

ANNUAL CORPORATE GOVERNANCE REPORT

CORPORACIÓN MAPFRE, S.A.

CORPORATE GOVERNANCE ANNUAL REPORT

FISCAL YEAR 2003

OWNERSHIP STRUCTURE

1) Share Capital.

The share capital of CORPORACIÓN MAPFRE amounts to NINETY MILLION, SEVEN HUNDRED AND EIGHTY-TWO THOUSAND, TWO HUNDRED AND SIXTY-EIGHT (90,782,268) EUROS, represented by 181,564,536 ordinary shares with a par value of €0.50 each, numbered consecutively from 1 to 181,564,536, both inclusive, which are all fully paid up. All the shares are the same, and all shareholders have the same rights and duties.

The most recent change to the company's share capital was approved at the Shareholders Meeting held on April 21st 2001.

2) Shareholders with direct or indirect substantial holdings, as at 31.12.03.

(Personal or Corporate) Tax Identification Number	Name or business name of the shareholder	Number of shares held directly	Number of shares held indirectly	% of the total share capital
G/28010619	MAPFRE MUTUALIDAD	100,192,672	-	55.183
Z00000000	STATE STREET BANK AND TRUST CO.	12,593,284	-	6.94
Z00000000	FIDELITY INTERNATIONAL LIMITED	11,319,745	-	6.23
Z00000000	BROWN BROTHERS HARRIMAN AND CO.	9,839,448	-	5.42

Although the company does not have any formal confirmation, it understands that, at least in part, the shareholdings of the foreign companies are fiduciary interests in accordance with a legal structure that is alien to Spanish law for investments made by third party clients or by participants in funds.

The most significant movements in the shareholder structure that have occurred during the fiscal year and of which the company is aware are as follows:

(Personal or Corporate) Tax Identification Number	Name or business name of the shareholder	Date of the transaction	Description of the transaction
Z00000000	FIDELITY INTERNATIONAL LIMITED	4.11.2003	Shares acquired on the Stock Exchange

3) There do not exist, or the Company is unaware of, relationships of a family, commercial, contractual, or business nature between the owners of substantial shareholdings.

4) **Transactions with companies of the MAPFRE MUTUALIDAD Group**

There follows a description of transactions carried out with companies of the consolidated Group MAPFRE MUTUALIDAD:

Item	Expenses	Revenues
Expenses and revenues from tangible investments	--	3,592
Expenses and revenues from investments and interest-bearing accounts	--	24
Other non-technical revenues	--	1,236
Other non-technical expenses	10	--
Other external services	33,551	--
Commissions from direct insurance	19,768	--
Total	53,329	4,852

Data expressed in 000 euros

5) **Information regarding shares held by members of the Board of Directors.**

Tax Identification Number	NAME	Date of joining Board	Date of last re-election	Number of shares held directly	% of share capital
12,136,496 V	MR. CARLOS ÁLVAREZ JIMÉNEZ	27.6.1981	20.4.02	8,358	0.0046
50,713,224 H	MR. DOMINGO SUGRANYES BICKEL	23.4.1988	7.4.00	7,500	0.0041
5,047,370 C	MR. FRANCISCO RUIZ RISUEÑO	12.3.2003	29.3.03	10	0.0000
37,695,926 F	MR. RICARDO BLANCO MARTÍNEZ	4.12.2002	4.12.02	21,363	0.0117
132,859 B	MR. VICTOR BULTÓ MILLET	17.9.2003	17.9.03	100	0.0000
2,149,588 P	MR. JUAN FERNANDEZ-LAYOS RUBIO	27.6.1981	20.4.02	6,000	0.0033
16,435,243 H	MR. RAFAEL GALARRAGA SOLORES	28.4.1984	7.4.00	7,000	0.0038
40,002,735 P	MR. SANTIAGO GAYARRE BERMEJO	12.5.1989	21.4.01		

8118096421	MR. DIETER GÖBEL BRÜCKNER	7.4.2000	7.4.00		
50,280,227 L	MR. LUIS HERNANDO DE LARRAMENDI	17.4.1999	29.3.03		
27,770,965 Y	MR. MANUEL JESÚS LAGARES CALVO	17.4.1999	29.3.03		
22,394,123 N	MR. JOSÉ MANUEL MARTÍNEZ MARTÍNEZ	28.5.1987	29.3.03		
31,528,672 L	MR. ALBERTO MANZANO MARTOS	28.5.1987	29.3.03		
1,497,613 Z	MR. ANTONIO MIGUEL-ROMERO DE OLANO	17.4.1999	29.3.03	300	0.0001
21,348,426 X	MR. FILOMENO MIRA CANDEL	27.6.1981	20.4.02		
2,185,705 S	MR. ALFONSO REBUERTA BADÍAS	17.4.1999	29.3.03		
16,304,231 Z	MR. FELIPE RODRIGO ZARZOSA	7.4.2000	7.4.00	4,971	0.0027
14,437,024 Q	MR. PEDRO UNZUETA UZCANGA	17.4.1999	29.3.03		
5,359,921 R	MR. JOSÉ MANUEL GONZÁLEZ PORRO	17.4.1999	29.3.03		

- 6) The company is not aware of any shareholders agreement or of any joint action agreed by the shareholders.
- 7) The company does not have a portfolio of its own shares, nor has the General Meeting granted any authority to the Board of Directors to carry out transactions with the shares of the company.
- 8) There are no restrictions on the acquisition or transfer of shares in the corporate capital. There are no restrictions on the right to vote, given that every share entitles the holder to one vote. Nevertheless, in accordance with the Company by-laws, a minimum of 1,500 shares is required in order to attend a Shareholders Meeting, which must be recorded in the corresponding Register at least five days in advance of the date on which the meeting is to be held. Shareholders who hold fewer than this number of shares may pool them with other shareholders until the said minimum requirement is made up, appointing a representative from amongst themselves.
- 9) The company is controlled by its majority shareholder, MAPFRE MUTUALIDAD.

CORPORATE MANAGEMENT STRUCTURE

1) Board of Directors.

