

**REPORT OF THE DIRECTORS OF NEINOR HOMES, S.A. IN RELATION TO THE**  
**PROPOSED AMENDMENT TO THE REGULATIONS OF THE GENERAL**  
**SHAREHOLDERS' MEETING**

**1. Purpose of the report**

The Board of Directors of Neinor Homes, S.A. (“**Neinor Homes**” or the “**Company**”) prepares this report (the “**Report**”) to justify the proposed resolution to amend the Regulations of the General Shareholders' Meeting (the “**Regulations of the General Shareholders' Meeting**”) included under item 12 of the agenda of the General Shareholders' Meeting scheduled to be held on April 23, 2022.

This report is issued by the Board of Directors of the Company in accordance with the provisions of Article 33 of the Regulations of the General Shareholders' Meeting, which states that the Board “*may make proposals to the General Meeting of shareholders to amend these Regulations when it considers it necessary or appropriate, in which case the proposal shall be accompanied by a report justifying the proposal*”.

In compliance with this provision and in order to make it easier for shareholders to understand the amendments submitted for the consideration of the General Shareholders' Meeting, the purpose and justification of the amendments to the Bylaws and the proposed resolution submitted for the approval of the General Shareholders' Meeting are set forth below.

**2. Purpose and general justification of the proposal**

The purpose of the amendment of the Regulations of the General Shareholders' Meeting whose approval is proposed to the General Shareholders' Meeting is to adapt the text of the Bylaws to the amendments introduced in the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of July 2 (the “**Capital Companies Act**”) by virtue of Law 5/2021, of April 12, amending the revised text of the Capital Companies Law, approved by Royal Legislative Decree 1/2010, of July 2, and other financial regulations, with respect to the promotion of long-term shareholder involvement in listed companies (the “**Law 5/2021**”).

**3. Detailed justification of the proposal**

Following is a more detailed justification and explanation of the proposed amendments.

Attached as an **Annex** to this Report is the comparative text between the articles of the Regulations of the General Shareholders' Meeting in force and the proposed amendment, highlighting the proposed amendments.

a) Purpose and validity of the Regulations (article 1).

It is proposed to modify the second paragraph to adapt it to the reality of its entry into force at the time of admission of the Company's shares to trading on the Spanish Stock Exchanges.

b) Authority of the General Meeting of shareholders (article 5)

The following are added as faculties of the General Meeting: (i) the approval, where appropriate, of non-financial information statement, in accordance with Article 49.6 of the Commercial Code, as amended by Law 11/2018; and (ii) the approval of related party transactions whose approval corresponds to the General Meeting according to the Law, in accordance with the provisions of Article 529 duovicies.1 of Capital Companies Act.

c) Availability of information on the Company's corporate website from the date of the notice of meeting (article 8).

It is proposed to eliminate the reference to legal persons in relation to the appointment, ratification or re-election of Board members, in accordance with the provisions of Article 518.e) of Capital Companies Act and Article 529 bis.1 of Capital Companies Act, which establishes the obligation for the Board of Directors of listed companies to be composed exclusively of natural persons.

It is also proposed to incorporate a new paragraph relating to the transmission of information to shareholders and ultimate beneficiaries, in accordance with the provisions of article 520 bis of Capital Companies Act.

d) Right to attend (article 11).

It is proposed to incorporate in new paragraphs 11.5 to 11.8 the possibility of holding General Meetings exclusively by telematic means, in accordance with the provisions of Articles 182 bis and 521.3 of Capital Companies Act.

e) Right of information during the General Meeting (article 24).

A general reference is added to shareholders who, if applicable, attend the Meeting by telematic means, in accordance with the provisions of Article 182 of the Capital Companies Act.

f) Voting by means of distance communication (article 26).

A section is added relating to the confirmation by the Company of the receipt and recording of the vote cast by the shareholder in accordance with the new article 527 bis of the Capital Companies Act.

g) Minutes of the General Meeting of shareholders (article 31).

It is proposed to supplement Article 31 with the provisions of Article 521.3.b) of the Capital Companies Act, according to which if the General Meeting of listed companies is held exclusively by telematic means, the minutes of the meeting must be drawn up by a Notary Public.

h) Removal of the Sole Transitional Provision.

Removal as it is no longer applicable since the Company is already a listed company.

**4. Proposed resolution to be submitted for approval of the General Shareholders' Meeting**

*“Examination and approval, as the case may be, of the amendment of the Regulations of the General Shareholders' Meeting of Neinor Homes, S.A.*

**A. Amendment of Article 1 of Title I and elimination of the Sole Transitory Provision.**

**B. Amendment of Article 5 of Title II.**

**C. Amendment of Article 8 of Title III.**

**D. Modification of articles 11, 24, 26 and 31 of Title IV.**

*Approve the modifications to certain articles of the Regulations of the General Shareholders' Meeting under the terms of the proposal included in the Directors' Report prepared for such purpose and made available to the shareholders from the date of the call of this General Shareholders' Meeting. The purpose of the proposed amendments to the General Meeting Regulations is to (i) adapt the General Meeting Regulations to the regulatory changes introduced following the approval of Law 5/2021, of April 12, amending the revised text of the*

*Capital Companies Act, approved by Royal Legislative Decree 1/2010, of July 2, and other financial regulations, with regard to the promotion of long-term shareholder involvement in listed companies; and (ii) to incorporate certain improvements of a technical nature, in order to clarify the meaning of certain issues, improve their wording and facilitate their better understanding.*

*Specifically, it is proposed to amend the following articles of the Regulations of the General Shareholders' Meeting, grouped under each Title of the aforementioned Regulations that brings together a group of articles that are considered to be substantially independent, all in the terms set forth in the directors' report prepared for such purpose, which shall henceforth have the following wording:*

**A. Amendment of Article 1 of Title I and elimination of the Sole Transitory Provision.**

*It is proposed to modify the second paragraph to adapt it to the reality of its entry into force at the time of admission to trading on the Spanish Stock Exchanges of the Company's shares.*

*In addition, it is proposed to eliminate the Sole Transitory Provision as it is no longer applicable since the Company is already a listed company.*

*Article 1 would read as follows:*

**“Article 1. Purpose and validity of the Regulations**

- 1. The purpose of these Regulations is to establish rules for the call, preparation and conduct of the General Meeting of shareholders, information about the General Meeting and attendance at meetings, as well as the exercise of voting rights by shareholders, all this in accordance with applicable laws and regulations and the Company's Articles of Association.*
- 2. These Regulations entered into force on the date of admission to trading of the shares of the Company on the Spanish Stock Exchanges and their successive amendments from the date of their approval by the General Shareholders' Meeting. The effectiveness and applicability of these Regulations will be indefinite and, therefore, it will be applicable to all General Shareholder Meetings carried out after its entry into force.”*

**B. Amendment of Article 5 of Title II.**

*It is proposed to add as powers of the Meeting (i) the approval, where appropriate, of non-financial information statement, in accordance with Article 49.6 of the Commercial Code, as amended by Law 11/2018; and (ii) the approval of related party transactions whose approval corresponds to the General Meeting according to the Law, in accordance with the provisions of Article 529 duovicies.1 of Capital Companies Act.*

***“Article 5. Authority of the General Meeting of shareholders***

*The General Meeting of shareholders has authority to decide on all matters assigned to it by law or the Articles of Association. Any decisions, whatever their legal nature, that entail a major change to the Company’s principal activity shall also be submitted to the approval or ratification of the General Meeting of shareholders. In particular, by way of illustration only, it is the responsibility of the General Meeting of shareholders to:*

- (i) Review the Company’s management.*
- (ii) Approve the individual and consolidated financial statements and resolve on the allocation of results.*
- (iii) The approval, when appropriate, of non-financial information statement.*
- (iv) Appoint and remove the members of the Board of Directors and ratify or revoke the appointment of persons who have been co-opted as directors.*
- (v) Where applicable, appoint the Company’s liquidators.*
- (vi) Appoint and dismiss the Company’s auditors.*
- (vii) Bring the corporate action for liability against directors, liquidators and/or auditors of the Company.*
- (viii) Resolve to increase or reduce capital or to grant the Board of Directors authority to increase capital and exclude or limit shareholders’ preferential subscription rights.*
- (ix) Resolve to issue securities, provided such responsibility does not been legally correspond to other body of the Company, or to grant the Board of Directors authority to issue such securities and exclude or limit shareholders’ preferential subscription rights in such issues.*

