall draw up the minutes of the meetings, have the custody of the Minutes Books at the registered address, and issue any necessary certificates. Should he/she be absent, the Vice-Secretary shall replace him/her, or if there is no Vice-Secretary, the youngest Director from amongst the attendees shall perform this office.

#### Article 16

The appointment and removal of Directors may be undertaken by the General Meeting at any time. The Board may temporarily cover any vacancies that might arise from amongst the shareholders, and any such appointments shall require ratification at the first General Meeting that is held.

Directors shall hold office for a term of four years. They may be re-elected up to the age of 70 years when they shall automatically retire from all offices held with the Company and its subsidiaries, even if their mandate has not yet expired.

Directors who, when they are appointed, do not hold any office or executive position in the Company or in any other Group company, may not take on such functions unless they previously retire from their office on the Board, without prejudice to their continuing to be eligible for such office at a later date.

#### Article 17

Directors who do not perform executive functions in the Company or in Group companies (External Directors) shall receive, as basic remuneration, a fixed sum which may be higher for those who hold office on the Board itself or who chair the Steering Committee, the Executive Committee or Board's Delegated Committee. This remuneration may be supplemented with other non-cash benefits (life or healthcare insurance, bonuses, etc.) that are generally provided to the company's personnel. The



members of the Board who form part of the Steering Committee, the Executive Committee, or the Delegated Committees shall also receive an allowance for attending the meetings.

The members of the Board of Directors who perform executive functions in the Company or in Group companies (Executive Directors) will receive the remuneration allocated to them for the performance of their executive functions (salaries, incentives, whether linked or otherwise to the Company's share price, supplementary bonuses, etc.) in accordance with the established policy for the remuneration of senior executives, according to the provisions of their respective contracts, which may also establish pertinent indemnity clauses in the event they are dismissed from such functions or their relationship with the Company is terminated. They will not receive the remuneration assigned to the External Directors, except for any remuneration assigned to the members of the Steering Committee, the Executive Committee or the Delegated Committees, if it is resolved by the Board of Directors.

Regardless of the remuneration established in the two preceding paragraphs, all Directors shall be paid for their travel, mobility and other expenses incurred to attend the meetings of the Company or for the performance of their functions.

#### Article 18

As many meetings as may be necessary shall be held in order to decide on any matters within its remit that are submitted to it by the Chairman, the other governing bodies of the Company, or by any Director; and to be informed about, and where pertinent to authorise, the main issues dealt with and resolutions approved by the Steering Committee, the Executive Committee and the Delegated Committees. It shall meet at least four times a year to receive information about accounting, administrative, financial, technical and statistical matters concerning the previous quarter.

It shall be called by the Chairman, or by whoever replaces him/her in accordance with the provisions contained in these Bylaws, on his/her own initiative or at the request of three Directors. The call may be made by letter, e-mail, fax or telegram, at least five days in advance, except where, in the opinion of the Chairman, there should exist reasons of urgency, in which case it may be called with minimum notice of twenty-four hours. It shall be deemed to be quorate when the meeting is attended, either in person or by proxy, by one half plus one of its members. Meetings shall also be quorate if they are not called in advance provided that all members of the Board are in attendance, and there is unanimous agreement to hold the meeting.

It shall approve resolutions by absolute majority of the Directors in attendance at the meeting, save in the case provided for at number 2 of Article 141 of the Spanish Companies Act. The Chairman shall have a casting vote in the event of a tie. It may also pass resolutions by written vote and without a meeting being held, provided no Director objects to this procedure.

Minutes shall be drawn up for each meeting and they shall be approved by the Board itself at the end of the meeting or at a later meeting, or by the Chairman of the Meeting and two Directors delegated by the Board for this purpose. The Minutes shall be transcribed into the pertinent official register and shall be signed by the Secretary of the



body or the meeting, by the person who chaired the meeting and, where appropriate, by the Directors who have approved them by delegation from the Board.

