



Report of the Board of Directors regarding amendments on the Regulations of Board of Directors and its Committees

May 2022

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

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1 Purpose of the Report and the reasons for amendments of the Regulation of the Board of Directors and its Committees

Pursuant to the contents of Article 528 of the Spanish Companies Act (“Ley de Sociedades de Capital or “LSC”) and the provisions of the Board of Directors Regulations and its Committees (“Board Regulations”), shareholders are informed that at the meetings held on July 26th, 2021, on the September 22th, 2021 and on May 19th, 2022, the Board of Directors resolved to approve amendments of the Board Regulations.

At its meeting held on July, 26th, 2021, the Board of Directors agreed to amend Articles 10, 11, 12, 15, 16, 17, 18, 19, 19bis, 20, 22, 23, 24, 27, 29, 30, 35, 36, 37 and 39, with the following purposes:

- Adapt the Articles to the new governance structure (Articles 10.1, 10.2, 11, and 17.2)
- Provide for the establishment of a Strategy Committee (Article 16.1)
- Adapt the wording of certain Articles to the amendments to the Bylaws approved at the Shareholders’ Meeting held on June 30th, 2021 (Articles 10.8, 16.2, 20, 23.3, 27 and 29)
- Adapt the wording of certain Articles to the literal wording of the recommendations of the Code of Good Governance of Listed Companies and Technical Guidelines of the Committees that Indra already complied with (Articles 10.5, 17.4, 18 and 19)
- Adapt the wording of certain Articles to the amendments to the LSC introduced by Law 5/2021, April 12nd (Articles 24 and 35)
- Introduce stylistics changes (Articles 12, 15, 16.5, 19 bis and 30)

At its meeting held on September 22th, 2021, the Board of Directors also agreed to include a new Article 19 ter, in order to regulate the operation of the new Strategy Committee established on the same date.

At its meeting held on May 19th, 2022, the Board of Directors also agreed to amend Articles 8.4 and 33.1 of the Board Regulations to broaden the term diversity, incorporating cultural diversity, and to establish a minimum attendance requirement to Board and Committee meetings for directors, which, although it is very high, it reinforces the Board’s commitment with the capacity to devote sufficient time in order to perform of their duties. These amendments respond to certain aspects of Corporate Governance assessed by ESG analysts.

By virtue of the foregoing, the information procedure provided for in the aforementioned article 528 of the LSC is complied with.

For ease of reference, the following is the current text of the articles of the Board Regulations, with and without change control, as compared to the version prior to the amendments reported hereunder.

2 Amendments approved by the Board of Directors at its Meeting held July 26th, 2021

Earlier Version, Redlined	Version Effective 2021
<p>Article 10. Chairmanship and Vice-Chairmanship of the Board</p> <ol style="list-style-type: none"> 1. The Board's Chairman/Chairwoman shall be elected from among its members, following a report by the Appointments, Remuneration and Corporate Governance Committee, <u>and he or she shall be the person who is ultimately responsible for leading the Board of Directors and ensuring that it functions efficiently.</u> Where the Chairman/Chairwoman has the status of the Company's chief executive, the Board shall delegate to him or her the powers necessary for the effective performance of his or her post. 2. The Chairman/Chairwoman of the Board shall exercise the chairmanship and representation of the governing and administrative bodies of the Company in accordance with the provisions of applicable law, the Bylaws and the Board Regulations, and may delegate his powers in whole or in part as allowed by applicable law and the Bylaws. 3. The Chairman/Chairwoman has the power to: (i) convene the Board of Directors and (ii) set the agenda for their meetings, chair them, and lead discussions <u>and (iii) perform any other duty which he/she is entrusted by the Board of Directors.</u> 4. The Chairman/Chairwoman shall ensure that: (i) Directors receive adequate information on matters to be 	<p>Article 10. Chairmanship and Vice-Chairmanship of the Board</p> <ol style="list-style-type: none"> 1. The Board's Chairman/Chairwoman shall be elected from among its members, following a report by the Appointments, Remuneration and Corporate Governance Committee, and he or she shall be the person who is ultimately responsible for leading the Board of Directors and ensuring that it functions efficiently. Where the Chairman/Chairwoman has the status of the Company's chief executive, the Board shall delegate to him or her the powers necessary for the effective performance of his or her post. 2. The Chairman/Chairwoman of the Board shall exercise the chairmanship of the Company in accordance with the provisions of applicable law, the Bylaws and the Board Regulations. 3. The Chairman/Chairwoman has the power to: (i) convene the Board of Directors; (ii) set the agenda for its meetings, chair them, and lead discussions; and (iii) perform any other duty which he/she is entrusted by the Board of Directors. 4. The Chairman/Chairwoman shall ensure that: (i) Directors receive adequate information on matters to be discussed well in advance of Board Meetings and (ii) Directors

discussed well in advance of Board meetings and (ii) Directors actively participate at Board meetings, safeguarding their freedom to advocate points of view and express their opinions, maintaining at all times effectiveness in the workings of the Board.

5. As the person responsible for the effective functioning of the Board of Directors, the Chairman/Chairwoman shall: (i) submit an annual calendar of dates and issues for discussion at regular meetings; (ii) organize and coordinate the regular appraisal of the Board; and (iii) ensure that sufficient time is devoted to discussing strategic issues and that the programmes for the updating of the know-how required by each board member are recalled and reviewed, when the circumstances make this advisable.
6. The Board shall meet once a year to evaluate the work of the Chairman/Chairwoman of the Board in his or her capacity as such and, separately, as chief executive, if applicable. During the discussions for that evaluation, the Chairman/Chairwoman shall be absent and the Board chaired by a Deputy-Chairman/Chairwoman or the Lead Independent Director when appropriate.
7. The Board must appoint a Deputy-Chairman/Chairwoman from among the Independent Directors, and it may also appoint other deputy chairs.
8. In the absence of the Chairman/Chairwoman the Deputy-Chairman/Chairwoman will ~~substitute take his/her place~~ and, ~~if there be in the event that there is~~ more than one, the person who has held the position longest the earliest appointed shall preside. In the absence of the Deputy-Chairman/Chairwoman, the Lead Independent Director shall preside. In the absence of all of the foregoing, the Chairman/Chairwoman will be replaced by the Director chosen by the Board

actively participate at Board Meetings, safeguarding their freedom to advocate points of view and express their opinions, maintaining at all times effectiveness in the workings of the Board.

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6. The Board shall meet once a year to evaluate the work of the Chairman/Chairwoman of the Board in his or her capacity as such and, separately, as chief executive, if applicable. During the discussions for that evaluation, the Chairman/Chairwoman shall be absent and the Board chaired by a Deputy-Chairman/Chairwoman or the Lead Independent Director when appropriate.
7. The Board must appoint a Deputy-Chairman/Chairwoman from among the Independent Directors, and it may also appoint other deputy chairs.
8. In the absence of the Chairman/Chairwoman the Deputy-Chairman/Chairwoman will take his/her place and, in the event that there is more than one, the person who has held the position longest shall preside. In the absence of the Deputy-Chairman/Chairwoman, the Lead Independent Director shall preside. In the absence of all of the foregoing, the

itself.