- (x) *Resolve to transform, merge, demerge or transfer all the Company's assets and liabilities, to move the Company's registered offices abroad or, in general, to amend the Company's Articles of Association, in accordance with the laws and regulations in force from time to time.*
- (xi) *Resolve to dissolve and wind up the Company, approve the final winding up balance sheet and approve transactions that have the effect of winding up the Company.*
- (xii) *Approve transactions that entail a structural modification of the Company, in particular the transformation of listed companies into holding companies through "subsidiarisation" or the transfer of core activities previously carried out by the Company to subsidiaries, even if the Company retains full control of the activities.*
- (xiii) *Authorize transactions not covered by the corporate purpose.*
- (xiv) *Approve the acquisition, disposal or transfer of core assets to another company.*
- (xv) *Approve the directors' remuneration policy as required by law.*
- (xvi) *Authorise any waiver of directors' duty to avoid conflicts of interest, in accordance with applicable laws and regulations.*
- (xvii) *Authorise the purchase of own shares in the market.*
- (xviii) *The approval of related party transactions whose approval corresponds to the General Shareholders' Meeting according to the Law.*
- (xix) *Approve these Regulations and subsequent amendments thereto.*
- (xx) *Decide on any matters referred to it for deliberation and approval by the Company's Board of Directors."*

**C. Amendment of Article 8 of Title III.**

*It is proposed to eliminate the reference to legal entities in relation to the appointment, ratification or re-election of Board members, in accordance with the provisions of Article 518.e) of Capital Companies Act and Article 529 bis.1 of Capital Companies Act, which*

*establishes the obligation for the Board of Directors of listed companies to be composed exclusively of natural persons.*

*Likewise, it is proposed to incorporate a new paragraph regarding the transmission of information to shareholders and ultimate beneficiaries, in accordance with the provisions of Article 520 bis of Capital Companies Act. The wording is as follows:*

***“Article 8. Availability of information on the Company’s corporate website from the date of the notice of meeting***

- 1. From the date of publication of the notice of the General Meeting of shareholders, apart from the information required by article 518 of the Spanish Companies Act or any other legal provision, the Articles of Association and these Regulations, the Company shall publish permanently on its corporate website the full text of any resolution proposals submitted to the General Meeting, the documentation that shall also be submitted to the General Meeting and, in particular, any reports required by law or issued by the Board of Directors, and any reasoned proposals for resolutions on matters already included, or to be included, in the agenda of the General Meeting of shareholders that may be submitted by shareholders, as provided by applicable laws and regulations.*
- 2. Furthermore, from the date of publication of the notice, any information considered useful or appropriate to encourage shareholder attendance and participation at the General Meeting shall be published on the Company’s corporate website, including the following:*
  - (i) How to obtain the attendance card.*
  - (ii) How to vote or appoint a proxy remotely by the means indicated, as the case may be, in the call notice and the forms that must be used for these purposes.*
  - (iii) The venue of the General Meeting of shareholders and how to get there.*
  - (iv) Any systems or procedures for following the General Meeting of shareholders.*
  - (v) How shareholders may exercise their right to information.*

- (vi) *Where the General Meeting of shareholders must deliberate on the appointment, re-election or ratification (in case of co-optation) of directors, from the date of publication of the notice, the following information about the directors shall also be published and kept up to date on the Company's corporate web site:*
- a) Professional experience and background.*
  - b) Other boards of directors of which they are members, whether of listed or unlisted companies.*
  - c) An indication of the category of director to which they belong and, in the case of proprietary directors, the shareholder they represent or to which they are related.*
  - d) The date of their first appointment as director of the Company and of subsequent appointments.*
  - e) Any shares and options on shares of the Company held by them.*
  - f) A report by the Board of Directors assessing the competence, experience and merits of the proposed candidate and, where applicable, the report of the Appointments and Remuneration Committee.*
- (vii) *Any supplement to the notice of the General Meeting of shareholders.*
- (viii) *The total number of shares and voting rights outstanding in the date of the call, differentiating the different types of shares, where appropriate.*

*The Company shall send to its shareholders, either directly or indirectly through the third parties appointed by such shareholders, the central securities depository or the intermediary entity, a notice indicating where they can find the information necessary to enable them to exercise the rights deriving from their shares, under the terms provided for in the applicable regulations."*

**D. Amendment of Articles 11, 24, 26 and 31 of Title IV.**



*It is proposed to incorporate in new sections 11.5 to 11.8 the possibility of holding exclusively telematic General Meetings, in accordance with the provisions of Articles 182 bis and 521.3 of Capital Companies Act. Its wording will be as follows:*

***“Article 11. Right to attend***

1. *Shareholders have the right to attend the General Meeting of shareholders however many shares they hold, provided the shares are registered in their name in the appropriate register of shares at least five calendar days before the day of the meeting.*

*All shareholders, whatever the number of shares they hold, will have the right vote remotely, provided the shares are registered in their name in the appropriate register of shares at least five calendar days before the day of the voting.*

2. *Additionally, in order to attend the General Meeting of shareholders, shareholders must have the appropriate attendance card, a certificate issued by the appropriate registrar or a legal document certifying that they are shareholders.*

*The attendance cards shall be issued, at the Company’s request, in the shareholder’s name, either directly by the Company itself or by the registrars, and may be used by shareholders to appoint a proxy for the General Meeting of shareholders in question. The Company may prescribe the format of the attendance card to be issued by the registrars in the shareholders’ name, so as to ensure that the cards are uniform and include a barcode or other machine-readable code to facilitate the keeping of computer records of attendance, and also the formula to be used for proxy appointments.*

3. *Shareholders who attend the General Meeting of shareholders in person or by proxy at the place and on the day of the meeting shall present their attendance card, as provided in these Regulations.*
4. *Shareholders who wish to vote remotely shall prove their identity and shareholder status in the manner specified by the Board of Directors in the notice of meeting.*
5. *In addition, the General Meeting may be called to be held exclusively by telematic means, without the physical attendance of the shareholders or their representatives. In all matters not expressly provided for, the telematic meeting shall be governed by the*

*provisions of these Regulations for face-to-face meetings, adapting to the special features deriving from this form of meeting.*

6. *The holding of the Meeting exclusively by telematic means shall be subject in all cases to the identity and legitimacy of the shareholders and their representatives being duly guaranteed and to all those attending being able to effectively participate in the meeting through the appropriate means of remote communication, such as audio or video, complemented by the possibility of written messages during the course of the Meeting, both to exercise in real time the rights of intervention, information, proposal and vote that correspond to them, and to follow the interventions of the other attendees through the aforementioned means.*
7. *The members of the Board of Directors may attend the Meeting by means of a telematic connection or, as the case may be, from the place where the Meeting is being retransmitted.*
8. *The notice of call shall inform the shareholders of the formalities and procedures to be followed for the registration and preparation of the list of attendees, for the exercise of their rights and for the proper recording in the minutes of the proceedings of the Meeting.”*

*With regard to Article 24, a general reference to shareholders who, if applicable, attend the Meeting by telematic means, in accordance with the provisions of Article 182 of the LSC, is included. Its wording will be as follows:*

**“Article 24. Right of information during the General Meeting**

1. *When invited to speak, shareholders may request any information or clarifications they consider appropriate about the items on the agenda, the publicly available information provided by the Company to the CNMV since the last General Meeting of shareholders or the external auditors’ report. To do this, they must first have identified themselves as provided in article 22 above. Shareholders who, if applicable, attend by telematic means may request such information or clarifications as they deem appropriate regarding the matters set forth above under the terms provided in the notice of call in accordance with the applicable regulations. The answers to the shareholders or their representatives*

*who, attending telematically, exercise their right to information during the Meeting will be given during the meeting itself or in writing during the seven days following the end of the Meeting.*

2. *The directors shall be obliged to provide the information requested as described in the preceding paragraph in the form and within the time prescribed by applicable laws and regulations, except in the cases and with the requirements of article 9 of these Regulations, which are also applicable in this case.*
3. *The requested information or clarification shall be provided by the Chairman or, at the Chairman's instruction, by the CEO, if there is one, the Chairmen of the Board committees, the Secretary or Deputy Secretary, any director or, where appropriate, any employee or expert in the matter at hand. In each case, depending on the information or clarification requested, the Chairman shall determine whether the proper functioning of the General Meeting of shareholders is best served by providing the responses individually or grouped by subject matter.*
4. *If a shareholder's right to information cannot be satisfied during the General Meeting, the directors shall provide the requested information in writing within seven calendar days of the close of the General Meeting in question. Responses provided by the directors in writing shall be posted on the Company's corporate website."*

*With regard to article 26, a section is added relating to the confirmation by the Company of the receipt and recording of the vote cast by the shareholder in accordance with the new article 527 bis LSC. Its wording would be as follows:*

***"Article 26. Voting by means of distance communication***

1. *Shareholders who have the right to attend General Meetings may vote on the items on the agenda of any kind of General Meeting of shareholders using the following means of distance communication:*
  - a) *By postal correspondence, sending the duly completed and signed attendance and voting card issued by the registrar or registrars to the Company, or by any other written medium which, in the judgment of the Board of Directors recorded*