#### Article 19

All of the members of the Board of Directors shall be empowered to record any resolutions passed by the Board of Directors or by the General Meeting as a public deed, without prejudice to any specific delegations agreed for such purpose at any of the meetings of these bodies. The Board may also grant powers of attorney to any third party to record corporate resolutions as public deeds.

### Chapter 3. Steering Committee

#### Article 20

It is the delegated body of the Board of Directors for the high-level permanent coordination and supervision of the management of the Company and its subsidiaries in strategic and operational matters, and for the adoption of the decisions that may be necessary for the proper functioning thereof, all of which in accordance with the powers that the Board of Directors may delegate to it at any given time.

It shall be composed of a maximum of twelve members, all of whom shall sit on the Board of Directors. Its Chairman, First and Second Vice Chairmen, and Secretary shall be ex officio those who hold the same office on the Board of Directors, which shall appoint the other members up to a maximum of twelve, and may also appoint a Vice-Secretary who shall not be entitled to vote.

The Board of Directors shall establish, and shall amend as often as it considers necessary, the powers and the functioning of this Committee, which shall be set forth in a public deed.

### Chapter 4. Executive Committee

#### Article 21

The Board of Directors may set up an Executive Committee, under the auspices of the Steering Committee, to be in charge of implementing and executing the decisions of the latter, as well as drawing up proposals for decisions and plans to be approved by the Steering Committee, and taking decisions within the powers conferred to it at any given time for the co-ordinated and synergetic management of the ordinary operations of the Company and its subsidiaries.

It shall be composed of a maximum of twelve members, appointed from amongst the members of the Board of Directors and the Senior Managers of the Company and its subsidiaries. It shall be chaired by the Chairman of the Board of Directors or by the person delegated thereby.

The Board of Directors shall appoint, and shall dismiss where appropriate, the remaining members and the Secretary – and the Vice-Secretary where appropriate – of the Committee, and shall determine and amend, as often as it considers necessary, its



operational rules and its powers, which shall be set forth in the corresponding public deed.

## Chapter 5. Senior Executive Officers

### Article 22

The Board of Directors shall determine at any given time which of the Senior Officers referred to in Article 15 shall perform executive duties, as well as their hierarchy when there are more than one.

Notwithstanding the foregoing, the Board shall appoint one or more General Manager(s) who will be responsible for the management of the Company within the operational framework assigned to each of them, while reporting to the Senior Officer as determined in each case.

All persons who perform those executive functions referred to in this Article should provide their services to the Company on an exclusive basis, although they may share their dedication with other Group companies and with the foundations to which it is linked. Their appointment and dismissal corresponds to the Board of Directors, which shall establish their remuneration and all other contractual conditions, and shall confer on them such powers as may be necessary for the performance of their duties.

## Chapter 6. Delegated Committees

### Article 23

Pursuant to the provisions of article 13 of these bylaws, the Board of Directors may set up Delegated Committees, with such powers as it considers appropriate in each case.

These Committees shall be composed of a minimum of three and a maximum of seven members, appointed for a maximum period of four years with the possibility of re-election. Their functioning shall be in accordance with the following rules:

- a) Meetings shall be called by the Secretary – or by the person acting as Secretary – upon request of its Chairman, either on his/her own initiative or following a request by no less than two members who, in the event that the meeting they seek is not held within ten days, may call the meeting directly by way of notarised notification. Calls may be made by letter, e-mail, fax or telegram, with a minimum advance notice of seventy-two hours.
- b) Meetings shall be quorate where those in attendance, whether in person or by proxy, represent more than one half of the members of the Committee, and the Chairman or the Vice-Chairman are in attendance, or the express consent of the former has been given. Meetings may also be held without prior notice where all members are in attendance, and there is unanimous agreement to hold the meeting. Decisions shall be taken by way of absolute majority of the members in attendance at the meeting, and the person chairing the meeting shall have a casting vote.