Chairman/Chairwoman will be replaced by the Director chosen by the Board itself.

Article 11. Lead Independent Director

1. Following a proposal from the Appointments, Remuneration and Corporate Governance Committee, in the event that the Chairman is also an Executive Director, the Board of Directors shall elect may appoint a Lead Independent Director from among the Independent Directors, Executive Directors abstaining. While this person is being appointed, which must occur when the position of Chairman/Chairwoman of the Board of Directors is held by an Executive Director, all the Executive Directors must abstain.
2. The Lead Independent Director shall be empowered to do the following: (i) request the convening of the Board of Directors or the inclusion of new items on the agenda of a Board meeting already convened; (ii) meet with and coordinate non-Executive Directors; (iii) lead the regular evaluation of the Chairman/Chairwoman of the Board; (iv) chair the Board of Directors in the absence of the Chairman/ Chairwoman and Deputy-Chairs, if any; (v) voice the concerns of non-Executive Directors; (vi) maintain contacts with investors and Shareholders in order to understand their views and form an opinion regarding their concerns, in particular as regards corporate governance of the Company; (vii) coordinate the succession plan of the Chairman/Chairwoman; and (viii) exercise any other powers invested under the Bylaws or these Regulations.

Article 11. Lead Independent Director

1. Following a proposal from the Appointments, Remuneration and Corporate Governance Committee, the Board of Directors may appoint a Lead Independent Director from among the Independent Directors. While this person is being appointed, which must occur when the position of Chairman/Chairwoman of the Board of Directors is held by an Executive Director, all the Executive Directors must abstain.
2. The Lead Independent Director shall be empowered to do the following: (i) request the convening of the Board of Directors or the inclusion of new items on the agenda of a Board Meeting already convened; (ii) meet with and coordinate Non-Executive Directors; (iii) lead the regular evaluation of the Chairman/Chairwoman of the Board; (iv) chair the Board of Directors in the absence of the Chairman/Chairwoman and Deputy-Chairs, if any; (v) voice the concerns of Non-Executive Directors; (vi) maintain contacts with investors and shareholders in order to understand their views and form an opinion regarding their concerns, in particular as regards corporate governance of the Company; (vii) coordinate the succession plan of the Chairman/Chairwoman; and (viii) exercise any other powers invested under the Bylaws or these Regulations.

Article 12. The Board Secretary

1. The functions of the Secretary of the Board shall be exercised by the person appointed by the Board. The Secretary of the Board need not be a Director. The appointment, remuneration and dismissal of the Secretary shall be approved by the Board, following a report from the Appointments, Remuneration and Corporate Governance Committee.
2. The Secretary is responsible for: (i) assisting the Chairman/Chairwoman in his work directed toward the proper functioning of the Board; (ii) facilitating receipt by Directors of information necessary for the performance of their duties well in advance of each Board meeting and in the appropriate format; (iii) providing legal advice to members of the Board; (iv) keeping the minute books and associated documents within the confines of the Company premises; and (v) reflecting in said minutes the proceedings of meetings, attesting to their contents and the resolutions adopted
3. The Secretary of the Board shall ensure the substantive and procedural legality of the acts and resolutions of the Board and its committees; respect for its governing regulations and procedures; and that the Board takes into account those corporate governance recommendations applicable to the Company in the course of its proceedings.
4. The Secretary shall also exercise all duties pertaining to him or her by applicable law and the Bylaws as regards calls to meeting and the constitution, adoption, certification, formalization and implementation of Board resolutions and those of its committees and shall be responsible for verifying that, where necessary ~~quarterly and annual~~ financial reports have been signed by all Directors and forwarded to the

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4. The Secretary shall also exercise all duties pertaining to him or her by applicable law and the Bylaws as regards calls to meeting and the constitution, adoption, certification, formalization and implementation of Board resolutions and those of its Committees and shall be responsible for verifying that, where necessary,

CNMV. In addition, when General Shareholders' Meetings are convened and held, the Secretary will perform the duties for which he/she is responsible by law and in accordance with the Bylaws or Regulations.

5. The Secretary of the Board may simultaneously hold the position of in-house counsel to the Company. When he or she holds both positions simultaneously, appointment as counsel shall be made to a law professional of proven prestige and experience.
6. The Board may appoint a Deputy Secretary, who need not be a Director, to assist the Secretary of the Board in his or her duties and substitute for the Secretary in the event of absence or vacancy in the post. The appointment and dismissal of the Deputy Secretary shall be approved by the Board, following a report by the Appointments, Remuneration and Corporate Governance Committee. Unless otherwise decided by the Board, the Deputy Secretary shall attend its meetings.
7. In the absence of the Secretary and the Deputy Secretary, their duties shall be performed by a board member with legal training. In the event that more than one person is eligible, the youngest of these shall be appointed.

financial reports have been signed by all Directors and forwarded to the Comisión Nacional del Mercado de Valores (“Spanish National Securities Markets Commission”). In addition, when General Shareholders' Meetings are convened and held, the Secretary will perform the duties for which he/she is responsible by law and in accordance with the Bylaws or Regulations.

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Article 15. Acts and Deliberations

1. Matters discussed and the resolutions adopted at Board meetings and meetings of its committees shall be recorded in a minute book which, once adopted, shall be signed by the Secretary of the meeting with the approval of the person who has acted as chairman/Chairwoman.
2. The minutes shall reflect the discussions held at the meeting and, upon request, statements by Directors. Minutes will be approved by the Board at the end of the meeting or at its next meeting, though they may be partially approved at the end of the meeting provided that the legal formalities are adhered to in all cases. Furthermore, when the minutes are to be approved at the next meeting, board members will be given a ~~The draft of the minutes will be provided to the Directors sufficiently in advanced of the meeting at which they are to be of the administrative body that must approved them.~~

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Article 16. Board Committees

1. Without prejudice to delegations of powers issued on an individual basis, the Board shall form the following committees:
 - a) Auditing and Compliance Committee.
 - b) Appointments, Remuneration and Corporate Governance Committee.
 - c) Sustainability Committee.
 - d) Other committees deemed appropriate by the Board, including an Executive Committee with powers delegated by the Board and a Strategy Committee.
2. The Board of Directors may agree to distribute the powers of the Appointments, Remuneration and Corporate Governance Committee ~~into two~~ different among several committees, separating the powers relating to appointments from those relating to payments and any from other matters deemed appropriate.
3. The Board, after a report from the Appointments, Remuneration and Corporate Governance Committee, shall appoint the members of the committees taking into account their knowledge, skills and experience of each Director in the matters relating to the functions to be performed by each committee.