*in a resolution previously adopted for that purpose and duly published, allows the identity of the shareholder who wishes to exercise the right to vote to be verified.*

- b) By such other means of distance communication as the Board of Directors shall determine on the occasion of the notice of each General Meeting of shareholders, provided the document exercising the voting right includes mechanisms which the Board of Directors, pursuant to a resolution previously adopted for that purpose and duly published, considers sufficient to authenticate and identify the shareholder who wishes to exercise the right to vote.*
- 2. A vote cast using means of distance communication shall only be valid if it is received by the Company before 23:59 of the day immediately before the day set for the meeting on first call. The Board of Directors may set a shorter period for receipt of votes cast using means of distance communication.*
- 3. Shareholders who vote using means of distance communication as provided in this article shall be considered present for the purpose of constituting the General Meeting of shareholders in question. Consequently, any proxies appointed previously shall be deemed to be revoked and any proxies appointed subsequently shall be deemed not to have been appointed.*
- 4. The votes cast using means of distance communication referred to in this article shall have no effect if:*
  - a) They are subsequently expressly revoked using the same means used to cast the vote and within the time set for voting.*
  - b) The shareholder who casted the vote, or the representative of the legal-personshareholder, attends the meeting in person.*
  - c) The shares that carry the right to vote are transferred and the Company receives notice of the transfer no less than five calendar days before the day of the General Meeting of shareholders.*

5. *When the vote has been cast by electronic means, the Company shall send the shareholder issuing the vote an electronic confirmation of the receipt of his vote. Notwithstanding the foregoing, within one month from the date of the General Meeting, the shareholder or its representative and the ultimate beneficiary may request from the Company a confirmation that the votes corresponding to its shares have been correctly recorded and accounted for by the Company, unless it already has this information. The Company must send this confirmation within the period established in the applicable regulations.*
6. *The Board of Directors has authority to develop the above provisions and establish such rules, means and procedures as are appropriate to the current state of technology, so as to allow shareholders to vote and appoint proxies by electronic means, in accordance with the laws and regulations on electronic communications and the provisions of the Articles of Association and these Regulations. Said means and procedures shall be published on the Company's corporate website. The Board of Directors shall take the necessary measures to verify that any person who voted or appointed a proxy by postal mail or electronic communication is authorised to do so, under the Articles of Association and these Regulations."*

*With regard to Article 31, it is proposed to complete Article 31 with the provisions of Article 521.3.b) LSC, according to which if the General Meeting of listed companies is held exclusively by telematic means, the minutes of the meeting must be drawn up by a notary public. Its wording would be as follows:*

***"Article 31. Minutes of the General Meeting of shareholders***

1. *The resolutions of the General Meeting of shareholders shall be recorded in minutes, which shall be set down or transcribed in the book of minutes kept for that purpose. The minutes may be approved at the end of the same General Meeting of shareholders or, within the time specified in the laws and regulations applicable to the Company, by the Chairman and two representatives, one representing the majority and the other, the minority.*
2. *The minutes approved in either of these ways shall be effective from the date of approval.*

3. *The Board of Directors may request the presence of a notary to keep a record of the General Meeting of shareholders and shall be obliged to do so if requested, at least five calendar days before the day set for the meeting, by shareholders representing at least one percent of the share capital. Likewise, in the event that the General Meeting of the Company is held exclusively by telematic means, the minutes of the meeting shall be drawn up by a Notary Public.*
4. *The notarial record shall be considered to be the minutes of the General Meeting of shareholders and shall not require approval by the meeting.”*

And for the appropriate legal purposes, the directors of the Company formulate this report, in Madrid, on February 23, 2022.

## Annex

**REGULATIONS**  
**OF THE GENERAL MEETING OF SHAREHOLDERS OF**  
**NEINOR HOMES, S.A.**

~~6 March 2017~~

April 13, 2022



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**REGULATIONS OF THE GENERAL MEETING OF SHAREHOLDERS OF  
NEINOR HOMES, S.A. (THE “COMPANY”) TITLE**

**I. INTRODUCTION**

**Article 1. Purpose and validity of the Regulations**

1. The purpose of these Regulations is to establish rules for the call, preparation and conduct of the General Meeting of shareholders, information about the General Meeting and attendance at meetings, as well as the exercise of voting rights by shareholders, all this in accordance with applicable laws and regulations and the Company's Articles of Association.
2. These Regulations ~~will enter~~entered into force on the date of admission to trading of the shares of the Company on the Spanish Stock Exchanges and their successive amendments from the date of their approval by the General Shareholders' Meeting. The effectiveness and applicability of these Regulations will be indefinite and, therefore, it will be applicable to all General Shareholder Meetings carried out after its entry into force.

**Article 2. Interpretation and dissemination**

1. These Regulations supplement any regulations provided in current laws and in the Company's Articles of Association that are applicable to the General Meeting of shareholders. They are to be interpreted in accordance with applicable law and the Articles of Association and with the principles and the recommendations on the corporate governance of listed companies approved or issued by the authorities of Spain and other countries in its sphere in force from time to time or by special committees or task forces set up upon the order of the abovementioned authorities, taking into account its purpose and the corporate interest.  
  
Doubts regarding the interpretation will be resolved by the Board of Directors. Doubts regarding its application and interpretation that may arise during a General Shareholders Meeting will be resolved by the Chairman of the Meeting.
2. Without prejudice of the shareholders' legal a statutory right to propose new items for

the General Shareholders Meeting agenda, including the proposal to amend these Regulations, the Board of Directors may also propose the amendment of these Regulations to the General Shareholders Meeting whenever the Board considers it necessary or convenient, issuing a report justifying the amendment.

3. These Regulations, and its amendments, shall be communicated to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*, the “CNMV”), attaching a copy of the document containing the Regulations, and recorded by the Registrar of Companies (*Registro Mercantil*) and shall be available on the Company’s corporate web site and on the CNMV web site, in accordance with applicable laws and regulations and these Regulations.

## **TITLE II. GENERAL MEETING. TYPES AND AUTHORITY**

### **Article 3. The General Meeting of shareholders**

1. The General Meeting of shareholders is the Company’s highest decision-making and control body in the matters within its authority, giving expression to the shareholders’ right to intervene in the making of the Company’s essential decisions.
2. The General Meeting, duly constituted, shall represent all the shareholders and all the shareholders shall be bound by its decisions on matters within its authority, including shareholders who dissent or are absent from the meeting, without prejudice to any rights of challenge established by law, in the Articles of Association or in these Regulations.

Without prejudice to any more favourable mandatory provisions of law, resolutions of the General Meeting may always be challenged by any director, third party who can demonstrate a legitimate interest or shareholder who became a shareholder before the resolution was adopted, provided they represent, individually or as a group, at least one tenth of one percent of the share capital, on the terms established in applicable laws and regulations.

3. The Company shall at all times ensure equal treatment of all equally entitled shareholders, as regards information, participation and exercise of voting rights in the General Meeting of shareholders.

#### **Article 4. Types of General Meeting**

1. General Meetings of Shareholders may be ordinary or extraordinary.
2. The Ordinary General Meeting of shareholders shall be held in the first half of each year to review the Company's management and, where applicable, the previous year's accounts and resolve on the allocation of profit or loss, although it shall also have authority to debate and resolve on any other business stated in the agenda.
3. Any General Meeting of shareholders other than that described in the preceding paragraph shall be considered an extraordinary General Meeting of shareholders and shall be held when convened by the Company's Board of Directors, either at its own initiative or at the request of shareholders holding at least three per cent of the share capital, who shall state in their request the business to be transacted at the meeting.
4. Whenever all the shareholders of the Company are present, they may decide unanimously to form a General Meeting (a "Universal General Meeting") to transact any business.

#### **Article 5. Authority of the General Meeting of shareholders**

The General Meeting of shareholders has authority to decide on all matters assigned to it by law or the Articles of Association. Any decisions, whatever their legal nature, that entail a major change to the Company's principal activity shall also be submitted to the approval or ratification of the General Meeting of shareholders. In particular, by way of illustration only, it is the responsibility of the General Meeting of shareholders to:

- (i) Review the Company's management.
- (ii) Approve the individual and consolidated financial statements and resolve on the allocation of results.
- (3) The approval, when appropriate, of non-financial information statement.
- (4) ~~(iii)~~ Appoint and remove the members of the Board of Directors and ratify or revoke the appointment of persons who have been co-opted as directors.
- (5) ~~(iv)~~ Where applicable, appoint the Company's liquidators.