EXECUTIVE DIRECTORS

(Personal or Corporate) Tax Identification Number	Name or business name of the shareholder	Position
50,713,224 H	MR. DOMINGO SUGRANYES BICKEL	First Vice Chairman
37,695,926 F	MR. RICARDO BLANCO MARTÍNEZ	Managing Director
132,859 B	MR. VICTOR BULTÓ MILLET	Member
5,359,921 R	MR. JOSÉ MANUEL GONZÁLEZ PORRO	Director Secretary

EXTERNAL DIRECTORS NOMINATED BY THE SHAREHOLDERS

(Personal or Corporate) Tax Identification Number	Name or business name of the shareholder	Position	Name or business name of the substantial shareholder represented or who has proposed the appointment	(Personal or Corporate) Tax Identification Number of substantial shareholder
12,136,496 V	MR. CARLOS ÁLVAREZ JIMÉNEZ	Chairman	MAPFRE MUTUALIDAD	G/28010619
5,047,370 C	MR. FRANCISCO RUIZ RISUEÑO	Second Vice Chairman	MAPFRE MUTUALIDAD	G/28010619
2,149,588 P	MR. JUAN FERNANDEZ-LAYOS RUBIO	Member	MAPFRE MUTUALIDAD	G/28010619
16,435,243 H	MR. RAFAEL GALARRAGA SOLORES	Member	MAPFRE MUTUALIDAD	G/28010619
40,002,735 P	MR. SANTIAGO GAYARRE BERMEJO	Member	MAPFRE MUTUALIDAD	G/28010619
50,280,227 L	MR. LUIS HERNANDO DE LARRAMENDI	Member	MAPFRE MUTUALIDAD	G/28010619
31,528,672 L	MR. ALBERTO MANZANO MARTOS	Member	MAPFRE MUTUALIDAD	G/28010619
22,394,123 N	MR. JOSÉ MANUEL MARTÍNEZ MARTÍNEZ	Member	MAPFRE MUTUALIDAD	G/28010619
1,497,613 Z	MR. ANTONIO MIGUEL-ROMERO DE OLANO	Member	MAPFRE MUTUALIDAD	G/28010619
21,348,426 X	MR. FILOMENO MIRA CANDEL	Member	MAPFRE MUTUALIDAD	G/28010619
2,185,705 S	MR. ALFONSO REBUelta BADÍAS	Member	MAPFRE MUTUALIDAD	G/28010619
14,437,024 Q	MR. PEDRO UNZUETA UZCANGA	Member	MAPFRE MUTUALIDAD	G/28010619

EXTERNAL INDEPENDENT DIRECTORS

(Personal or Corporate) Tax Identification Number	Name or business name of the shareholder	Position	Proposed by	Profile
8118096421	MR. DIETER GÖBEL BRÜCKNER	Member	Appointments and Remuneration Committee	Degree in Insurance (Munich) Member of the Managing Board of Munich RE until 2000
27,770,965 Y	MR. MANUEL JESÚS LAGARES CALVO	Member	Appointments and Remuneration Committee	Doctor of Economic Science Professor of Public Finance State Tax Inspector (on leave)
16,304,231 Z	MR. FELIPE RODRIGO ZARZOSA	Member	Appointments and Remuneration Committee	Doctor of Naval and Oceanic Engineering Chairman of Bureau Veritas, and Director General for Spain, Portugal, and Morocco

2) Position of the members of the Board of Directors within the organisational structure of the company.

(Personal or Corporate) Tax Identification Number	Name or business name of the shareholder	Position
50,713,224 H	MR. DOMINGO SUGRANYES BICKEL	First Vice Chairman
37,695,926 F	MR. RICARDO BLANCO MARTÍNEZ	Managing Director
132,859 B	MR. VICTOR BULTÓ MILLET	Managing Director MAPFRE VIDA
5,359,921 R	MR. JOSÉ MANUEL GONZÁLEZ PORRO	Director Secretary

3) The directors do not have delegated authority. Some of them have limited powers of attorney.

4) **Members of the Board of Directors who hold the position of director or manager in other companies which form a part of the group of the listed company.**

Name of director	Name of subsidiary	Position
MR. DOMINGO SUGRANYES BICKEL	MAPFRE ASISTENCIA	Member
	MAPFRE CAJA MADRID HOLDING	Member
	MAPFRE CAJA SALUD	Member
	MAPFRE SEGUROS GENERALES	Member
	MAPFRE INMUEBLES	Member
	MAPFRE GUANARTEME	Member
	MAPFRE RE	Member
	MAPFRE AMÉRICA	Member
	MAPFRE AMÉRICA VIDA	Member
MR. CARLOS ÁLVAREZ JIMÉNEZ	MAPFRE ARGENTINA HOLDING	Chairman
	MAPFRE ARGENTINA SEGUROS	Chairman
	MAPFRE ARGENTINA A.R.T.	Chairman
	MAPFRE ARGENTINA SEGUROS DE VIDA	Chairman
MR. FRANCISCO RUIZ RISUEÑO	MAPFRE RE	Member
	MAPFRE VIDA	Member
MR. RICARDO BLANCO MARTÍNEZ	ITSEMAP SERVICIOS TECNOLÓGICOS	Member
	MAPFRE CAUCIÓN Y CRÉDITO	Member
	MAPFRE INDUSTRIAL	Member
	MAPFRE RE	Member
MR. VICTOR BULTÓ MILLET	MAPFRE VIDA	Managing Director
	MAPFRE VIDA PENSIONES	Joint and Several Administrator
	MAPFRE INVERSION	Managing Director
MR. JUAN FERNANDEZ-LAYOS RUBIO	MAPFRE INMUEBLES	Member
MR. RAFAEL GALARRAGA SOLORES	MAPFRE SEGUROS GERAIS	Chairman
	MAPFRE INMUEBLES	Member
	MAPFRE CAJA SALUD	Member
MR. SANTIAGO GAYARRE BERMEJO	MAPFRE CAJA MADRID HOLDING	Member
	MAPFRE VIDA	Member
	MAPFRE AMÉRICA	Chairman
MR. LUIS HERNANDO DE LARRAMENDI	MAPFRE VIDA	Member
MR. ALBERTO MANZANO MARTOS	MAPFRE CAJA MADRID HOLDING	Chairman
	MAPFRE CAJA SALUD	Member
	MAPFRE VIDA	Member
	MUSINI	Vice Chairman
MR. JOSÉ MANUEL GONZÁLEZ PORRO	MAPFRE INMUEBLES	Member
	MUSINI	Member
MR. MANUEL JESÚS LAGARES CALVO	MAPFRE VIDA	Member
MR. ANTONIO MIGUEL-ROMERO DE OLANO	MAPFRE CAJA MADRID HOLDING	Member
	MAPFRE INMUEBLES	Member
	MAPFRE VIDA	Member
MR. FILOMENO MIRA CANDEL	MAPFRE CAJA MADRID HOLDING	Member
	MAPFRE CAUCIÓN Y CRÉDITO	Chairman
	MAPFRE INDUSTRIAL	Chairman
	MAPFRE SEGUROS GENERALES	Chairman
	MAPFRE VIDA	Member