Without prejudice to the foregoing, the Board shall encourage rotation of Directors among the various committees.

4. Except as otherwise specified by these Regulations, committees shall regulate their own procedures and appoint a Chairman/Chairwoman from among their members. The Secretary or Vice-

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 - b) Appointments, Remuneration and Corporate Governance Committee
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 - d) Other committees deemed appropriate by the Board, including an Executive Committee with powers delegated by the Board and a Strategy Committee.
2. The Board of Directors may agree to distribute the powers of the Appointments, Remuneration and Corporate Governance Committee among several committees, separating the powers relating to appointments from those relating to payments and any from other matters deemed appropriate.
3. The Board, after a report from the Appointments, Remuneration and Corporate Governance Committee, shall appoint the members of the committees taking into account their knowledge, skills and experience in the matters relating to the functions to be performed by each committee.

Without prejudice to the foregoing, the Board shall encourage rotation of Directors among the various committees.

4. Except as otherwise specified by these Regulations, committees shall regulate their own procedures and appoint a Chairman/Chairwoman from among their members. The

Secretary or Deputy- Secretary of the Board shall act as Secretary.

5. Committees shall meet upon convening by their Chairman/Chairwoman or upon a request by the Chairman/Chairwoman of the Board or any of the Deputy-Chairmen/Chairwomen, the Lead Independent Director or ~~over~~ ~~half~~ ~~plus~~ ~~one~~ of the Directors.

The Board Secretary shall forward meeting requests and information on matters to be discussed at each meeting, in accordance with Article 13.5 of the Board Regulations as it relates to the Board.

6. Committees shall be validly constituted when a majority of their members are present or represented. Resolutions shall be adopted by an absolute majority of the members present, with tie votes decided by a vote of the Chairman/Chairwoman.

Members of the committee shall personally attend meetings and ensure that non attendance be minimized to the extent possible. In the event that any committee member is unable to attend, a proxy may be granted for each meeting by email or by letter or any other valid means where delivery is recorded.

7. Committees shall keep the Board informed of matters discussed and resolutions adopted at their meetings. To this end, the Chairman/Chairwoman of each committee shall report at the first Board meeting following the meeting of the relevant committee. Except in the case of the Executive Committee, and in other cases where permitted by law or the Bylaws, decisions taken by the committees shall be considered as proposals for resolution or information for the Board.

8. Committees shall create an annual calendar of dates and matters to be discussed at regular meetings, without

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5. Committees shall meet upon convening by their Chairman/Chairwoman or upon a request by the Chairman/Chairwoman of the Board or any of the Deputy-Chairmen/Chairwomen, the Lead Independent Director or over half of the Directors.

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6. Committees shall be validly constituted when a majority of their members are present or represented. Resolutions shall be adopted by an absolute majority of the members present, with tie votes decided by a vote of the Chairman/Chairwoman.

Members of the committee shall personally attend meetings and ensure that non-attendance be minimized to the extent possible. In the event that any committee member is unable to attend, a proxy may be granted for each meeting by email or by letter or any other valid means where delivery is recorded.

7. Committees shall keep the Board informed of matters discussed and resolutions adopted at their meetings. To this end, the Chairman/Chairwoman of each committee shall report at the first Board Meeting following the meeting of the relevant committee. Except in the case of the Executive Committee, and in other cases where permitted by law or the Bylaws, decisions taken by the committees shall be considered as proposals for resolution or information for the

prejudice to their ability to hold other, extraordinary meetings. They shall also create an annual proceedings report. The calendar and proceedings report shall be presented to the Board.

9. Members of the management team and Company staff whose presence is required by the committee shall be obliged to attend committee meetings as well as cooperate with the committee and provide it with access to information available to them, and such appearances may be made with no other staff member present in order to maintain necessary independence in the functioning of the committee. The committee may also require attendance of the Company's external auditors at committee meetings.
10. In order to enhance the performance of their duties, committees may seek the advice of external professionals, who shall be subject to the provisions of these Regulations.
11. Articles 13 through 15 and other provisions of the Board Regulations relative to operations of the Board shall apply to the operations of Board committees, provided that they are compatible with the nature and function of the committees and favour their effective operation.
12. The Secretary of the Board shall make a copy of the minutes of meetings of the committees available to all members of the Board.

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8. Committees shall create an annual calendar of dates and matters to be discussed at regular meetings, without prejudice to their ability to hold other extraordinary meetings. They shall also create an annual proceedings report. The calendar and proceedings report shall be presented to the Board.
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10. In order to enhance the performance of their duties, committees may seek the advice of external professionals, who shall be subject to the provisions of these Regulations.
11. Articles 13 through 15 and other provisions of the Board Regulations relative to operations of the Board shall apply to the operations of Board Committees, provided that they are compatible with the nature and function of the Committees and favour their effective operation.
12. The Secretary of the Board shall make a copy of the minutes of meetings of the committees available to all members of the Board.

Article 17. The Executive Committee

1. If constituted, the Executive Committee shall be delegated all or part of the powers of the Board, except those which may not be delegated in accordance with applicable law, the Bylaws and these Regulations.
2. The Executive Committee shall consist of the number of Directors determined from time to time by the Board, with a minimum of four and a maximum of nine members, and shall have at least two non-Executive Directors, one of whom shall be Independent.

~~The chairman and secretary of this committee shall be the Chairman and Secretary of the Board of Directors. If the Chairman of the Board is not a member of the committee, another Executive Director member of the committee shall be chairman~~

3. The appointment of its members and the permanent delegation of powers by the Board shall require the favourable vote of at least two-thirds of Directors.
4. Resolutions adopted by the Executive Committee shall be valid and binding without the need for further ratification at a plenary meeting of the Board unless ratification is legally mandated or the resolution refers to a power matter for hearing by the Board but has been adopted by the Committee under the terms of Article 5 of these Regulations, or the chairman decides to submit it for ratification given the importance of the matter, at the discretion of the Chairman or one third of the members of the Executive Committee. Notwithstanding the foregoing, the Executive Committee shall keep the Board informed of any decisions it adopts.

Article 17. The Executive Committee

1. If constituted, the Executive Committee shall be delegated all or part of the powers of the Board, except those which may not be delegated in accordance with applicable law, the Bylaws and these Regulations.
2. The Executive Committee shall consist of the number of Directors determined from time to time by the Board, with a minimum of four and a maximum of nine members, and shall have at least two Non-Executive Directors, one of whom shall be Independent.
3. The appointment of its members and the permanent delegation of powers by the Board shall require the favourable vote of at least two thirds of Directors.
4. Resolutions adopted by the Executive Committee shall be valid and binding without the need for further ratification at a plenary meeting of the Board unless ratification is legally mandated, or the resolution refers to a power matter for hearing by the Board but has been adopted by the Committee under the terms of Article 5 of these Regulations, or the Chairman/Chairwoman decides to submit it for ratification, given the importance of the matter at the discretion of the Chairman/Chairwoman or one third of the members of the Executive Committee. Notwithstanding the foregoing, the Executive Committee shall keep the Board informed of any decisions it adopts.