- (6) ~~(v)~~ Appoint and dismiss the Company's auditors.
- (7) ~~(vi)~~ Bring the corporate action for liability against directors, liquidators and/or auditors of the Company.
- (8) ~~(vii)~~ Resolve to increase or reduce capital or to grant the Board of Directors authority to increase capital and exclude or limit shareholders' preferential subscription rights.
- (9) ~~(viii)~~ Resolve to issue securities, provided such responsibility does not been legally correspond to other body of the Company, or to grant the Board of Directors authority to issue such securities and exclude or limit shareholders' preferential subscription rights in such issues.
- (10) ~~(ix)~~ Resolve to transform, merge, demerge or transfer all the Company's assets and liabilities, to move the Company's registered offices abroad or, in general, to amend the Company's Articles of Association, in accordance with the laws and regulations in force from time to time.
- (11) ~~(x)~~ Resolve to dissolve and wind up the Company, approve the final winding up balance sheet and approve transactions that have the effect of winding up the Company.
- (12) ~~(xi)~~ Approve transactions that entail a structural modification of the Company, in particular the transformation of listed companies into holding companies through "subsidiarisation" or the transfer of core activities previously carried out by the Company to subsidiaries, even if the Company retains full control of the activities.
- (13) ~~(xii)~~ Authorize transactions not covered by the corporate purpose.
- (14) ~~(xiii)~~ Approve the acquisition, disposal or transfer of core assets to another company.
- (15) ~~(xiv)~~ Approve the directors' remuneration policy as required by law.
- (16) ~~(xv)~~ Authorise any waiver of directors' duty to avoid conflicts of interest, in accordance with applicable laws and regulations.
- (17) ~~(xvi)~~ Authorise the purchase of own shares in the market.
- (18) The approval of related party transactions whose approval corresponds to the General Shareholders' Meeting under the terms according to the Law.

(19) ~~(xvii)~~ Approve these Regulations and subsequent amendments thereto.

(20) ~~(xviii)~~ Decide on any matters referred to it for deliberation and approval by the Company's Board of Directors.

### **TITLE III. CALLING AND PREPARING THE GENERAL MEETING**

#### **Article 6. Calling General Meetings of Shareholders**

1. Without prejudice to the provisions of any applicable laws and regulations on Universal General Meetings of Shareholders and call by court of General Meetings of Shareholders, General Meetings of Shareholders of the Company shall be called by the Board of Directors or, if appropriate, by the Company's liquidators.
2. The Board of Directors shall call the ordinary General Meeting of shareholders within the first six months of each year. The ordinary General Meeting of shareholders shall be valid even if called or held late. Likewise, the Board of Directors shall call extraordinary General Meetings of Shareholders whenever the Board considers it to be in the Company's interest to do so.
3. The Board of Directors shall also call a General Meeting of shareholders whenever so requested by shareholders holding at least three per cent of the share capital, who shall state in their request the business to be transacted at the meeting. In this case, the General Meeting shall be held within the two months period following the date on which the directors received the notarised request to call it. The Board of Directors shall also include in the agenda the item or items of business that were the subject of the request.
4. If the ordinary General Meeting of shareholders is not called within the legal time limit indicated in this article, it may be called, at the request of the shareholders and after hearing the members of the Board of Directors, by the clerk of the Court or nu the Commercial Registrar of the Company's jurisdiction of incorporation, who furthermore shall appoint a person to chair the General Meeting of shareholders. Extraordinary General Meetings of Shareholders shall be called in the same manner as described above, when so requested by the number of shareholders referred to in previous paragraph and the directors did not issue the call within two months after the request.



## **Article 7. Notice of General Meetings**

1. Call of the ordinary General Meeting and of extraordinary General Meetings shall be given by publication of an announcement in the Official Gazette of the Register of Companies (BORME) or in one of the largest circulation newspapers in Spain, on the Company's corporate web site and on the CNMV web site at least one month before the date of the meeting (without prejudice to section 2 of this article and any circumstances in which the law provides for a longer notice period).
2. Where the Company offers shareholders the possibility of voting by electronic means accessible to all shareholders, extraordinary General Meetings of the Company may be called with 15 days' notice.

Any authority to reduce the notification period shall require an express resolution of the ordinary General Meeting, adopted by at least two-thirds of the subscribed capital with voting rights, and shall be valid only until the next General Meeting.

3. The notice of meeting shall state whether it is an ordinary or extraordinary meeting, the name of the Company, the day, place and time at which the meeting is to be held, the agenda (which shall state all the business to be transacted) the name of the person or persons calling the meeting, the date on which the General Meeting of shareholders is to be held on second call, if necessary, which shall be at least twenty-four hours after the first call, and any other information required under applicable laws and regulations, in particular the information required under article 517 of the consolidated text of the Spanish Companies Act (*Ley de Sociedades de Capital*). As far as possible, shareholders shall be informed as to whether it is likely that the General Meeting of shareholders will be held on first or second call. Additionally, the call shall state the date in which the shareholder must have its shares registered under his or her name in order to attend and vote on the General Shareholders Meeting, the place and the procedures to access the complete text of the documents and proposals regarding the items on the agenda and the address of the website of the Company in which these documents will be made available.
4. The notice shall also mention shareholders' right to be represented at the General Meeting of shareholders by another person, even though not a shareholder, and the

requirements and procedures to exercise this right, as well as their right to information and the means to exercise that right.

5. The Board of Directors shall include in the call specific details of the media of distance communication that shareholders may use to vote, or to appoint a proxy, and basic instructions for doing so.
6. Shareholders who represent at least three percent of the capital may request that a supplement to the notice of the ordinary General Meeting of shareholders be published, proposing one or more points to be added to the agenda, provided the proposal is accompanied by an explanation of the reasons for the additions or a documented draft resolution. This right may be exercised by due notice to the Company's registered office within five calendar days of publication of the notice of the meeting. The supplement to the notice of the meeting shall be published within 15 calendar days of the date set for the General Meeting.
7. Likewise, shareholders who represent at least three percent of the capital may, within the time limit specified in the previous paragraph, submit reasoned proposals for resolutions on items already included, or which are to be included, in the agenda of a General Meeting of shareholders that has already been called. Said proposals for resolutions shall be published on the Company's corporate web site, in accordance with applicable laws and regulations.
8. If a General Meeting of shareholders is not held on first call and a date of second call was not specified in the notice, the second call shall be announced, with the same agenda and the same information requirements as for the first call, within 15 calendar days of the date of the first call and at least 10 calendar days in advance of the date of the meeting.

**Article 8. Availability of information on the Company's corporate website from the date of the notice of meeting**

1. From the date of publication of the notice of the General Meeting of shareholders, apart from the information required by article 518 of the Spanish Companies Act or any other legal provision, the Articles of Association and these

Regulations, the Company shall publish permanently on its corporate website the full text of any resolution proposals submitted to the General Meeting, the documentation that shall also be submitted to the General Meeting and, in particular, any reports required by law or issued by the Board of Directors, and any reasoned proposals for resolutions on matters already included, or to be included, in the agenda of the General Meeting of shareholders that may be submitted by shareholders, as provided by applicable laws and regulations.

2. Furthermore, from the date of publication of the notice, any information considered useful or appropriate to encourage shareholder attendance and participation at the

General Meeting shall be published on the Company's corporate website, including the following:

- (i) How to obtain the attendance card.
- (ii) How to vote or appoint a proxy remotely by the means indicated, as the case may be, in the call notice and the forms that must be used for these purposes.
- (iii) The venue of the General Meeting of shareholders and how to get there.
- (iv) Any systems or procedures for following the General Meeting of shareholders.
- (v) How shareholders may exercise their right to information.
- (vi) Where the General Meeting of shareholders must deliberate on the appointment, re-election or ratification (in case of co-optation) of directors, from the date of publication of the notice, the following information about the directors shall also be published and kept up to date on the Company's corporate web site:

- a) Professional experience and background.
- b) Other boards of directors of which they are members, whether of listed or unlisted companies.
- c) An indication of the category of director to which they belong

and, in the case of proprietary directors, the shareholder they represent or to which they are related.

*d)* The date of their first appointment as director of the Company and of subsequent appointments.

*e)* Any shares and options on shares of the Company held by them.

*f)* A report by the Board of Directors assessing the competence, experience and merits of the proposed candidate and, where applicable, the report of the Appointments and Remuneration Committee.

~~If the candidate was a legal person, the information shall include that of the physical person who is appointed to permanently exercise the roles related to such position.~~

*(vii)* Any supplement to the notice of the General Meeting of shareholders.

*(viii)* The total number of shares and voting rights outstanding in the date of the call, differentiating the different types of shares, where appropriate.