	MAPFRE AMÉRICA CAUCIÓN Y CRÉDITO	Chairman
	MUSINI	Chairman
MR. ALFONSO REBUELTA BADÍAS	MAPFRE CAUCIÓN Y CRÉDITO	Second Vice Chairman
	MAPFRE INDUSTRIAL	Second Vice Chairman
MR. PEDRO UNZUETA UZCANGA	MAPFRE ASISTENCIA	Vice Chairman
	MAPFRE VIDA	Second Vice Chairman

5) Remuneration of the directors earned during the fiscal year.

1. Within the company which is the subject of this report:

Remuneration item	Amount in thousands of euros
Salary	843
Allowances	80
Others	353
TOTAL	1276

2. By virtue of being members of other boards of directors of companies within the group:

Remuneration item	Amount in thousands of euros
Salary	331
Allowances	149
Others	221
TOTAL	701

3. With regard to the profits attributed to the controlling company:

Total directors' remuneration	1,977 thousand euros
Percentage with regard to the profits attributed to the controlling company	1.4%

6) Senior management members and total remuneration received during the fiscal year.

Name or business name	Position
MR. DOMINGO SUGRANYES BICKEL	First Vice Chairman
MR. RICARDO BLANCO MARTÍNEZ	Managing Director
MR. JOSÉ MANUEL GONZÁLEZ PORRO	Director Secretary

Total senior management remuneration	928 thousand euros
--------------------------------------	--------------------

- 7) The guarantee clauses in favour of senior managers in the event of dismissal from the company or from the group consist in a contractual acknowledgment that they are entitled to the application of the provisions of the Employment Act governing staff with ordinary employment status. In some particular cases, as a temporary measure, the guarantee provided for substitutes the above for the payment of the accumulated mathematical reserve corresponding to the manager's pensions complement.
- 8) **Process for establishing the remuneration of the members of the Board of Directors and relevant provisions of the Company by-laws.**

Pursuant to the provisions of clause 17 of the Company by-laws, the directors shall receive the following remuneration:

- The basic remuneration for external directors consists in an allowance for attendance at board meetings, which in 2003 stood at 1.93 thousand euros. Furthermore they have a life insurance policy covering death, with an insured capital amount of 150.25 thousand euros, and they benefit from some staff perks, such as health insurance.

External directors who are members of Committees or Delegated Committees also receive a fixed annual amount by virtue of this, which in 2003 stood at 13.23 thousand euros for the Executive Committee, and 9.94 thousand euros for the Delegated Committees.

- Executive directors receive the remuneration laid down in their employment agreements, which include a fixed salary, variable incentives linked to results, life insurance, disability insurance, and other payments generally laid down for the company's staff. Furthermore, certain pensions complements are awarded to them in the event of retirement, which are externalised by way of a life insurance policy, all of which is within the framework of the remuneration policy laid down by SISTEMA MAPFRE for its Senior Managers, whether or not they are directors.

Executive directors, however, do not receive the remuneration laid down for external directors.

The basic remuneration for external directors is approved by the Shareholders Meeting following a proposal by the Board of Directors and following a report by the Appointments and Remuneration Committee. The remuneration of the executive directors and the fixed amounts of the external members of the Delegated Committees are approved by the Board of Directors following a report from the said Committee.

9) **Members of the Board of Directors who are simultaneously members of the board of directors or directors of companies which have a substantial holding in the listed company.**

Name of the Director	(Personal or Corporate) Tax Identification Number of the Significant Shareholder	Name or business name of the Substantial Shareholder	Position
MR. JOSÉ MANUEL MARTÍNEZ MARTÍNEZ	G/28010619	MAPFRE MUTUALIDAD	Chairman
MR. FILOMENO MIRA CANDEL	G/28010619	MAPFRE MUTUALIDAD	First Vice Chairman
MR. FRANCISCO RUIZ RISUEÑO	G/28010619	MAPFRE MUTUALIDAD	Second Vice Chairman
MR. ALBERTO MANZANO MARTOS	G/28010619	MAPFRE MUTUALIDAD	Third Vice Chairman
MR. SANTIAGO GAYARRE BERMEJO	G/28010619	MAPFRE MUTUALIDAD	Managing Director
MR. DOMINGO SUGRANYES BICKEL	G/28010619	MAPFRE MUTUALIDAD	Member
MR. JUAN FERNANDEZ-LAYOS RUBIO	G/28010619	MAPFRE MUTUALIDAD	Member
MR. RAFAEL GALARRAGA SOLORES	G/28010619	MAPFRE MUTUALIDAD	Member
MR. LUIS HERNANDO DE LARRAMENDI	G/28010619	MAPFRE MUTUALIDAD	Member
MR. ANTONIO MIGUEL-ROMERO DE OLANO	G/28010619	MAPFRE MUTUALIDAD	Member
MR. ALFONSO REBUelta BADÍAS	G/28010619	MAPFRE MUTUALIDAD	Member
MR. PEDRO UNZUETA UZCANGA	G/28010619	MAPFRE MUTUALIDAD	Member

10) **Links between the members of the Board of Directors and the substantial shareholders.**

Messrs. Martínez Martínez, Mira Candel, Manzano Martos, González Porro, and Gayarre Bermejo are senior managers at MAPFRE MUTUALIDAD; Messrs. Ruiz Risueño, Fernández-Layos, Hernando de Larramendi, Miguel-Romero, Rebuelta, and Unzueta are independent directors of MAPFRE MUTUALIDAD; Messrs Galarraga and Sugranyes are directors of MAPFRE MUTUALIDAD.

- 11) The Regulations of the Board of Directors were approved by the Board at its meeting held on February 17th 2004. They are available on the company's website and shall be supplied to shareholders on the occasion of the next Shareholders Meeting, scheduled for March 6th 2004.

12) Procedure for the appointment, re-election, and removal of directors. Description of the relevant bodies, actions to be taken, and the criteria pertaining to each procedure.