Article 18. The Audit and Compliance Committee

1. The operations of the Auditing and Compliance Committee shall be in accordance with applicable law, the Bylaws and these Regulations.
2. The Auditing and Compliance Committee shall consist exclusively of non- Executive Directors, with a minimum of three and a maximum of six. A majority of its members shall be Independent Directors and shall appoint a chairman/Chairwoman from among them. In the absence of its chairman/Chairwoman, meetings shall be chaired by the Independent Director appointed by the committee
3. The Auditing and Compliance Committee shall meet whenever it is convened, pursuant to the terms of these Regulations, and at least four times a year.
34. The Chairman/Chairwoman shall be replaced at least every four years, without prejudice to his or her continuing as a member of the committee, and may be re-elected as Chairman/Chairwoman after a period of one year has elapsed since stepping down from the post.
45. Taken as a whole, committee membership, and in particular selection of its chairman/Chairwoman, shall be predicated on the members' knowledge and experience in accounting, auditing, internal control and risk management, both financial and non-financial.
56. The committee shall have the following duties, in addition to those assigned to it by law.
 - 65.1 With regard to internal reporting and monitoring systems:
 - a) Monitoring and evaluating the preparation and reporting of the Company's financial and non-financial

Article 18. The Audit and Compliance Committee

1. The operations of the Auditing and Compliance Committee shall be in accordance with applicable law, the Bylaws and these Regulations.
2. The Auditing and Compliance Committee shall consist exclusively of Non-Executive Directors, with a minimum of three and a maximum of six. A majority of its members shall be Independent Directors and shall appoint a Chairman/Chairwoman from among them. In the absence of its Chairman/Chairwoman, meetings shall be chaired by the Independent Director appointed by the committee.
3. The Auditing and Compliance Committee shall meet whenever it is convened, pursuant to the terms of these Regulations, and at least four times a year.
4. The Chairman/Chairwoman shall be replaced at least every four years, without prejudice to his or her continuing as a member of the committee and may be re-elected as Chairman/Chairwoman after a period of one year has elapsed since stepping down from the post.
5. Taken as a whole, committee membership, and in particular selection of its Chairman/Chairwoman, shall be predicated on the members' knowledge and experience in accounting, auditing, internal control and risk management, both financial and non-financial.
6. The committee shall have the following duties, in addition to those assigned to it by law.
 - 6.1 With regard to internal reporting and monitoring systems:

information and its systems for the monitoring and management of financial and non-financial risk ~~contained in the annual and interim financial reports made public, (including operational, technological, legal, social, environmental, political and reputational risk and risk relating to corruption), checking and oversee~~ compliance, with requirements set out in law, the accurate demarcation of the scope of consolidation and the correct application of accounting ~~practices principles, and submitting the relevant report to the Board where applicable.~~

- b) Overseeing the composition, powers and performance of the internal auditing, risk monitoring and management and compliance departments, and to that end: (i) ensuring their independence; (ii) proposing the election, appointment, payment and dismissal of the people respectively in charge of those areas; ; (iii) ~~receive regular information on their activities;~~ (iv) approving their budgets and the direction of the annual working plan and overseeing and work plans and monitor their implementation; iv) receiving regular information on their activities and, in particular, any potential incidents or restrictions on the scope set out in the development of the annual working plan and (v) checking that senior management takes into account the conclusions and recommendations of their reports.

With regard to the internal audit area, the committee will ensure that its activity is mainly focused on relevant risks, including reputational risks.

~~In the area of risk management, the committee shall verify that appropriate mechanisms are established for monitoring financial and non-financial risks, including operational, technological, legal, social, environmental, political and reputational risks.~~

- c) Establish and supervise the operation of a means by which employees and

- a) Monitoring and evaluating the preparation and reporting of the Company's financial and non-financial information and its systems for the monitoring and management of financial and non-financial risk (including operational, technological, legal, social, environmental, political and reputational risk and risk relating to corruption), checking compliance with the requirements set out in law, the accurate demarcation of the scope of consolidation, and the correct application of accounting principles, and submitting the relevant report to the Board where applicable.

- b) Overseeing the composition, powers and performance of the internal auditing, risk monitoring and management and compliance departments, and to that end: i) ensuring their independence; ii) proposing the election, appointment, payment and dismissal of the people respectively in charge of those areas; iii) approving their budgets and the direction of the annual working plan and overseeing their implementation; iv) receiving regular information on their activities and, in particular, any potential incidents or restrictions on the scope set out in the development of the annual working plan; and v) checking that senior management takes account of the conclusions and recommendations contained in their reports.

With regard to the internal audit area, the committee will ensure that its activity is mainly focused on relevant risks, including reputational risks.

- c) Establish and supervise the operation of a means by which employees and other Company

other Company stakeholders such as Directors, shareholders, suppliers, contractors or subcontractors may communicate confidentially and, when appropriate, anonymously, potentially significant irregularities, including financial and accounting irregularities, related to the Company or its group, and that respects the rights of the complainant and the accused.

- d) Ensure that established internal control policies and systems are implemented effectively.

65.2 With regard to the external auditor:

- a) Ensure that the accounts that the Board of Directors submits to the General Shareholders' Meeting are drawn up in accordance with accounting regulations and the audit report does not contain reservations or qualifications.
- b) In the event of resignation, examine the circumstances that motivated it.
- c) Ensure that the remuneration of the external auditor for its work and any other payments arising from other business relationships with the Company do not compromise its quality or the auditor's independence.
- d) Ensure that the Company properly communicates any change of auditor through legally established channels and accompanies such communication with a statement regarding the possible existence of material disagreements with the outgoing auditor and their content.
- e) Ensure that the external auditor holds an annual meeting with the full Board of Directors to report on the work performed and changes in the accounting and risk environments of the Company.
- f) Ensure that the Company and the external auditor comply with

stakeholders such as Directors, shareholders, suppliers, contractors or subcontractors may communicate confidentially and, when appropriate, anonymously, potentially significant irregularities, including financial and accounting irregularities, related to the Company or its group, and that respects the rights of the complainant and the accused.

- d) Ensure that established internal control policies and systems are implemented effectively.

6.2 With regard to the external auditor:

- a) Ensure that the accounts that the Board of Directors submits to the General Shareholders' Meeting are drawn up in accordance with accounting regulations and the audit report does not contain reservations or qualifications.
- b) In the event of resignation, examine the circumstances that motivated it.
- c) Ensure that the remuneration of the external auditor for its work and any other payments arising from other business relationships with the Company do not compromise its quality or the auditor's independence.
- d) Ensure that the Company properly communicates any change of auditor through legally established channels and accompanies such communication with a statement regarding the possible existence of material disagreements with the outgoing auditor and their content.
- e) Ensure that the external auditor holds an annual meeting with the full Board of Directors to report on the work performed and changes in the accounting and risk

applicable rules on the provision of services other than auditing services, limits on concentration of the auditor's business and, in general, rules on the independence of auditors, as well as authorising the procurement of those services.