- c) In the event that the Chairman or Vice-Chairman should be absent or ill or that the office should be vacant, the meeting shall be chaired by the eldest member in attendance; and in the event that the Secretary should be absent or ill or that the office should be vacant, he/she shall be replaced by the Vice-Secretary, or in default thereof by the youngest member in attendance.
- d) Where in the opinion of the Chairman it should be advisable for reasons of urgency or efficiency, and provided that no member should oppose thereto, the Committee may take decisions without holding a formal meeting with regard to specific proposals which are submitted for its consideration by the Chairman. For this purpose, the Secretary shall send the members of the Committee the corresponding proposals and documentation by letter, e-mail, messenger, telegram, fax, or any other suitable means. The said members shall communicate to the Secretary their conformity or reservations by way of the same means within forty-eight hours following receipt of the said documentation, and those proposals that have met with the conformity of the majority of the members of the Committee shall be deemed to have been approved.
- e) Minutes shall be taken of all meetings, which shall be approved by the Committee at the end of the session or at the following meeting, or by the person who chaired the meeting and one member of the Committee delegated for this purpose. The Minutes shall be signed by the Secretary of the Committee or by the person who acted as secretary at the meeting, by the person who chaired the meeting, and where appropriate, by the member of the Committee who has approved them by way of delegation.

#### Article 24

There shall exist an Audit Committee under all circumstances, and the majority of its members, including the Chairman, shall be non-executive directors, who may only be re-elected after one year has elapsed following the expiry of their term of appointment. The Secretary of this Committee shall be the Secretary of the Board of Directors. This Committee shall have the following powers:

1. To verify that the annual financial statements, as well as the six-monthly and quarterly financial statements, and all other financial information that must be filed with the regulatory or supervisory bodies, is true, complete and adequate, and that it has been drawn up in accordance with the applicable accounting regulations and the criteria laid down on an internal basis by the General Secretariat of MAPFRE, and that these are supplied within the proper time limit and with the correct content.
2. To propose to the Board of Directors, for approval by the Shareholders' Meeting, the appointment of the Company's External Auditor, as well as to receive information regarding the activities of the said External



Auditor and regarding any event or circumstance which may compromise his/her independence.

3. To supervise the performance of the Internal Audit Service, for which purpose it shall have complete access to information regarding its action plans, the results of its work, and the monitoring of the recommendations and suggestions of the external and internal auditors.
4. To be informed of the financial reporting and internal control process of the Company, and to formulate such observations or recommendations as it may deem necessary for the improvement thereof.
5. To inform the Annual General Meeting in relation to such questions as may arise regarding those matters within its powers.

#### TITLE IV

#### PROTECTION OF THE GENERAL INTEREST OF THE COMPANY

##### Article 25

In order to provide a greater safeguard of the general and higher interests of the Company, the precepts of this title are hereby established, which may only be amended by a resolution of a Extraordinary General Meeting called for this purpose, approved with the votes in favour of more than fifty per cent of the share capital.

The measures necessary in order to ensure compliance with these precepts shall be implemented both at the Company and at all entities where the Company has a direct or indirect position of control.

##### Article 26

The members of the Governing Bodies and the Managers of the Company and its subsidiaries may only be shareholders of those companies in which the Company directly or indirectly has a significant economic participation with the express authorisation of the Board of Directors or of the body designated by the Board of Directors for this purpose, and in accordance with the limits and rules approved for this purpose by the Annual General Meeting. In the case of companies listed on the Stock Exchange, the said authorisation shall not be required but the following rules shall be applicable:

- No Director or Manager shall hold, whether directly or indirectly, shares in excess of the highest of the following limits: one thousandth of the shares in issue, or three hundred thousand euros par value. However, if a company is to be listed on the Stock Exchange, the Directors or Managers who hold shares in excess of the aforementioned limit at that time may retain them on an exceptional basis but no further shares may be acquired until their shareholding complies with the limits laid down in this article.



The Directors or Managers who hold shares must give notice to the body designated by the Board of Directors for this purpose of any purchase or sale transactions carried out within seven days.

- The Company shall publish a break-down of the shares held by the Directors and Managers in its annual report at the end of each financial year.

The provisions of this article shall not be deemed to be infringed by the directors of a Company who have been appointed precisely because of their status as shareholders of the said Company.