Those persons who are offered the position of director of CORPORACIÓN MAPFRE or of one of its subsidiaries shall make a prior statement, which shall be truthful and complete, of their relevant personal, family, professional, or business circumstances, with particular emphasis regarding anything that may give rise to any incompatibility in accordance with the law, the Company by-laws, and the Code of Good Governance, or any conflict of interest. The said statement shall be set out in the form which SISTEMA MAPFRE has established for this purpose.

Only after the Company's Appointments and Remuneration Committee has first made a proposal shall the Board of Directors put forward candidates to the Shareholders Meeting, and shall the Shareholders Meeting take a decision regarding the appointment of directors.

The proposals for re-election of directors shall be subject to a process which shall necessarily include a report issued by the Appointments and Remuneration Committee, which shall assess the quality of the work that has been performed, and the dedication to the position that has been shown by the directors whose re-election is proposed throughout the time they have held office.

When the director in question holds a position on the Board of Directors (Chairman, Vice Chairman, or Secretary), the report shall include an assessment of how the said position has been performed so that the Board may express an opinion with regard to his/her continuing to hold office.

Where the Board of Directors should depart from the proposals of the Committee, it should provide reasons for its decision, and these should be reflected in the corresponding minutes.

13) Obligatory resignation of Directors.

Pursuant to the provisions of the Company by-laws, all members of the Board of Directors shall cease to hold office upon reaching the age of 70. The Executive Vice Chairman, the Managing Director, and the Secretary of the Board of Directors shall cease to hold office upon reaching the age of 65, but may continue as directors.

Directors shall be required to place their position in the hands of Board of Directors, and to tender their resignation, should this be considered necessary, in the following cases:

- Where they should cease to hold the executive position to which their appointment as a director is linked.
- Where they should fall within any of the reasons for incompatibility or prohibition provided for by law.
- Where they should be prosecuted for an alleged criminal offence, or be subject to a disciplinary inquiry for a serious or very serious offence conducted by any supervisory body.
- Where they should receive a serious reprimand from the Compliance Committee for having breached their duties as directors.
- Where their continued presence on the Board of Directors may put the interests of the Company at risk.
- Where the reasons for which they were appointed – should there be any express reasons – cease to exist.

14) Maximum and minimum numbers of directors provided for in the Company by-laws.

Maximum number of directors	20
Minimum number of directors	5

15) The Chairman of CORPORACIÓN MAPFRE is an external director nominated by the shareholders and does not perform any executive functions. The chief executive officer is the First Vice Chairman, who is the chairman of the Executive Committee. The chairmen of the main subsidiaries are usually their chief executive officers. However, this is not viewed as an excessive concentration of power, since decisions are taken collectively by the Board of Directors and their Committees.

16) A meeting of the Board of Directors shall be quorate when those in attendance, either in person or by proxy, represent one half plus one of the directors, and resolutions shall be approved by a majority of the directors in attendance at the meeting, except in the case provided for in Article 141.2 of the Companies Act (appointment of Managing Director, or permanent delegation of powers), which requires a vote in favour of two thirds of the members of the Board. No reinforced majority is required for any other type of decision that the Board may take.

- 17) There are no specific requirements in order for a director to be appointed as Chairman.
- 18) The Chairman shall have a casting vote in the event of a tie.
- 19) Pursuant to the provisions of the Company by-laws and the Regulations of the Board of Directors, all Board members shall cease to hold office upon reaching the age of 70. The Executive Vice Chairman, the Managing Director, and the Secretary of the Board of Directors shall cease to hold office upon reaching the age of 65, but may continue as directors.
- 20) There is no limited term for independent directors laid down in either the Company by-laws or the Board of Directors Regulations.
- 21) There are no formal procedures for the grant of a proxy within the Board of Directors.
- 22) **Number of meetings of the Board of Directors during the fiscal year.**

Number of board meetings requiring attendance of directors	5
Number of board meetings without the attendance of the chairman	none
Number of board meetings held on paper without session	1

- 23) The individual and consolidated annual financial statements which are submitted to the Board for approval are not certified by the Chairman, the Managing Director, or the Chief Financial Officer.
- 24) The company has never submitted financial statements subject to qualifications in the audit report.

The company has an Internal Auditing Office and a Legal Department to supervise the various aspects of the annual financial statements. There is also the Audit Committee of CORPORACIÓN MAPFRE, which was set up for the purpose of being a delegated body of the Board of Directors, and which has supervisory powers in this regard since fiscal year 2000.

- 25) The Secretary of the Board of Directors of CORPORACIÓN MAPFRE is also a Director, and has the appropriate position and means to adequately carry out his function, which is to oversee the formal and actual compliance with legal requirements of the activities of the Board of Directors.
- 26) The members of the Board of Directors who hold shares in entities which operate in the same, or an analogous, or a complementary line of business as that of the corporate objects, both of the company and of its group, and which have been communicated to the company, are as follows:

(Personal or Corporate) Tax Identification Number of the Director	Name or business name of the director	Name of company	Number of shares	% holding	Position or powers
2,149,588 P	MR. JUAN FERNANDEZ-LAYOS RUBIO	Aegon	9800	-	-
		Münchener	3000	0.0017	-
8118096421	MR. DIETER GÖBEL BRÚCKNER	Allianz Munich	352	0.0001	-
21,348,426 X	MR. FILOMENO MIRA CANDEL	Münchener Ruck	204	0.00011	-
		Aegon Nv	600	-	-
		Allianz Ag	142	-	-
50,713,224 H	MR. DOMINGO SUGRANYES BICKEL	Münchener Ruck	27	0.000015	-

Directors of this company who have a holding or who perform duties in other companies that form part of SISTEMA MAPFRE have not been taken into account as it is considered that such do not impinge on the duty of loyalty, nor generate any conflict of interest.

COMMITTEES OF THE BOARD OF DIRECTORS

1) Composition of the Delegated Committees of the Board of Directors.