The Company shall send to its shareholders, either directly or indirectly through the third parties appointed by such shareholders, the central securities depository or the intermediary entity, a notice indicating where they can find the information necessary to enable them to exercise the rights deriving from their shares, under the terms provided for in the applicable regulations.

## **Article 9. Right to receive information before the General Shareholders Meeting**

1. From the date on which the notice of the General Meeting of shareholders is published until the fifth calendar day before the date of the meeting, inclusive, shareholders may request from the Board of Directors any information or clarifications they may require about the items of business on the agenda or submit in writing any questions they consider pertinent.
2. With the same deadlines and requirements, shareholders may request information or clarifications or submit questions in writing about the publicly accessible information provided by the Company to the CNMV since the last General Meeting of shareholders

and, if applicable, the report of the auditor. Until the day of the General Meeting of shareholders, the Board of Directors shall provide the requested information in writing.

3. Information requests may be delivered to the Company's registered office by hand or by postal mail or the other means of distance communication specified in the notice of the meeting. Requests for information shall be accepted when the document requesting the information includes mechanisms which the Board of Directors, pursuant to a resolution previously adopted for that purpose and duly published, considers sufficient to authenticate and identify the shareholder who wishes to exercise the right to information.
4. By whatever means the request for information is submitted, it shall include the shareholder's full name and details of the shares held, so that it may be checked against the list of shareholders and shareholdings provided by the central securities depository Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) for the General Meeting of shareholders in question. It shall be the responsibility of the shareholder to prove that the request was sent to the Company in proper form and time. The Company's corporate website shall provide all the necessary information to allow shareholders to exercise the right to information, as provided by applicable laws and regulations.
5. Requests for information submitted in accordance with this article shall be responded to, once the applicant's identity and shareholder status has been verified, before the date of the General Meeting of shareholders.
6. Until the day of the General Meeting of shareholders, the directors are obliged to provide the information in writing, except where:
  - a) the information is unnecessary for the safeguarding of the member's rights or there are objective reasons to believe that the information could be used for purposes unrelated to the Company or that its disclosure will harm the Company or related companies;
  - b) the request for information or clarification does not refer to items of business included in the agenda or to the publicly available information provided by the

Company to the CNMV since the last General Meeting of shareholders; or

c) legal or regulatory provisions or court decisions provide otherwise.

In the event that, prior to the formulation of a specific question, the requested information is clearly, expressly and directly available to all the shareholders on the Company's corporate web site in the form of an answer to a question, the directors may limit their response to referring to the information provided on the website.

7. In spite of the exceptions indicated in the previous section, information shall not be denied when the application is supported by shareholders representing one-quarter or more of the share capital.
8. The Board of Directors may appoint any of its members, the Chairmen of Board committees or its Secretary or Deputy Secretary to respond on the Board's behalf to requests for information submitted by shareholders.
9. The information requested by shareholders shall be delivered by the same means as was used to submit the request, except where the shareholder specifies a different one from among those declared acceptable in this article. In all cases, the directors may send the information in question by registered mail with return receipt requested or by bureaufax.
10. Valid requests for information or clarification or questions submitted and the answers provided in writing by the directors shall be posted on the Company's corporate web site, as provided by applicable laws and regulations.

#### **Article 10. Online shareholders' forum**

1. From the time of the announcement until the day of each General Meeting of shareholders, an online shareholders' forum (the "**Forum**") shall be made available on the Company's corporate website. Individual shareholders and any voluntary associations of shareholders formed in the manner provided by law shall have access to the Forum to facilitate communication before each General Meeting. The Forum may be used to publish proposals for items to be added to the agenda announced in the notice of meeting, calls to support such proposals, initiatives to gather sufficient votes to reach the minimum percentage required by law to exercise minority rights and voluntary

proxy offers or solicitations.

2. In accordance with applicable law, the Board of Directors shall establish the Forum's rules of operation, specifying, among other things, the procedure, time limits and other conditions of access and use by the Company's shareholders and any voluntary associations of shareholders that may be formed pursuant to applicable laws and regulations.

## **TITLE IV. HOLDING OF THE GENERAL MEETING**

### **SECTION 1: ATTENDANCE AND REPRESENTATION**

#### **Article 11. Right to attend**

1. Shareholders have the right to attend the General Meeting of shareholders however many shares they hold, provided the shares are registered in their name in the appropriate register of shares at least five calendar days before the day of the meeting.

All shareholders, whatever the number of shares they hold, will have the right vote remotely, provided the shares are registered in their name in the appropriate register of shares at least five calendar days before the day of the voting.

2. Additionally, in order to attend the General Meeting of shareholders, shareholders must have the appropriate attendance card, a certificate issued by the appropriate registrar or a legal document certifying that they are shareholders.

The attendance cards shall be issued, at the Company's request, in the shareholder's name, either directly by the Company itself or by the registrars, and may be used by shareholders to appoint a proxy for the General Meeting of shareholders in question. The Company may prescribe the format of the attendance card to be issued by the registrars in the shareholders' name, so as to ensure that the cards are uniform and include a barcode or other machine-readable code to facilitate the keeping of computer records of attendance, and also the formula to be used for proxy appointments.

3. Shareholders who attend the General Meeting of shareholders in person or by proxy at the place and on the day of the meeting shall present their attendance card, as provided in these Regulations.

4. Shareholders who wish to vote remotely shall prove their identity and shareholder status in the manner specified by the Board of Directors in the notice of meeting.
5. In addition, the General Meeting may be called to be held exclusively by telematic means, without the physical attendance of the shareholders or their representatives. In all matters not expressly provided for, the telematic meeting shall be governed by the provisions of these Regulations for face-to-face meetings, adapting to the special features deriving from this form of meeting.
6. The holding of the Meeting exclusively by telematic means shall be subject in all cases to the identity and legitimacy of the shareholders and their representatives being duly guaranteed and to all those attending being able to effectively participate in the meeting through of the appropriate means of remote communication, such as audio or video, complemented by the possibility of written messages during the course of the Meeting, both to exercise in real time the rights of intervention, information, proposal and vote that correspond to them, and to follow the interventions of the other attendees through the aforementioned means.
7. The members of the Board of Directors may attend the Meeting by means of a telematic connection or, as the case may be, from the place where the Meeting is being retransmitted.
8. The notice of call shall inform the shareholders of the formalities and procedures to be followed for the registration and preparation of the list of attendees, for the exercise of their rights and for the proper recording in the minutes of the proceedings of the Meeting.

#### **Article 12. Presence of third parties at the General Meeting of shareholders**

1. The members of the Company's Board of Directors shall attend General Meetings, although the failure of a director to attend a General Meeting for whatever reason shall in no way invalidate the meeting.
2. The Chairman of the General Meeting may authorise executives, managers and



technical specialists of the Company, as well as any other persons who in the Chairman's judgment have an interest in the progress of the Company's affairs, to attend the General Meeting.

3. To promote the widest possible dissemination of the proceedings of its meetings and the resolutions adopted, the Chairman may allow the media and financial analysts to have access to the General Meeting of shareholders.
4. The General Meeting of shareholders may also be attended by anyone who has received an invitation from the Chairman of the General Meeting.
5. Notwithstanding the provisions of the preceding paragraphs, the General Meeting of shareholders may revoke any notices sent by the Chairman to third parties authorising them to attend the meeting.

#### **Article 13. Proxies**

1. Without prejudice to the right of corporate shareholders to be represented by their authorised representative, any shareholder who has the right to attend a General Meeting may appoint a proxy, who need not be a shareholder of the Company.
2. Proxy appointments may be revoked at any time and attendance in person at the General Meeting of shareholders by the shareholder who appointed a proxy shall have the effect of revoking the proxy. The vote of the shareholder shall take precedence over the vote of the proxy and, therefore, proxies issued prior to voting will be understood to have been revoked and those proxies issued after the proxy will be understood as not having been issued.
3. Proxies shall be appointed specifically for each General Meeting of shareholders, in writing or using the means of distance communication specified in the notice of meeting. Proxies appointed by these means shall be accepted when the document appointing the proxy includes mechanisms which the Board of Directors, pursuant to a resolution previously adopted for that purpose and duly published, considers sufficient to authenticate and identify the shareholder who wishes to appoint a proxy.
4. To be valid, proxies appointed using the means of distance communication provided for

by the Board of Directors must be received by the Company before 23:59 on the day before the day of the General Meeting of shareholders on first call. The Board of Directors may set a shorter period.