#### Article 27

The Board of Directors shall take special care to ensure that, under no circumstances, any funds or property forming part of the assets of the Company and its subsidiaries are used directly or indirectly for ideological or political purposes, or for other purposes alien to its business object and objectives, with the sole exception of the donations provided for in article 34, and any sums of a limited amount which are contributed to good causes, charity or social needs in accordance with the Group's business size.

In the event of the dissolution, corporate restructuring or merger of the Company or its subsidiaries, the Directors, Managers and Employees cannot reserve any interest or special right over tangible or intangible assets of the said entities, without prejudice to any entitlement they may have as shareholders.

#### Article 28

No one may join as a member of the Board of Directors, as a Manager, Head of Department, or Employee if they are related up to the second degree, whether by blood or by affinity, to any member of the Board of Directors, Managers, Heads of Department, or Employees who are currently working at the Company. Anyone who has a third-degree blood relationship shall require the authorisation of the body designated by the Board of Directors before joining.

#### Article 29

The Senior Officers who perform executive functions, Managers as well as all the staff of the Company and its subsidiaries shall retire in accordance with the conditions set forth in their contracts, and at the maximum age of 65 years.

#### Article 30

The disposal of participations in subsidiary companies, where this entails a loss of the status of majority shareholder or of direct or indirect control over them, shall require the votes in favour of three quarters of the members of the Board of Directors.

Where, taken in conjunction with other disposals made over the last three financial years, this entails the loss of the majority of the voting rights or of direct or indirect



control over all subsidiary companies or over a part of them that represents more than one third of the revenues or of the consolidated results of the Group, this shall also require the approval of the Annual General Meeting.

## TITLE V

### MANAGEMENT REPORT, ANNUAL ACCOUNTS AND DISTRIBUTION OF PROFITS

#### Article 31

The financial year shall commence on 1<sup>st</sup> January and end on 31<sup>st</sup> December of each year. By way of exception, the first financial year shall begin on the date of execution of the foundational deed.

#### Article 32

The Board of Directors shall, within three months of the close of the financial year, draw up the Annual Accounts, the Management Report, and the proposal as to how to apply the results of the financial year and, whenever appropriate, the consolidated Accounts and Management Report.

These documents, following verification by the Accounts Auditors where required by Law, shall be submitted to the Ordinary General Meeting.

#### Article 33

Any liquid profits shall be allocated, in first place, to the allowance of the statutory reserves, and thereafter the shareholders shall be given a dividend as may be decided upon, by applying the part as pertinent to contributions and donations referred to in the following article and the surplus, if any, shall be allocated to a new account or to the allowance of voluntary reserves.

The General Meeting and the Board of Directors may advance to the shareholders an interim dividend in the manner and according to the requirements as provided by law.

#### Article 34

The Company or its subsidiaries shall, each year, set aside part of its/their profits to make contributions or donations to the FUNDACIÓN MAPFRE in order to finance the activities of the said foundation. The amount of these contributions, which shall be set each year by the corresponding Ordinary General Meetings, may not exceed as a whole 2 per cent of the Group's consolidated net profits.

## TITLE VI



## DISSOLUTION AND LIQUIDATION

### Article 35

The Company shall be dissolved in those cases provided by law and whenever the Annual General Meeting so decide. The General Meeting itself shall decide on how to proceed with the liquidation by appointing one or more Liquidators whose number must always be odd. This appointment shall terminate the powers of the Board of Directors. The liquidation of the Company shall comply with the provisions of the Spanish Companies Act, the Regulations on Organisation and Supervision of Private Insurance, and any other applicable provisions.

## TITLE VII

### EQUITABLE ARBITRATION

### Article 36

Any matter that may arise between the shareholders and the Company, or between the former directly as shareholders, shall be submitted to equitable arbitration in accordance with the rules contained in the law regarding this matter, without prejudice to the right of the parties to go to the Courts of Justice and the provisions of Articles 115 *et seq.* of the Spanish Companies Act regarding the invalidity of corporate decisions.