6.3 Other functions:

- a) Report to the Board on economic conditions and their accounting impact and, in particular and where appropriate, on the proposed exchange ratio for corporate restructuring activities that the Company intends to perform.
- b) Take decisions regarding internal compliance and competence programmes and procedures approved and assigned to it by the Board, as well as monitor compliance with the Company's internal policies and codes of conduct ensuring that corporate culture is aligned with their purpose and values and propose amendments.
- c) Overseeing compliance with the internal codes of conduct, including (as applicable) the Internal Code of Conduct on Matters Relating to the Stock Markets and application implementation of the communication policy with shareholders, institutional investors and proxy advisors, along with the procedures for maintaining relations with other stakeholders. Overseeing any financial, non-financial and corporate reporting policy that may form part of these relations and proposing amendments.
- d) Report on related-party transactions which must be approved at a Meeting or by the Board of Directors and supervise the internal procedure established by the Company for transactions whose approval has been delegated.

environments of the Company.

- f) Ensure that the Company and the external auditor comply with applicable rules on the provision of services other than auditing services, limits on concentration of the auditor's business and, in general, rules on the independence of auditors, as well as authorising the procurement of those services.

6.3 Other functions:

- a) Report to the Board on economic conditions and their accounting impact and, in particular and where appropriate, on the proposed exchange ratio for corporate restructuring activities that the Company intends to perform.
- b) Take decisions regarding internal compliance and competence programmes and procedures approved and assigned to it by the Board, as well as monitor compliance with the Company's internal policies and codes of conduct ensuring that corporate culture is aligned with their purpose and values and propose amendments.
- c) Overseeing compliance with the internal codes of conduct, including (as applicable) the Internal Code of Conduct on Matters Relating to the Stock Markets and application of the policy for communicating with shareholders, institutional investors and proxy advisors, along with the procedures for maintaining relations with other stakeholders. Overseeing any financial, non-financial and corporate reporting policy that may form part of these relations and proposing amendments.

- d) Report on related-party

transactions which must be approved at a Meeting or by the Board of Directors and supervise the internal procedure established by the Company for transactions whose approval has been delegated.

Article 19. The Appointments, Remuneration and Corporate Governance Committee

1. Operations of the Nomination, Compensation and Corporate Governance Committee shall comply with applicable law, the Bylaws and these Regulations.
2. The Appointments, Remuneration and Corporate Governance Committee shall consist exclusively of non-Executive Directors, with a minimum of three and a maximum of six. A majority of its members must be Independent Directors, and shall appoint a Chairman/Chairwoman from among them. In the absence of the Chairman/Chairwoman, the meeting shall be chaired by the Independent Director appointed for that purpose by the Committee.
3. The members of the committee shall be appointed with the goal of constituting a body with the knowledge, skills and experience appropriate to the functions they perform.
- ~~4. The Appointments, Remuneration and Corporate Governance Committee shall meet whenever it is convened, pursuant to the terms of these Regulations, and at least three times a year.~~
- ~~5. The Chairman of the Board, if he is an Executive, or the CEO shall be consulted and called to meetings of the committee in which matters relating to senior managers other than themselves are discussed~~
5. The Committee shall have the following duties in addition to those assigned to it by law:
 - a. Report on the selection policy for Directors approved by the Board and verify compliance annually.
 - b. Annually review compliance with

Article 19. The Appointments, Remuneration and Corporate Governance Committee

1. Operations of the Appointments, Remuneration and Corporate Governance Committee shall comply with applicable law, the Bylaws and these Regulations.
2. The Appointments, Remuneration and Corporate Governance Committee shall consist exclusively of Non-Executive Directors, with a minimum of three and a maximum of six. A majority of its members must be Independent Directors and shall appoint a Chairman/Chairwoman from among them. In the absence of the Chairman/Chairwoman, the meeting shall be chaired by the Independent Director appointed for that purpose by the Committee.
3. The members of the committee shall be appointed with the goal of constituting a body with the knowledge, skills and experience appropriate to the functions they perform.
4. The Appointments, Remuneration and Corporate Governance Committee shall meet whenever it is convened, pursuant to the terms of these Regulations, and at least three times a year.
5. The Committee shall have the following duties in addition to those assigned to it by law:
 - a) Report on the selection policy for Directors approved by the Board and verify compliance annually.
 - b) Annually review compliance with the requirements of the category under which each Director was appointed, which will be noted in

the requirements of the category under which each Director was appointed, which will be noted in the Annual Corporate Governance Report.

- c. Determine the skills and know-how required by the Board and regularly check that these are duly exhibited by its members.
- d. Define the profile and abilities required for appointment or re-election of Directors prior to beginning the selection process and ensure that the process does not involve any form of discrimination but favours the or favouritism in recruitment of the highest quality professionals. Follow the guidelines in order to ensure compliance with the targets for representation of the gender that is less represented on the Board ~~best professionals.~~
- e. Verify the content of the Annual Corporate Governance Report, and incorporate the Auditing and Compliance Committee relative to the sections of that report that are within its purview.
- f. Ensure that Non-Executive Directors have sufficient time available to perform their duties effectively.
- g. Create the reports to be issued by the Board in carrying out the annual evaluation of its performance and the annual evaluation of the Chairman/Chairwoman of the Board.
- h. Design, organize and regularly update continuing education and onboarding programmes for new Directors.
- ~~i.~~ i. Propose to the Board of Directors the Remuneration Policy for Directors ~~and~~
- ~~i.-j)~~ j) Periodically review ~~whether it is~~

the Annual Corporate Governance Report.

- c) Determine the skills and know-how required by the Board and regularly check that these are duly exhibited by its members.
- d) Define the profile and skills required for the appointment or re-election of board members prior to beginning the selection process and ensure that the process does not involve any form of discrimination but favours the recruitment of the highest quality professionals. Follow the guidelines in order to ensure compliance with the targets for representation of the gender that is less represented on the Board.
- e) Verify the content of the Annual Corporate Governance Report and incorporate the Auditing and Compliance Committee report relative to the sections of that report that are within its purview.
- f) Ensure that Non-Executive Directors have sufficient time available to perform their duties effectively.
- g) Create the reports to be issued by the Board in carrying out the annual evaluation of its performance and the annual evaluation of the Chairman/Chairwoman of the Board.
- h) Design, organise and regularly update continuing education and onboarding programmes for new Directors.
- i) Propose to the Board of Directors the Remuneration Policy for Directors.
- j) Periodically review the

consistent the remuneration policy for Directors and senior managers, including share-based remuneration systems and their application, and ensuring that their individual remuneration is proportionate to the amounts paid to other Directors and senior managers in the Company, is in line with the Company's strategy and long-term value creation .

k) Monitoring compliance with the remuneration policy set by the company.