5. The documents appointing proxies for the General Meeting of shareholders shall include at least the following information:
  - (i) The date of the General Meeting of shareholders and the agenda.
  - (ii) The identity of the person appointing the proxy and of the proxy.
  - (iii) The number of shares held by the person appointing the proxy.
  - (iv) Voting instructions for each item on the agenda.
6. The Chairman of the General Meeting or the persons appointed by him shall be deemed to be authorised to determine the validity of any proxy appointments and compliance with the requirements for attendance at the General Meeting of shareholders.
7. The provisions of the preceding sections 4, 5 and 6 of this article shall not apply when the proxy is a spouse, ancestor or descendant of the person appointing the proxy or when the proxy holds a notarised general power of attorney with authority to manage all the assets held by the person appointing the proxy in Spanish territory.
8. If a proxy is validly appointed in accordance with applicable law and these Regulations but no voting instructions are given or there are doubts as to the person to be appointed as proxy or as to the scope of the appointment, it shall be understood that ~~(i)~~ (i) the person appointed as proxy is the Chairman of the Board of Directors, (ii) the proxy is authorised to vote on all the items on the agenda of the General Meeting of shareholders, (iii) the proxy is instructed to vote in favour of all the proposals put forward by the Board of Directors and (iv) the appointment extends to any proposals that may arise outside the agenda, in respect of which the proxy shall refrain from voting, unless he or she has good reason to consider it in the best interest of the person appointing the proxy to vote for or against such proposals.
9. Without prejudice of the foregoing, in the absence of express instructions to the contrary, if the person appointed as proxy is subject to a conflict of interest, the person

granting the proxy shall be deemed to have also appointed as proxies, jointly and successively, the Chairman of the General Meeting and, if the latter is subject to a conflict of interest, the Secretary of the General Meeting and, if the latter in turn is subject to a conflict of interest, the Deputy Secretary of the Board of Directors, if one has been appointed.

**Article 14. Public solicitation of proxies**

1. Whenever directors of the Company, depository agents or registrars solicit proxies for themselves or for others and, in general, whenever proxies are solicited publicly, the rules set forth in the laws and regulations applicable to public limited companies and, in particular, article 526 of the Spanish Companies Act and any other applying to listed companies, shall apply. In particular, besides the information specified in article 13 above, the document appointing the proxy shall contain general voting instructions for cases where no precise instructions are given, always subject to applicable laws and regulations.
2. Proxy solicitations conducted by the Board of Directors or any of its members shall state the representative's voting intention in case the shareholder gives no instructions.
3. Public solicitation of proxies shall be deemed to have occurred where the same person acts as proxy for more than three shareholders.

**Article 15. Appointment of a financial intermediary as proxy**

1. An entity that provides investment services, as a professional financial intermediary, may exercise the right to vote on behalf of its client, whether an individual or a corporation, when so appointed.
2. Within the seven calendar days before the day of the General Meeting of shareholders, the financial intermediary shall send the Company a list indicating the identity of each client and the number of shares in respect of which it will vote on the client's behalf.
3. The financial intermediary may receive voting instructions from its clients, which shall be recorded, together with the details of the clients, in the notice sent to the Company.
4. Entities that are registered as shareholders in the register of shares but that act on behalf

of various persons may, if necessary, split their votes to comply with the voting instructions they have received.

5. Financial intermediaries may delegate the right to vote to each indirect holder or third party appointed by them, with no limit on the number of such appointments that may be made by any one financial intermediary.

#### **Article 16. Planning, media and venue of the General Meeting**

1. The Board of Directors may decide, in view of the circumstances, on the use of media or systems that allow more people to follow the General Meeting of shareholders more closely or that allow the proceedings to be broadcast more widely.
2. Specifically, the Board of Directors may:
  - (i) provide for simultaneous interpreting;
  - (ii) establish appropriate access control, security, protection and security measures; and
  - (iii) take measures to give shareholders with disabilities access to the hall in which the General Meeting of shareholders is held.
3. In the room or rooms in which the General Meeting of shareholders takes place, attendees are prohibited from using still or video cameras, recording devices, mobile phones or similar, except where permitted by the Chairman of the General Meeting of shareholders. Control mechanisms may be installed at the entrance to the room or rooms in which the General Meeting of shareholders takes place to enforce this prohibition.
4. The General Meeting of shareholders shall be held in the municipality of the Company's registered office, at the place indicated in the notice of meeting. If the venue is not indicated in the notice of meeting, it shall be understood that the General Meeting of shareholders is to be held at the Company's registered office.

## **SECTION 2: CONSTITUTION OF THE GENERAL MEETING OF SHAREHOLDERS**

### **Article 17. Constitution of the General Meeting of shareholders. Special cases**

1. The General Meeting of shareholders shall be duly constituted on first call if shareholders holding at least 25 percent of the subscribed voting capital are present in person or by proxy. The General Meeting of shareholders shall be held on second call regardless of the percentage of capital represented by those present.
2. Without prejudice to the foregoing, for the General Meeting, ordinary and extraordinary, to be able to pass resolutions for the increase or reduction of the share capital and any other amendment to the Articles of Association, the issue of bonds and securities whose competence has not been legally attributed to another body of the Company, the exclusion or limitation of pre-emptive rights to acquire new shares, the transformation, merger, demerger or transfer of all assets and liabilities, and the transfer of the registered office abroad, it will be necessary shareholders holding at least 50 per cent of the subscribed voting capital must be present in person or by proxy on first call. On second call, the presence of shareholders holding 25 percent of the subscribed voting capital shall be sufficient, although when shareholders holding less than 50 per cent of the subscribed voting capital are present in person or by proxy, the resolutions referred to in this paragraph may only be passed if two-thirds of the capital present or represented at the General Meeting votes in favour.
3. Any absences that may occur after a General Meeting of shareholders has started shall not affect the validity of the meeting.
4. If under applicable regulations or the Articles of Association a resolution on one or more of the items on the agenda of the General Meeting of shareholders can only be passed if a certain percentage of the capital is present and that percentage is not reached on first call, the General Meeting of shareholders shall be held on second call. And if the quorum required to pass said resolutions is not present on second call, the General Meeting of shareholders shall confine itself, at second call, to deliberating on those items on the agenda that do not require the presence of said percentage of the capital for the passing

of resolutions.

5. The provisions of this article shall be without prejudice to any qualified majorities that may be required under applicable laws and regulations or the Articles of Association for the holding of the General Meeting of shareholders or the passing of resolutions.

#### **Article 18. Presiding Committee of the General Meeting**

1. The Presiding Committee of the General Meeting shall be made up of the Chairman and Secretary, the members of the Company's Board of Directors and the notary, if the presence of a notary has been requested.
2. The General Meeting shall be chaired by the Chairman of the Board of Directors or, if the latter does not attend in person, the Vice-Chairman. If none of the above attend in person, the meeting shall be chaired by the longest-serving director, and if there is more than one longest-serving director, the eldest of them. In the absence of all the above, the General Meeting shall be chaired by the person appointed by the Presiding Committee.
3. The Chairman shall be assisted by a Secretary or Deputy Secretary, or both. The position of Secretary of the General Meeting shall be held by the Secretary of the Board of Directors or, if the latter does not attend in person, the Deputy Secretary or, in his absence, the longest-serving director, and if there is more than one longest-serving director, the eldest of them. In the absence of all the above, the position of Secretary of the General Shareholders Meeting shall be filled by the person appointed by the Presiding Committee.
4. The Chairman, even when present at the meeting, may appoint the Secretary or a member of the Board of Directors to lead the debate. The Chairman may also request the assistance of any expert he or she considers appropriate.

#### **Article 19. Organisation of the General Meeting of shareholders**

It is the responsibility of the Chairman to declare the General Meeting of shareholders duly constituted, to govern and set the order of deliberations and speeches and the time allotted to each speaker in accordance with these Regulations, to end the debates when he considers a matter to have been debated sufficiently, to order the taking of votes, to resolve any doubts that

may arise with regard to the agenda and the list of person attending, to declare resolutions to be passed, to close and, where necessary, adjourn the meeting and, in general, to exercise all the authority, including the authority to enforce order and discipline, that may be necessary to ensure that the meeting proceeds in an orderly manner, with the power to expel anyone who disrupts the normal conduct of the meeting, including the authority to interpret the provisions of these Regulations.

**Article 20. Register of shareholders**

1. In the place and on the day of the General Meeting of shareholders, on first or second call, from one hour before the time set for the start of the meeting (unless specified otherwise in the notice of meeting), shareholders or their representatives may present their attendance cards and, where applicable, the documents appointing them as proxies to the persons responsible for keeping the register of shareholders. Attendance cards and proxy documents presented to the persons responsible for keeping the register of shareholders after the time set for the start of the General Meeting of shareholders shall not be accepted.
2. The register of shareholders present in person or by proxy shall be kept by persons appointed for that purpose by the Secretary of the General Meeting of shareholders, using whatever means are considered appropriate.
3. To the extent and as provided in the Articles of Association and these Regulations, shareholders who vote remotely shall be considered present for the purpose of constituting the General Meeting of shareholders.