EXECUTIVE COMMITTEE

(Personal or Corporate) Tax Identification Number	Name	Position
50,713,224 H	MR. DOMINGO SUGRANYES BICKEL	Chairman
12,136,496 V	MR. CARLOS ÁLVAREZ JIMÉNEZ	First Vice Chairman
5,047,370 C	MR. FRANCISCO RUIZ RISUEÑO	Second Vice Chairman
37,695,926 F	MR. RICARDO BLANCO MARTÍNEZ	Member
132,859 B	MR. VICTOR BULTÓ MILLET	Member
40,002,735 P	MR. SANTIAGO GAYARRE BERMEJO	Member
31,528,672 L	MR. ALBERTO MANZANO MARTOS	Member
1,497,613 Z	MR. ANTONIO MIGUEL-ROMERO DE OLANO	Member
21,348,426 X	MR. FILOMENO MIRA CANDEL	Member
2,185,705 S	MR. ALFONSO REBUelta BADÍAS	Member
5,359,921 R	MR. JOSÉ MANUEL GONZÁLEZ PORRO	Member - Secretary

AUDIT COMMITTEE

(Personal or Corporate) Tax Identification Number	Name	Position
27,770,965 Y	MR. MANUEL JESÚS LAGARES CALVO	Chairman
12,136,496 V	MR. CARLOS ÁLVAREZ JIMÉNEZ	First Vice Chairman
5,047,370 C	MR. FRANCISCO RUIZ RISUEÑO	Second Vice Chairman
50,280,227 L	MR. LUIS HERNANDO DE LARRAMENDI	Member
1,497,613 Z	MR. ANTONIO MIGUEL-ROMERO DE OLANO	Member
2,185,705 S	MR. ALFONSO REBUelta BADÍAS	Member
5,359,921 R	MR. JOSÉ MANUEL GONZÁLEZ PORRO	Member - Secretary

APPOINTMENTS AND REMUNERATION COMMITTEE

(Personal or Corporate) Tax Identification Number	Name	Position
50,713,224 H	MR. DOMINGO SUGRANYES BICKEL	Chairman
12,136,496 V	MR. CARLOS ÁLVAREZ JIMÉNEZ	First Vice Chairman
5,047,370 C	MR. FRANCISCO RUIZ RISUEÑO	Second Vice Chairman
2,149,588 P	MR. JUAN FERNANDEZ-LAYOS RUBIO	Member
50,280,227 L	MR. LUIS HERNANDO DE LARRAMENDI	Member
2,185,705 S	MR. ALFONSO REBUelta BADIÁS	Member
5,359,921 R	MR. JOSÉ MANUEL GONZÁLEZ PORRO	Member - Secretary

COMPLIANCE COMMITTEE

(Personal or Corporate) Tax Identification Number	Name	Position
5,047,370 C	MR. FRANCISCO RUIZ RISUEÑO	Chairman
50,280,227 L	MR. LUIS HERNANDO DE LARRAMENDI	Member
27,770,965 Y	MR. MANUEL JESÚS LAGARES CALVO	Member
2,185,705 S	MR. ALFONSO REBUelta BADIÁS	Member
14,437,024 Q	MR. PEDRO UNZUETA UZCANGA	Member

2) Description of the rules governing the organisation and functioning of the each one of the committees of the Board of Directors.

Executive Committee

This body, which shall report the Board of Directors, is responsible for the co-ordination and supervision at the highest level of the activities of the company and its subsidiaries in operational and management matters, as well as for the formulation and execution of the plans which are required for the proper development of the company and the approval or authorisation of decisions within those powers given by the Board of Directors.

The Executive Committee shall comprise a maximum of twelve members, who shall all be members of the Board of Directors. The posts of Deputy Chairman, and Secretary of the said Committee shall be held *ex officio* by the persons holding those posts on the Board of Directors.

Audit Committee

The Audit Committee shall comprise a minimum of three and a maximum of seven members, the majority of whom shall be non-executive directors. The Chairman of the Committee shall be appointed from amongst the non-executive directors. The Chairman's tenure shall be for a maximum of four years, and he/she may be re-elected after a period of one year has elapsed from the time that he/she left office. The Secretary of the Committee shall be the same as for the Board of Directors.

The Committee shall have the following responsibilities:

1. To verify that the annual financial statements, as well as the six-monthly and quarterly financial statements, and all other financial information that is required to 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 Secretary of SISTEMA 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 activities of the Internal Auditing 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 improvements to be made.
5. To inform the Shareholders Meeting in relation to such questions as may arise regarding those matters within its powers.

Appointments and Remuneration Committee

This is the delegated body of the Board of Directors responsible for the co-ordinated implementation of the appointments and remuneration policy to be applied to Senior Company Officers and Managers of CORPORACIÓN MAPFRE and its principal subsidiary companies.

These functions are exercised without prejudice to the powers which may legally or by way of operation of the Company by-laws rest with the representative and management bodies of CORPORACIÓN MAPFRE itself and its subsidiary companies.

In general, the Committee shall ensure the transparency of the criteria established for setting the remuneration of Senior Executives.

The Appointments and Remuneration Committee shall comprise a maximum of seven members, the majority of whom shall be non-executive directors.

Compliance Committee

This is the delegated body of the Board of Directors responsible for supervising the correct application of the rules of good governance which must be applied in the company.

These functions are exercised without prejudice to the powers which, pursuant to the law or the Company by-laws, may rest with the representative and management bodies of CORPORACIÓN MAPFRE itself.

The committee shall monitor the application of the rules of good governance in force at any given moment and shall propose, where necessary, the appropriate measures for improvement, and the updating of the said rules, where this should be required.

The Compliance Committee shall comprise a maximum of five members, all of whom shall be non-executive members. The Chairman shall be *ex officio* the second Deputy Chairman of the Board of Directors.

The Committee may appoint a Minutes Secretary, chosen from amongst the members of the Legal Affairs Unit of SISTEMA MAPFRE.

- 3) The basic functions, powers, composition, meetings schedule, and procedures for adopting resolutions of the delegated bodies of the Board of Directors are regulated by the Code of Good Governance of SISTEMA MAPFRE, which was filed with the Spanish National Securities Market Commission upon being adopted, and which is available on the company's website.