~~k)l)~~ Propose to the Board of Directors contractual terms for senior managers

~~l)m)~~ Present a succession plan for the Chairman/Chairwoman of the Board, Executive Directors and the senior managers to be approved by the Board

~~m)n)~~ Verify the data regarding remuneration of Directors and senior managers contained in corporate documents and, specifically, in the Annual Report on Directors' Remuneration.

~~n)o)~~ Periodically analyse Company policies, internal rules, procedures and practices in the area of corporate governance when supervision does not interfere with another committee, as well as their consonance with national and international standards, recommendations and best practices in these areas, and propose modifications.

~~o)p)~~ Report to the Board, prior to its approval, on the rest of the information made public by the Company related to matters within its purview.

~~p)q)~~ Ensure that conflicts of interest do not adversely affect the independence of advice provided to the committee by outside

remuneration policy for Directors and senior managers, including share-based remuneration systems and their application, and ensuring that their individual remuneration is proportionate to the amounts paid to other Directors and senior managers in the Company, is in line with the Company's strategy and long-term value creation.

k) Monitoring compliance with the remuneration policy set by the company.

l) Propose to the Board of Directors contractual terms for senior managers.

m) Present a succession plan for the Chairman/Chairwoman of the Board, Executive Directors and the senior managers to be approved by the Board.

n) Verify the data regarding remuneration of Directors and senior managers contained in corporate documents and, specifically, in the Annual Report on Directors' Remuneration.

o) Periodically analyse Company policies, internal rules, procedures and practices in the area of corporate governance when supervision does not interfere with another committee, as well as their consonance with national and international standards, recommendations and best practices in these areas, and propose modifications.

p) Report to the Board, prior to its approval, on the rest of the information made public by the Company related to matters within its purview.

advisors and/or the Board of Directors.

q)r) Periodically review Company policies and procedures on recruitment, retention, development and remuneration of professional talent as an essential asset of the Company.

r)s) Consult with the Chairman/Chairwoman of the Board and, in the event that this is not an executive position, the Company's chief executive, especially where matters relating to executive directors and senior officers are concerned and, where applicable, invite them to committee meetings.

q) Ensure that conflicts of interest do not adversely affect the independence of advice provided to the committee by outside advisors and/or the Board of Directors.

r) Periodically review Company policies and procedures on recruitment, retention, development and remuneration of professional talent as an essential asset of the Company.

s) Consult with the Chairman/Chairwoman of the Board and, in the event that this is not an executive position, the Company's chief executive, especially where matters relating to executive directors and senior officers are concerned and, where applicable, invite them to committee meetings.

Article 19 bis. The Sustainability Committee

1. The operations of the Sustainability Committee shall be in accordance with applicable law, the Bylaws and these Regulations.
2. The Sustainability Committee shall consist exclusively of Non-Executive Directors with a minimum of three and a maximum of six. A majority of its members must be Independent Directors and shall appoint a Chairman/Chairwoman from among them. In the absence of the Chairman, meetings shall be chaired by the Independent Director appointed for that purpose by the committee.
3. Members of the committee shall be appointed in an effort to ensure that as a group they possess the knowledge, skills and experience appropriate for the duties they are to execute.

4. The Sustainability Committee shall meet whenever it is convened, pursuant to the terms of these Regulations, and at least three times a year.

4.5 The committee shall have the following duties:

- a) Guide, monitor and evaluate the degree of compliance with policies, good practices and specific action plans in the area of sustainability, particularly regarding corporate social responsibility, the environment, diversity, and integration, and ensure that they conform to the strategy and Master Plan approved by the Board of Directors.
- b) Determine the general principles and criteria that should inform the

Article 19 bis. The Sustainability Committee

1. The operations of the Sustainability Committee shall be in accordance with applicable law, the Bylaws and these Regulations.
2. The Sustainability Committee shall consist exclusively of Non-Executive Directors with a minimum of three and a maximum of six. A majority of its members must be Independent Directors and shall appoint a Chairman/Chairwoman from among them. In the absence of the Chairman, meetings shall be chaired by the Independent Director appointed for that purpose by the committee.
3. Members of the Committee shall be appointed in an effort to ensure that as a group they possess the knowledge, skills and experience appropriate for the duties they are to execute.
4. The Sustainability Committee shall meet whenever it is convened, pursuant to the terms of these Regulations, and at least three times a year.
5. This Committee shall have the following duties:
 - a) Guide, monitor and evaluate the degree of compliance with policies, good practices and specific action plans in the area of sustainability, particularly regarding corporate social responsibility, the environment, diversity, and integration, and ensure that they conform to the strategy and Master Plan approved by the Board of Directors.
 - b) Determine the general principles and criteria that should inform

contents of the Sustainability Report (non-financial information statement) in accordance with applicable law and international best practices in this area and propose its contents to the Auditing and Compliance Committee.

- c)** Periodically review the Company's sustainability performance, as well as its position in existing indices and metrics, taking particular account at all times of those aspects that are increasingly valued by the various stakeholders, and proposing measures for the Company to respond to them
- d)** Report to the Auditing and Compliance Committee on non-financial risks related to matters within its purview.
- e)** Supervise the management of intangible assets such as reputation, brand image, intellectual property and transparency, and propose improvement measures..
- f)** Any other sustainability issues delegated to it by the Board.

the contents of the Sustainability Report (non-financial information statement) in accordance with applicable law and international best practices in this area and propose its contents to the Auditing and Compliance Committee.

- c)** Periodically review the Company's sustainability performance, as well as its position in existing indices and metrics, taking particular account at all times of those aspects that are increasingly valued by the various stakeholders, and proposing measures for the Company to respond to them.
- d)** Report to the Auditing and Compliance Committee on non-financial risks related to matters within its purview.
- e)** Supervise the management of intangible assets such as reputation, brand image, intellectual property and transparency, and propose improvement measures.
- f)** Any other sustainability issues delegated to it by the Board.

Article 20. Nomination and Appointment of Directors

1. Directors shall be appointed, re-elected or ratified at General Shareholders' Meetings without prejudice to shareholders' rights to proportional representation, in accordance with the provisions contained in the Ley de Sociedades de Capital ("Spanish Corporations Act") and the Bylaws.

Should vacancies occur during the period for which a Director was appointed, the Board may, by co-optation, designate a person to occupy the post until the next General Shareholders' Meeting, if one is not already convened. If already convened, the Board of Directors may appoint a Director until the next General Shareholders' Meeting following the one convened.

2. Proposal for appointment shall be for persons of recognised personal and professional character, with sufficient capacity to maintain proper dedication to the post and without other interests incompatible with their performance.