**Article 21. Preparation of the list of persons attending**

1. Once the attendance cards and proxies have been registered and a quorum has been declared, the list of persons attending shall be drawn up.
2. Once the acceptance of attendance cards and proxies has ended, any shareholders or proxies who arrive at the General Meeting venue late shall be provided with an invitation, so that, if they so wish, they may follow the proceedings of the meeting (in the meeting room itself or, if considered appropriate by the Company to avoid confusion

during the General Meeting, in an adjoining room from which the proceedings may be followed), but neither the shareholders nor the proxies who arrive late (nor the shareholders who appointed them) shall be included in the list of persons attending.

3. At the place, day and time set for the meeting to be held on first or second call, as the case may be, once the Presiding Committee has been formed and the list of persons attending has been drawn up, the General Meeting of shareholders shall start.
4. First, the Secretary shall give account of the notice of the meeting. After that, the Secretary shall read out the overall figures resulting from the list of persons attending, stating the number of shareholders with the right to vote (including those who have opted to vote remotely) present in person or by proxy, the number of shares present and represented and the percentage of capital they represent, specifying, where applicable, the percentage relating to shareholders with the right to vote. Next, the Chairman, if appropriate, shall declare the General Meeting of shareholders duly constituted on first or second call, as the case may be.
5. Once the General Meeting of shareholders has been declared duly constituted, without prejudice to their right to make any statements they see fit during the open debate, the shareholders may address the Secretary or, where appropriate, the notary, if one has been asked to attend, in order to place on record in the minutes of the General Meeting any reservation or objection they may have regarding the constitution of the General Meeting of shareholders or the overall figures resulting from the list of persons attending read out previously, without this entailing any delay, interruption or postponement of the normal progress of the meeting.
6. If the list of persons attending does not appear at the beginning of the minutes of the General Meeting of shareholders, it shall be attached to the minutes in an annexe signed by the Secretary of the General Meeting and countersigned by the Chairman of the General Meeting. The list of persons attending may also be prepared in the form of a computer file or may be recorded on an electronic medium. In such cases, the medium used shall be specified in the minutes and the identification note, signed by the Secretary of the General Meeting and countersigned by the Chairman of the General Meeting,



shall be affixed to the sealed cover of the file or medium.

### **SECTION 3: SPEAKING BY SHAREHOLDERS**

#### **Article 22. Requests to speak**

1. Once the General Meeting of shareholders is duly constituted, in order to organise the speaking turns, the Chairman shall ask the shareholders who wish to speak at the General Meeting in order to request information or clarifications in relation to the items on the agenda or to submit proposals that they address the Secretary or, where appropriate, notary or, at the latter's instruction, the persons assisting them, stating their name and surname, the number of shares held by them and the shares they represent.
2. If a shareholder (or proxy) wishes to request that his speech be recorded verbatim in the minutes of the General Meeting of shareholders, he must deliver his speech in writing when giving his details to the Secretary or, where appropriate, the notary, or, at the latter's instruction, the persons assisting them, so that they may check it against the speech actually delivered by the shareholder.
3. The shareholders' turn to speak shall begin once the Presiding Committee has the list of shareholders who wish to speak, after any address or reports delivered to the meeting by the Chairman, the CEO, if there is one, the Chairmen of the various Board committees, other members of the Board of Directors or any other persons appointed by the Chairman for this purpose and always before the items on the agenda are debated and voted upon.

#### **Article 23. Speaking by shareholders**

1. Shareholders shall speak in the order in which they are called to speak by the Presiding Committee, once the order of speaking has been set by the Chairman of the General Meeting.
2. In the exercise of his powers to ensure that the General Meeting proceeds in an orderly manner, without prejudice to any other action he may take, the Chairman may:
  - (i) set a time limit for each speaker, which initially shall be the same for all speakers;

- (ii) extend or reduce the time initially allotted to each speaker, based on the purpose and content of the speech;
- (iii) limit the time for which shareholders may speak when he considers that a matter has been sufficiently debated;
- (iv) ask speakers to clarify matters that have not been made sufficiently clear in their speech;
- (v) moderate the discussion to ensure that speakers confine themselves to the matters before the General Meeting and refrain from making improper statements or exercising their right in an abusive or obstructionist manner;
- (vi) warn speakers when their allotted time has nearly expired, so that they can adjust their speech accordingly, and withdraw the right to speak from any speaker whose allotted time has expired or who persists in the behaviour described in paragraph (v) above;
- (vii) ask shareholders to leave the premises or, where necessary, take whatever auxiliary measures he considers appropriate if he considers that a shareholder's speech may disrupt the normal progress of the meeting and
- (viii) accord or withdraw the right to speak, as he sees fit, to or from shareholders who wish to reply.

#### **Article 24. Right of information during the General Meeting**

1. When invited to speak, shareholders may request any information or clarifications they consider appropriate about the items on the agenda, the publicly available information provided by the Company to the CNMV since the last General Meeting of shareholders or the external auditors' report. To do this, they must first have identified themselves as provided in article 22 above. Shareholders who, if applicable, attend by telematic means may request such information or clarifications as they deem appropriate regarding the matters set forth above under the terms provided in the notice of call in accordance with the applicable regulations. The answers to the shareholders or their representatives who, attending telematically, exercise their right to information during the Meeting will be

given during the meeting itself or in writing during the seven days following the end of the Meeting.

2. The directors shall be obliged to provide the information requested as described in the preceding paragraph in the form and within the time prescribed by applicable laws and regulations, except in the cases and with the requirements of article 9 of these Regulations, which are also applicable in this case.
3. The requested information or clarification shall be provided by the Chairman or, at the Chairman's instruction, by the CEO, if there is one, the Chairmen of the Board committees, the Secretary or Deputy Secretary, any director or, where appropriate, any employee or expert in the matter at hand. In each case, depending on the information or clarification requested, the Chairman shall determine whether the proper functioning of the General Meeting of shareholders is best served by providing the responses individually or grouped by subject matter.
4. If a shareholder's right to information cannot be satisfied during the General Meeting, the directors shall provide the requested information in writing within seven calendar days of the close of the General Meeting in question. Responses provided by the directors in writing shall be posted on the Company's corporate website.

#### **Article 25. Adjournment and suspension of the General Meeting of shareholders**

1. The General Meeting of shareholders may adjourn for one or more consecutive days, at the proposal of directors or shareholders representing at least one-fourth of the share capital present at the meeting. However many sessions may be held, the General Meeting of shareholders shall be treated as a single meeting, with one set of minutes for all the sessions. The requirements of applicable laws and regulations, the Articles of Association or these Regulations for the General Meeting to be duly constituted shall therefore not be repeated in successive sessions. If a shareholder who was included in the list of persons attending does not attend subsequent sessions, the majorities required in order to pass resolutions shall continue to be based on said list.
2. Exceptionally, in the event of disturbances that significantly disrupt the orderly progress of the meeting or any other extraordinary circumstance that temporarily interrupts or

impedes the normal progress of the meeting, the Chairman of the General Meeting may suspend the session for an appropriate period, so that the necessary conditions for the meeting to continue can be re-established. The Chairman may also take whatever measures he considers appropriate to ensure the safety of those present and prevent the repetition of circumstances that interrupt or impede the normal progress of the meeting.

#### **SECTION 4: VOTING AND DOCUMENTATION OF RESOLUTIONS**

##### **Article 26. Voting by means of distance communication**

1. Shareholders who have the right to attend General Meetings may vote on the items on the agenda of any kind of General Meeting of shareholders using the following means of distance communication:
  - a) By postal correspondence, sending the duly completed and signed attendance and voting card issued by the registrar or registrars to the Company, or by any other written medium which, in the judgment of the Board of Directors recorded in a resolution previously adopted for that purpose and duly published, allows the identity of the shareholder who wishes to exercise the right to vote to be verified.
  - b) By such other means of distance communication as the Board of Directors shall determine on the occasion of the notice of each General Meeting of shareholders, provided the document exercising the voting right includes mechanisms which the Board of Directors, pursuant to a resolution previously adopted for that purpose and duly published, considers sufficient to authenticate and identify the shareholder who wishes to exercise the right to vote.
2. A vote cast using means of distance communication shall only be valid if it is received by the Company before 23:59 of the day immediately before the day set for the meeting on first call. The Board of Directors may set a shorter period for receipt of votes cast using means of distance communication.
3. Shareholders who vote using means of distance communication as provided in this article shall be considered present for the purpose of constituting the General Meeting

of shareholders in question. Consequently, any proxies appointed previously shall be deemed to be revoked and any proxies appointed subsequently shall be deemed not to have been appointed.