- 4) The Executive Committee, further to what has been stated above, has been granted on a permanent basis the following powers, which are summarised below:
- All powers of representation resting with the Board, with the exception of: those that may not be delegated; those for representing the entity before the General Insurance Directorate ('Dirección General de Seguros y Fondos de Pensiones') or other official bodies in activities arising as a result of inspections or which may entail serious penalties for the entity.
 - All administrative powers resting with the Board with the following exceptions: those that may not be delegated; the drawing up of the annual financial statements; the transfer of the registered office within the same locality; the calling of shareholders meetings; the filling of vacancies on the Board; the appointment and setting of the regulations of the Executive Committee, the Managing Director, and the Director General; the appointment and dismissal of senior managers; the approval of institutional agreements with foundations set up by MAPFRE and other entities of SISTEMA MAPFRE.
 - The following powers concerning disposals: to acquire, transfer, or encumber immovable assets and chattels, and to otherwise deal therewith as owner; to incorporate new companies or to acquire a holding in them; to assign to, or release from, the coverage of technical reserves any immovable asset; any transactions with trading instruments, or bank accounts with a positive or negative balance; the grant of loans and lines of credit, and to obtain sureties, bank guarantees, discount lines, etc..
 - Special powers relating to the granting and revocation of powers of attorney.
- 5) The Executive Committee is composed of external directors nominated by the shareholders (who make up the majority), and executive directors.
- 6) The Audit Committee has held five meetings during the fiscal year.
- 7) The Appointments and Remuneration Committee of the company has seven members. They are all external directors except for the Chairman and the Secretary.

- 8) The non-executive members of the Board of Directors do not hold meetings with the External Auditor, except for those held through the Audit Committee.

RELATED TRANSACTIONS

- 1) There are no transactions which involve a transfer of resources or duties between the company and/or its group, and the directors or managers of the company and of the group of companies of which the company is a part.

- 2) **Mechanisms to detect and regulate possible conflicts of interest between the company and/or its group, and its directors, senior managers, or substantial shareholders.**

All Board members and directors are required to make a prior statement on these matters upon being appointed. Furthermore this statement should be updated every year, and anytime a situation of possible conflict may arise.

Likewise, the Code of Good Governance of SISTEMA MAPFRE, and the Internal Code of Conduct regulate the special duties relating to potential conflicts of interest.

The Board of Directors has the authority to decide on these matters, following an examination carried out by the entity's Appointments and Remuneration Committee, or the Institutional Control Committee of SISTEMA MAPFRE, as the case may be. There is a special procedure for approving resolutions in matters where there is a potential conflict of interest with a Board member. The Board member in question is required to abstain from participating in these decisions.

RISK CONTROL SYSTEMS

- 1) **Control mechanisms to evaluate, mitigate, or reduce the main risks of the company and its group.**

At the end of 2002, SISTEMA MAPFRE began to develop an internal risk management system (the "SGR"), the principal objectives of which are as follows:

- To provide a suitable tool for identifying and evaluating certain of the risks inherent in the procedures, processes and operations of SISTEMA MAPFRE, on an individual company and group basis.

- To improve each operating unit's internal control and business management processes by means of an ongoing evaluation of the control systems that have been implemented.
- To recognise global risk exposure and available tolerance levels against minimum solvency requirements.
- To develop criteria for an efficient distribution of capital among operating units, based on the risk versus reward principle.

In addition to utilising the financial risk control tools generally adopted by financial institutions, it must be noted that the identification, evaluation and quantification of operational risk is carried out by means of an IT application developed internally by MAPFRE called Riskm@p, which produces risk profiles for all entities based on a dynamic analysis by process.

2) The committee or governing body entrusted with establishing and monitoring these control mechanisms, and its powers in detail.

The body in charge of establishing and supervising these control mechanisms is the Audit Committee of CORPORACIÓN MAPFRE, given that the assessment and management of risks is understood to be one of the internal control procedures.

3) **Risks covered by the system, together with a justification of the adequacy of the risk control systems as adjusted to the risk profile of the entity and/or its group.**

The Risk Management System (SGR) is based on an integrated risk management for each and every one of the business processes of the entity, as well as on the adjustment of risk levels to match the strategic objectives set by the Management. Four categories of risk have been defined which include the different types of risk, as set forth below:

➤ Operational risks	This includes 25 types of risk grouped under the following risk areas: <ul style="list-style-type: none"> ➤ Actuarial ➤ IT and communications ➤ Information ➤ Data protection ➤ Market risks ➤ Legal ➤ Personnel ➤ Procedures ➤ Risk of fraud 	
➤ Financial risks	Includes the following risks: <ul style="list-style-type: none"> ➤ Interest rate ➤ Exchange rate ➤ Credit ➤ Liquidity ➤ Investments 	
➤ Insurance business risks	This groups together, separately for Life and for Non-Life, the following risks: <ul style="list-style-type: none"> ➤ Insufficiency of premiums ➤ Reinsurance risks ➤ Sufficiency of Technical Reserves 	
➤ Strategic and Corporate Governance risks	➤ This includes the risks of business ethics and good corporate governance, organisational structure, alliances, mergers and acquisitions, risks arising from the regulatory environment, and finally, market and competition risks	

The planning, development and implementation of the Risk Management System in MAPFRE are being carried out on a centralised basis by the General Directorate for Internal Auditing, with a high degree of involvement by the principal operating units and companies of SISTEMA MAPFRE. This approach, among other advantages, makes it possible to adapt risk management systems to the risk profile of SISTEMA MAPFRE. In addition it should be pointed out that a credit rating is obtained every year for CORPORACIÓN MAPFRE and for other significant entities of the SISTEMA, which assesses the financial capacity and solvency of the group and its entities, notwithstanding compliance with the minimum capital and solvency requirements established by the various supervisory bodies in the countries where it operates.

Among the aspects analysed by independent rating agencies, the ratio of Available Economic Capital in relation to the Investment, Credit, Insurance and Other Risks, is of special importance. This ratio has traditionally led SISTEMA MAPFRE to obtain ratings among the highest for insurance companies, currently being 'AA (excellent)', with a stable

outlook, by Standard & Poor's, and 'A+ (superior)', with a positive outlook, by A.M. Best.

As far as credit ratings are concerned, Standard & Poor's currently assigns a 'AA- (excellent)' rating to CORPORACIÓN MAPFRE, which was upgraded during fiscal year 2003 from 'A+ (good)'.