~~Directors may be natural or artificial persons. In all cases an artificial person Director shall appoint a single natural person as representative for the permanent exercise of the duties of office. The criteria for the suitability of Directors referred to in these Regulations shall apply to the natural person representative, who shall be subject to the same duties applicable to Directors under the law, the Bylaws and these Regulations. The proposal for a natural person representative shall be pursuant to a report of the Nomination, Compensation and Corporate Governance Committee. Removal of a natural person representative of an artificial person Director shall not take effect until a replacement is designated.~~

Only natural persons may be board

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2. Proposal for appointment shall be for persons of recognised personal and professional character, with sufficient capacity to maintain proper dedication to the post and without other interests incompatible with their performance.

Only natural persons may be board members, notwithstanding the exceptions set out in law.

3. Proposals for the appointment, re-election and dismissal of Directors submitted by the Board to General Shareholders' Meetings, as well as the provisional appointment decisions it adopts, shall be made upon proposal from the Appointments, Remuneration and Corporate Governance Committee in the case of Independent Directors and the Board itself, after a report by that committee, in other cases.
4. The proposal or report of the Appointments, Remuneration and

members, notwithstanding the exceptions set out in law.

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4. The proposal or report of the Appointments, Remuneration and Corporate Governance Committee shall classify the new Director into one of the defined categories according to applicable law, and be accompanied by a supporting report from the Board containing the results of the analysis carried out on the skills, experience and merits of the proposed person, which shall be attached to the minutes of the General Shareholders' Meeting or of the Board.

When the Board departs from the recommendation of the Appointments, Remuneration and Corporate Governance Committee, it shall make the reasons known and record them in the minutes

5. The Board and the Appointments, Remuneration and Corporate Governance Committee, within the scope of their respective duties, shall exercise rigour in relation to those persons called to fill the post of Independent Director.
6. The Board shall propose to the General Shareholders' Meeting that proposals for the appointment or re-election of Directors be subject to individual vote on each of them
7. From the time of publication of the convening of the General Shareholders' Meeting, the Company shall publish continuously and keep up to date at

Corporate Governance Committee shall classify the new Director into one of the defined categories according to applicable law, and be accompanied by a supporting report from the Board containing the results of the analysis carried out on the skills, experience and merits of the proposed person, which shall be attached to the minutes of the General Shareholders' Meeting or of the Board.

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5. The Board and the Appointments, Remuneration and Corporate Governance Committee, within the scope of their respective duties, shall exercise rigour in relation to those persons called to fill the post of Independent Director.
6. The Board shall propose to the General Shareholders' Meeting that proposals for the appointment or re-election of Directors be subject to individual vote on each of them.
7. From the time of publication of the convening of the General Shareholders' Meeting, the Company shall publish continuously and keep up to date at least the following information on the website regarding persons proposed for appointment, ratification or re-election as members of the Board: (i) identity and CV; (ii) the proposed Director category noting, in the case of Proprietary Directors, the shareholder represented or with whom he or she is linked; and (iii) the proposal and reports referred to in the previous paragraphs.

least the following information on the website regarding persons proposed for appointment, ratification or re-election as members of the Board: (i) identity and CV; (ii) the proposed Director category noting, in the case of Proprietary Directors, the shareholder represented or with whom he or she is linked; and (iii) the proposal and reports referred to in the previous paragraphs.

~~In the case of an artificial person, the information shall include that corresponding to the natural person to be appointed for the permanent exercise of the functions of the office. This information will be kept up to date.~~

Article 22. Re-election of Directors

Proposals for re-election of Directors which the Board decides to submit to a Meeting shall follow the process provided for in these Regulations for the appointment of new Directors.

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Article 23. Departure of Directors

1. Directors shall leave office when they are dismissed at a Meeting or when they communicate their resignation to the Company.

Where the Board proposes the dismissal of an Independent Director in advance of the end of the period for which he/she was appointed, its proposal shall be accompanied by clear justification and the underlying report of the Appointments, Remuneration and Corporate Governance Committee.

2. Directors shall inform the Board and offer to resign whenever:
 - a) Any of the legally defined circumstances of incompatibility, prohibition or forced resignation arise.
 - b) They seriously violate their duties as Directors or commit acts or omissions contrary to the diligence and responsibility with which they must

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2. Directors shall inform the Board and offer to resign whenever:
 - a) Any of the legally defined circumstances of incompatibility, prohibition or forced resignation arise.
 - b) They seriously violate their duties as Directors or commit acts or omissions contrary to the

perform their duties.

- c) They cannot maintain the dedication necessary for their effective performance.
- d) The shareholder which the Proprietary Director represents sells his or her equity interest in full or decreases it to a level requiring a reduction in the number of Proprietary Directors appointed on his or her behalf
- e) In the case of Independent Directors, when conditions or circumstances change calling into question the independent status of the Director.
- f) In the case of Executive Directors, upon termination for any reason of the management position associated with their appointment as Director.

3. In all cases the Director must inform the Company and resign if appropriate, when he or she is affected by a situation, whether or not related to his or her duties at the Company, that may harm the credit and reputation of the Company. In particular, he or she must inform the Board of any criminal case in which he or she is a suspect and of any proceedings in the case

Having been informed or learned otherwise of the occurrence of any of the situations referred to in the preceding paragraph, the Board shall examine the case as soon as possible and decide, in light of its specific circumstances, after a report of the Appointments, Remuneration and Corporate Governance Committee, whether or not to take any action (opening an internal investigation, requesting the Director's resignation, proposing his or her dismissal or taking any other action it deems appropriate).

The Board of Directors shall give a detailed report in the Annual Report on Corporate Governance, unless there are special circumstances

responsibility and care with which they must perform their duties.

- c) They cannot maintain the dedication necessary for their effective performance.
- d) The shareholder which the Proprietary Director represents sells his or her equity interest in full or decreases it to a level requiring a reduction in the number of Proprietary Directors appointed on his or her behalf.
- e) In the case of Independent Directors, when conditions or circumstances change calling into question the independent status of the Director.
- f) In the case of Executive Directors, upon termination for any reason of the management position associated with their appointment as Director.

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Having been informed or learned otherwise of the occurrence of any of the situations referred to in the preceding paragraph, the Board shall examine the case as soon as possible and decide, in light of its specific circumstances, after a report of the Appointments, Remuneration and Corporate Governance Committee, whether or not to take any action (opening an internal investigation, requesting the Director's resignation, proposing his or her dismissal or taking any other

which justify not doing so, which will be recorded in the minutes.

~~4. In the event that any of the circumstances describe in paragraphs 2 and 3 above apply to a natural person representing an artificial person Director, the Director shall immediately appoint a new natural person representative to replace him.~~

~~5.4~~ In the event that, ~~where it is required~~, the Director does not submit his or her resignation in the cases described in the previous paragraphs, the Board shall submit a proposal for dismissal to the Meeting.