4. The votes cast using means of distance communication referred to in this article shall have no effect if:

- a) They are subsequently expressly revoked using the same means used to cast the vote and within the time set for voting.
- b) The shareholder who casted the vote, or the representative of the legal-~~person-shareholder~~personshareholder, attends the meeting in person.
- c) The shares that carry the right to vote are transferred and the Company receives notice of the transfer no less than five calendar days before the day of the General Meeting of shareholders.

5. When the vote has been cast by electronic means, the Company shall send the shareholder issuing the vote an electronic confirmation of the receipt of his vote. Notwithstanding the foregoing, within one month from the date of the General Meeting, the shareholder or its representative and the ultimate beneficiary may request from the Company a confirmation that the votes corresponding to its shares have been correctly recorded and accounted for by the Company, unless it already has this information. The Company must send this confirmation within the period established in the applicable regulations.

6. ~~5.~~ The Board of Directors has authority to develop the above provisions and establish such rules, means and procedures as are appropriate to the current state of technology, so as to allow shareholders to vote and appoint proxies by electronic means, in accordance with the laws and regulations on electronic communications and the provisions of the Articles of Association and these Regulations. Said means and procedures shall be published on the Company's corporate website. The Board of Directors shall take the necessary measures to verify that any person who voted or appointed a proxy by postal mail or electronic communication is authorised to do so, under the Articles of Association and these Regulations.

## **Article 27. Voting on proposed resolutions**

1. Once the shareholders have spoken and any information or clarifications have been given, as provided in these Regulations, the resolutions on the agenda and any other resolutions that are not legally required to be included on the agenda shall be put to the vote, the Chairman deciding the order in which they shall be put to the vote.
2. Resolutions that have been published by the Company as provided in article 8 or that were provided to the shareholders at the beginning of the session do not need to be read out by the Secretary. The persons attending shall be told to which item on the agenda the resolution that is to be voted on refers.
3. The General Meeting of shareholders shall vote separately on substantially independent matters, so that shareholders are able to express their preferences in each case. Even if included in the same item on the agenda, the following shall be voted separately: (i) the appointment, re-election or ratification (in case of co-optation) of directors, which shall be voted individually; (ii) the advisory vote on the Annual report on directors' remuneration; and (iii) in resolutions to amend the Articles of Association, each substantially independent article or group of articles. However, where circumstances so advise, the Chairman may order that resolutions relating to various items on the agenda be voted on together, in which case the result of the vote shall be deemed to apply individually to each resolution if none of the persons attending has expressed a wish to change their vote on any resolution. Otherwise, any changes of votes by each person attending and the result of the vote on each resolution as a result of such changes shall be recorded in the minutes.
4. Resolutions shall be voted on in the order in which they are shown on the agenda published in the notice of meeting. Resolutions proposed by the Board of Directors shall be put to the vote first, followed by any resolutions proposed by other persons and any resolutions on matters that do not need to be included in the agenda, the Chairman deciding the order in which they shall be put to the vote. Once a resolution has been passed, all other resolutions on the same matter that are incompatible with the passed resolution shall be withdrawn and do not need to be voted on.

5. As a general rule, without prejudice to the Chairman's authority to use other alternative procedures and systems, shareholders' votes on the proposed resolutions shall be determined as follows:
- a) In the case of resolutions included in the agenda published in the notice of meeting, all the shares present and represented shall be considered votes in favour, less any votes corresponding to: shares whose holders or representatives vote against, vote blank or abstain by communicating their vote or abstention to the Secretary or, where appropriate, the notary or the persons assisting them, so that it can be recorded in the minutes; shares whose holders vote against, vote blank or expressly abstain using the media referred to in these Regulations; shares whose holders or representatives have left the meeting before the vote on the resolution in question is taken and have placed their departure from the meeting on record with the notary or the persons assisting him (or, if no notary is present, the Secretary of the General Meeting).
  - b) Where the vote is on a resolution that is not included in the agenda published in the notice of meeting, all the shares present and represented shall be considered votes against, less any votes corresponding to: shares whose holders or representatives vote in favour, vote blank or abstain by communicating their vote or abstention to the notary (or, if no notary is present, the Secretary of the General Meeting) or the persons assisting them, so that it can be recorded in the minutes; shares whose holders have voted in favour or blank or who have expressly stated their wish to abstain using the means of communication referred to in these Regulations; shares whose holders or representatives have left the meeting before the vote on the resolution in question is taken and have placed their departure from the meeting on record with the notary or the persons assisting him (or, if no notary is present, the Secretary of the General Meeting).
  - c) Any communications or statements Secretary or, where appropriate, the notary or the persons assisting them provided for in paragraph (i) above giving instructions to vote or abstain shall be made individually for each resolution or

jointly for some or all of the resolutions, giving Secretary or, where appropriate, the notary or the persons assisting them, details of the person (shareholder or proxy) giving the instructions, the number of shares concerned and whether the vote is in favour, against or abstained.

**Article 28. Conflicts of interest**

1. Shareholders may not exercise the voting rights attached to their shares when the purpose of the resolution to be voted on is to:
  - a) Release them from an obligation or grant them a right;
  - b) Provide them with any kind of financial assistance, including the provision of guarantees; or
  - c) Exempt them from the obligations arising from the duty of loyalty, in accordance with applicable regulations.

**Article 29. Passing of resolutions and closing of the General Meeting of shareholders**

1. Resolutions of the Meeting will be adopted by simple majority of capital of the votes of the shareholders present or by proxy in the General Meeting, being understood to be adopted when more votes are obtained in favour than against of the share capital present or by proxy, except where applicable laws and regulations or the Articles of Association require a larger majority
2. The Chairman shall declare resolutions to be passed when he or she has confirmation of the existence of sufficient votes in favour; notwithstanding, the votes or abstentions of any shareholders present who so indicate to the notary (or, where applicable, the Secretary or the persons assisting him) shall be placed on record in the minutes.
3. Once the voting on the resolutions is complete and the Chairman has announced the results, the General Meeting of shareholders shall come to an end and the Chairman shall declare the session closed.



### **Article 30. Qualified majorities**

Nevertheless, the agreements referred to in article 17.2 shall be adopted by absolute majority if the share capital present or by proxy is over fifty percent. However, favorable vote of ~~two-thirds~~two-thirds majority of the present or by proxy share capital at the General Meeting shall be required when, at second call, twenty-five percent but less than fifty percent of the subscribed share capital with voting rights is in attendance.

The foregoing does not apply to cases in which the applicable regulation or the Articles of Association specify a higher majority.

### **Article 31. Minutes of the General Meeting of shareholders**

1. The resolutions of the General Meeting of shareholders shall be recorded in minutes, which shall be set down or transcribed in the book of minutes kept for that purpose. The minutes may be approved at the end of the same General Meeting of shareholders or, within the time specified in the laws and regulations applicable to the Company, by the Chairman and two representatives, one representing the majority and the other, the minority.
2. The minutes approved in either of these ways shall be effective from the date of approval.
3. The Board of Directors may request the presence of a notary to keep a record of the General Meeting of shareholders and shall be obliged to do so if requested, at least five calendar days before the day set for the meeting, by shareholders representing at least one percent of the share capital. Likewise, in the event that the General Meeting of the Company is held exclusively by telematic means, the minutes of the meeting shall be drawn up by a Notary Public.
4. The notarial record shall be considered to be the minutes of the General Meeting of shareholders and shall not require approval by the meeting.

### **Article 32. Publication of resolutions**

In addition to having any resolutions that must be recorded by the Registrar of Companies so recorded and without prejudice to any applicable legal provisions regarding the publication of

corporate resolutions, the Company shall notify the CNMV of the resolutions that have been passed through the filing of a notice of material event. The text of the resolutions and the results of voting relating to the General Meetings held during the current and the previous year shall be published in full on the Company's corporate website within five calendar days of the end of the General Meeting of shareholders concerned.

## **TITLE V. APPROVAL AND AMENDMENT**

### **Article 33. Approval and amendment**

These Regulations and any subsequent amendments thereto shall be approved by the General Meeting of shareholders, which, for the purposes specified in this article, shall be considered to be duly constituted on first call when shareholders holding at least 25 per cent of the subscribed capital with voting rights are present in person or by proxy. The General Meeting of shareholders shall be held on second call regardless of the percentage of capital represented by those present.

The Board of Directors may make proposals to the General Meeting of shareholders to amend these Regulations when it considers it necessary or appropriate, in which case the proposal shall be accompanied by a statement setting out the grounds for the proposal.

### **~~Single Transitional Provision~~**

~~The provisions of these Regulations shall not apply to General Meetings of Shareholders of the Company convened by unanimous consent of all the members before the Company's shares are admitted to trading on the exchanges.~~

*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*