SHAREHOLDERS MEETING

- 1) The quorum required for the Shareholders Meeting, as laid down in the Company by-laws, is the same as that laid down in the Companies Act.
- 2) The provisions for the approval of resolutions do not differ from the provisions laid down in the Companies Act. Shareholder's rights with regard to shareholders meetings are the same as those provided under the Companies Act, with the exception referred to under section 8 of the heading OWNERSHIP STRUCTURE of this report.
- 3) The Regulations of the Shareholders Meetings required by Law 26/2003, of 17 July, shall be submitted for approval at the next Annual General Meeting, scheduled for 6 March 2004, and shall be available from the company's own Investor Relations Department, the Spanish National Securities Market Commission (the 'CNMV'), and the company's website.
- 4) **The attendance figures for shareholders meetings held during the fiscal year are as follows:**

Date of Shareholders Meeting	Attendance figures			Total
	% personal attendance	% by proxy	% by distance voting	
29.3.2003	0.48%	67.52%	0	68%

- 5) **Resolutions approved at the shareholders meetings and the percentage of votes with which they were approved.**

At the Ordinary Shareholders Meeting, held on 29 March 2003, the following resolutions were unanimously approved:

- To approve the annual individual and consolidated financial statements for the fiscal year 2002.
- To approve the distribution of results proposed by the Board of Directors.
- To distribute a dividend of €0.10 gross per share to those shares numbered from 1 to 181,564,536, each inclusive, to be charged to the company's freely-available reserves, payable as from 2 June 2003.

- To approve the activities of the Board of Directors during fiscal year 2002.
 - To ratify the appointment of Board member Mr. Francisco Ruiz Risueño, made by the Board of Directors on 12 March 2003 in order to fill the vacancy caused by Mr. Florentino Braña Valdés who left office, and appoint him for a period of four years.
 - To re-elect, for a period of four years, the members of the Board of Directors Mr. Luis Hernando de Larramendi, Mr. Manuel Jesús Lagares Calvo, Mr. Alberto Manzano Martos, Mr. Antonio Miguel-Romero de Olano, Mr. José Manuel Martínez Martínez, Mr. Alfonso Rebuelta Badías, Mr. Pedro Unzueta Uzcanga, and Mr. José Manuel González Porro.
 - To renew the appointment of the firm Ernst & Young, S.L. as auditors of the company, both for the Individual Annual Financial Statements and for the Consolidated Accounts, should the company be under a duty to formulate such accounts or decide to do so voluntarily, for a period of one year, that is, for fiscal year 2003, notwithstanding that the said appointment may be revoked by the Shareholders Meeting prior to the end of the said period, should there be just cause.
 - To apply for the tax consolidation regime under the Corporation Tax Act for an indefinite period, as the controlling company in the Consolidated Group made up by CORPORACIÓN MAPFRE, S.A. and all those subsidiary companies which comply with the necessary requirements in order to benefit from and remain under the said regime, pursuant to the provisions of the Corporation Tax Act 43/1995, dated December 27th, and Royal Decree 537/1997, promulgating the Corporation Tax Regulations.
 - To delegate the widest of powers to the Chairman of the Board of Directors, Mr. Carlos Alvarez Jiménez, to the Executive Vice Chairman, Mr. Domingo Sugranyes Bickel, and to the Secretary of the Board, Mr. José Manuel González Porro, so that they may, independently, proceed to execute the aforementioned resolutions and engross them in public form as soon as is necessary, and to adapt them to any observations resulting from their examination by the Commercial Registry which ought, in the donees' opinion, to be accepted.
 - To thank those involved in the management of the company for their loyal co-operation during this fiscal year.
- 6)** The company is not aware of any policy followed by the institutional investors to participate or not in the decisions of the company.

7) **Address and means of access to the corporate governance content on the website**

Access is as follows: INFORMACIÓN GENERAL / Sistema MAPFRE / Investors.

The entity's website is www.mapfre.com.

8) **Measures approved so that the information made available to the market is transmitted in an equitable and symmetrical manner**

In the Internal Code of Conduct regarding listed securities issued by CORPORACIÓN MAPFRE, rules and procedures are laid down relating to the publication of relevant information by way of a communication made by the company's managers, first of all to the Spanish National Securities Market Commission, and subsequently to the market, by way of the website or any other means of communication which is considered to be appropriate or which is required by law.

DEGREE OF COMPLIANCE WITH THE RECOMMENDATIONS ON GOOD GOVERNANCE.

The Management of CORPORACIÓN MAPFRE and of all of its units and subsidiaries is regulated – in addition to the Company by-laws of each specific company – by the Code of Good Governance of SISTEMA MAPFRE, approved by the Board of Directors of MAPFRE MUTUALIDAD, the parent company of SISTEMA MAPFRE, at its meeting held on 20 March 2000, and accepted by the Board of Directors and by the Board members and senior managers of all the entities in SISTEMA MAPFRE.

The said Code represents a mandatory framework of reference for all the entities of SISTEMA MAPFRE, of which CORPORACIÓN MAPFRE is a part, and its governing bodies. It sets out the RULES which govern the management structure of SISTEMA MAPFRE, and the operating PRINCIPLES of the governing bodies of the entities that make it up. It takes into account the progressive complexity of its corporate structure and the incomplete legal regulation of business groups, thus ensuring that its activities are co-ordinated and transparent.

The drawing up of the Code of Good Governance of SISTEMA MAPFRE was a result of extensive work carried out by a committee made up in equal proportions by external directors and executive directors which, over a period of over fifteen months, carried out an in-depth review of the structures and functioning of SISTEMA MAPFRE in the light of the publication of a Report by the Special Committee for research into a Code of Ethics for Company Boards of Directors (the so-called 'Olivencia Report').

Although the recommendations contained in the 'Olivencia Report' were aimed at the large companies listed on the Stock Exchange, the governing bodies of

SISTEMA MAPFRE understood that an isolated adjustment to the said recommendations on the part of CORPORACIÓN MAPFRE was not advisable, but instead a profound review and updating of the entire management structure of SISTEMA MAPFRE should be carried out in the light of the said recommendations.

At the present time, following the publication of the Aldama Report on January 8th 2003, and of the Financial Act 44/2002, dated November 22nd, and the Transparency Act 26/2003, dated July 17th, a new Working Group has been set up, comprising four of the top MAPFRE executives, and the Chairmen of the Compliance Committees of SISTEMA MAPFRE, who are all external directors, for the purpose of carrying out an in-depth review and update of the Code, taking into account both the said recommendations and provisions, and MAPFRE's own experience in the application of the current Code. Furthermore, the purposes of this update, which will be revealed in the current year 2004, include the increased co-ordination within SISTEMA MAPFRE as a whole, and the simplification and streamlining of the decision-making processes.

In accordance with the said Code, compliance with the following corporate governance recommendations may be highlighted:

- The Boards of Directors of the various companies undertake, as their primary task, which may not be delegated, the general function of supervision, and they have established a catalogue of matters which are reserved for their knowledge alone, whereas the day-to-day company management is carried out by the Executive Committee of each company.

The highest supervisory and decision-making body of CORPORACIÓN MAPFRE and the supervisory body for all its subsidiaries is the Board of Directors of CORPORACIÓN MAPFRE, whilst business administration is the responsibility of the managerial and executive bodies of CORPORACIÓN MAPFRE and of the relevant corporate bodies of the aforementioned subsidiaries.

- The Board of Directors of CORPORACIÓN MAPFRE comprises, on the date on which this report is drawn up, nineteen members, of which fifteen are external (twelve nominated by the shareholders and three independent), and of the four remaining, two are the top executives of the company, one is the managing director of one of the main subsidiaries, and one is the Secretary and Legal Adviser to the Board of Directors of CORPORACIÓN MAPFRE.

On the Boards of Directors of the main subsidiary companies, there is in general a majority of external Board members (nominated by the shareholders and independent directors).

- The Chairman of CORPORACIÓN MAPFRE is an external director nominated by the shareholders and does not perform any executive functions. The chief executive officer is the First Vice Chairman, who is the chairman of the Executive Committee. The chairmen of the main

subsidiaries are usually their chief executive officers. However, this is not viewed as an excessive concentration of power, since decisions are taken collectively by the Board of Directors and their Committees.

Both in CORPORACIÓN MAPFRE, and on the Boards of Directors of the main companies of SISTEMA MAPFRE, the position of Second Vice Chairman is held, as a rule, by an external director, who is also the chairman of the Compliance Committee.

In CORPORACIÓN MAPFRE, the Secretary of the Board of Directors of CORPORACIÓN MAPFRE is also a Director, and has the appropriate position and means to adequately carry out his function, which is to oversee the formal and actual compliance with legal requirements of the activities of the Board of Directors.

- Both in the parent company, MAPFRE MUTUALIDAD, and in CORPORACIÓN MAPFRE, there are Appointments and Remuneration Committees, Audit Committees, and Compliance Committees.

In the Appointments and Remuneration Committees, and Audit Committees of CORPORACIÓN MAPFRE, the only participating executive directors are the executive Vice Chairman, and the Secretary of the Board of Directors (the latter as member and Secretary). The executive Vice Chairman chairs the Appointments and Remuneration Committee. The Audit Committee is chaired by an independent director, who is a Professor of Public Finance and an expert on the subject.

The Compliance Committee comprises exclusively external directors and is chaired by the external Vice Chairman, who in turn acts as co-ordinator for all the external directors.

At the main subsidiaries of CORPORACIÓN MAPFRE there is also a Compliance Committee which is entrusted with ensuring that the rules of the Good Governance Code are properly complied with at each entity.

- The directors receive in advance documents which have been specially prepared concerning the main issues included on the Agenda, and have powers to request as much information as they consider necessary in order to perform their duties properly.

The Boards of Directors hold five ordinary meetings a year, and the Executive Committees hold one ordinary meeting a month, notwithstanding any extraordinary meetings which may be required. The schedule for the meetings of the Delegated Committees is adjusted to meet the requirements of the issues which fall within their remit.

- The election and re-election of the members of the Board of Directors are carried out by way of a formal and transparent procedure, which includes the necessary proposal by the Appointments and Remuneration

Committee of SISTEMA MAPFRE or of CORPORACIÓN MAPFRE itself, in accordance with the scope of the remit entrusted with each one thereof.

- The rights and duties of board members are regulated in detail by the Code of Good Governance and are almost completely in accordance with the reference regulations drawn up by the Spanish National Securities Market Commission.

The remuneration thereof is in line with the principle of moderation, and consists in an allowance for attendance at the meetings. Furthermore the members of the Delegated Committees receive a fixed amount for this duty. Information regarding the remuneration criteria, both for external directors and for executive directors, as well as the global figures for the remuneration received, may be found in the Annual Report, and elsewhere in this Report.

The age limit is set at 65 for executive directors and 70 for external directors.

- The periodical information and the Annual Financial Statements are drawn up using the same criteria, and are verified by the Audit Committee.

This Committee likewise receives information on a regular basis concerning relations with External Auditors and is aware of all the reports and recommendations that they formulate. It is also informed of the reports issued by the Internal Auditing Services and of the degree of compliance with its recommendations.

The remuneration earned by the External Auditors with regard to the CORPORACIÓN MAPFRE Group during fiscal year 2003 for the services corresponding to the auditing of the annual financial statements amounts to 1.9 million euros. In addition, 0.59 million euros has been earned for services related to accounts auditing, and 0.14 million euros for other complementary services rendered. It is considered that neither of these last two figures places the auditors' independence at risk.

No qualification or proviso has been made by the External Auditors concerning the Annual Financial Statements for the entities of SISTEMA MAPFRE relating to fiscal year 2003.

- CORPORACIÓN MAPFRE provides its shareholders and institutional investors with ample information regarding its business and results and regarding its subsidiary companies. CORPORACIÓN MAPFRE, as a company listed on the Stock Exchange, releases extensive communications for its shareholders, institutional investors, and for market operators, as is detailed in the management report.

In compliance with the rules laid down in the Code, the Compliance Committees of CORPORACIÓN MAPFRE and of its main subsidiaries regularly assess compliance with the Code by their respective companies, and the

corresponding reports are submitted to their respective Boards of Directors, and to the Institutional Control Committee of SISTEMA MAPFRE.

In all reports corresponding to the evolution of fiscal year 2002, there was a high level of compliance, and the high ethical standards applied in the entities regarding all aspects examined were highlighted, as was the efficient supervisory and control functions carried out by the Boards of Directors. However, some aspects were pointed out for improvement and recommendations were given to this effect. The process of assessing compliance during fiscal year 2003 is currently underway.

Likewise, both the Board of Directors of CORPORACIÓN MAPFRE, and those of its main subsidiaries have carried out during fiscal year 2003 an assessment of the quality and efficiency of their work by way of a detailed questionnaire that was completed by each member sufficiently in advance, and the comments and suggestions arising therefrom have been examined by each Board of Directors, and the appropriate measures have been put in place in order to improve the quality and efficiency of the meetings.