~~6.5~~ When a Director's mandate is ended, either due to his or her resignation or by agreement of the General Shareholders' Meeting, he or she shall deliver a letter to the other members of the Board giving a sufficient explanation of the reason for his or her resignation or, in the case of Non-Executive Directors, their opinion on the reasons for their dismissal by the Shareholders' Meeting. These explanations shall be contained in the Annual Corporate Governance Report and, to the extent relevant to investors, the Company shall publish such as soon as possible, including sufficient reference to the reasons or circumstances provided by the Board.

action it deems appropriate).

The Board of Directors shall give a detailed report in the Annual Report on Corporate Governance, unless there are special circumstances which justify not doing so, which will be recorded in the minutes.

4. In the event that, where it is required, the Director does not submit his or her resignation in the cases described in the previous paragraphs, the Board shall submit a proposal for dismissal to the Meeting.

5. When a Director's mandate is ended, either due to his or her resignation or by agreement of the General Shareholders' Meeting, he or she shall deliver a letter to the other members of the Board giving a sufficient explanation of the reason for his or her resignation or, in the case of Non-Executive Directors, their opinion on the reasons for their dismissal by the Shareholders' Meeting. These explanations shall be contained in the Annual Corporate Governance Report and, to the extent relevant to investors, the Company shall publish such as soon as possible, including sufficient reference to the reasons or circumstances provided by the Board.

Article 24. Duty to Abstain. Secret Ballot

1. The duty of loyalty obliges a Director to abstain from participating in deliberations and voting on resolutions or decisions in which he or she or a person linked to him or her has a direct or indirect conflict of interest whether in front of the Board or a committee of which he or she is a member.

Notwithstanding the contents of the foregoing paragraph, Directors are exempt from voting on resolutions relating to their appointment or ~~their~~ regarding their designation to or removal from posts on the administrative body and similar bodies and any other matters where this exemption is set out in law.

2. When deemed appropriate by the Chairman/Chairwoman or upon request by a majority of attendees, votes on the appointment, re-election or dismissal of Directors may be conducted by secret ballot.

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Notwithstanding the contents of the foregoing paragraph, Directors are exempt from the duty to abstain from voting on resolutions relating to their appointment or their removal from posts on the administrative body and similar bodies and any other matters where this exemption is set out in law.

2. When deemed appropriate by the Chairman/Chairwoman or upon request by a majority of attendees, votes on the appointment, re-election or dismissal of Directors may be conducted by secret ballot.

Article 27. Director Compensation

1. The Board of Directors shall submit the Directors' remuneration policy for approval by the General Shareholders' Meeting at least every three years, as a separate item on the agenda. This policy must comply with the remuneration requirements set out in law and it shall adhere to the remuneration system provided for in the Bylaws Justification for the remuneration policy submitted by the Board at a Meeting shall be provided, and it shall be accompanied by a specific report from the Appointments, Remuneration and Corporate Governance Committee. The maximum annual remuneration established in the said policy for Directors acting as such shall be determined at the Meeting, and this limit shall remain in force as long as it is not modified at a subsequent General Shareholders' Meeting. The General Shareholders' Meeting shall also establish the criteria for the distribution of such remuneration, bearing in mind the duties and responsibilities assigned to each Director.
- 2 Subject to the maximum limit approved by the General Shareholders' Meeting, the Board of Directors shall be responsible for establishing determine specific amounts to be received by each individual board member's remuneration in his/her capacity as such, within the framework set out in the Bylaws and the remuneration policy, along with the Director, applicable distribution criteria, and dates of such payments, following a report by the Appointments, Remuneration and Corporate Governance Committee.

Executive Directors must enter into a contract with the Company containing remuneration amounts for their executive duties, consistent with the Bylaws and with the remuneration policy

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1. The Board of Directors shall submit the Directors' remuneration policy for approval by the General Shareholders' Meeting at least every three years, as a separate item on the agenda. This policy must comply with the remuneration requirements set out in law and it shall adhere to the remuneration system provided for in the Bylaws. Justification for the remuneration policy submitted by the Board at a Meeting shall be provided, and it shall be accompanied by a specific report from the Appointments, Remuneration and Corporate Governance Committee. The maximum annual remuneration established in the said policy for Directors acting as such shall be determined at the Meeting, and this limit shall remain in force as long as it is not modified at a subsequent General Shareholders' Meeting. The General Shareholders' Meeting shall also establish the criteria for the distribution of such remuneration, bearing in mind the duties and responsibilities assigned to each Director.
- 2 Subject to the maximum limit approved by the General Shareholders' Meeting, the Board of Directors shall be responsible for establishing each individual board member's remuneration in his/her capacity as such, within the framework set out in the Bylaws and the remuneration policy, along with the frequency and dates of such payments, following a report by the Appointments, Remuneration and Corporate Governance Committee.

Executive Directors must enter into a contract with the Company containing remuneration amounts for their executive duties, consistent with the Bylaws and with the remuneration policy approved at the

approved at the General Shareholders' Meeting. Such contracts must be approved in advance by the Board with a favourable vote of two thirds of its members. The Director concerned shall not attend deliberations nor participate in the vote. The contract shall detail all the terms under which the Director is remunerated for the performance of executive duties and shall be attached to the minutes of the meeting after approval.

3. The Board of Directors shall be responsible for determining the remuneration to be received by each board member for performing the duties assigned to them, within the framework of remuneration policy and pursuant to the terms of their contract, following a report from the Appointments, Remuneration and Corporate Governance Committee.

4. With advice from the Appointments, Remuneration and Corporate Governance Committee, the Board shall ensure that the remuneration is adequate to attract and retain Directors with the profiles desired and reward the dedication, qualifications and responsibilities required by the post without compromising the independence of non-Executive Directors received by board members as a result of their membership of the administrative bodies and the performance of their executive duties is subject to the principles set out in the remuneration policy in force from time to time.

35. Upon proposal from the Appointments, Remuneration and Corporate Governance Committee, the Board shall produce an annual report on the remuneration of Directors with content required by applicable law and which shall be put to an advisory vote as a separate item on the agenda at a General Shareholders' Meeting.

6. The Board will periodically approve the information on the remuneration of

General Shareholders' Meeting. Such contracts must be approved in advance by the Board with a favourable vote of two thirds of its members. The Director concerned shall not attend deliberations nor participate in the vote. The contract shall detail all the terms under which the Director is remunerated for the performance of executive duties and shall be attached to the minutes of the meeting after approval.

3. The Board of Directors shall be responsible for determining the remuneration to be received by each board member for performing the duties assigned to them, within the framework of remuneration policy and pursuant to the terms of their contract, following a report from the Appointments, Remuneration and Corporate Governance Committee.

4. With advice from the Appointments, Remuneration and Corporate Governance Committee, the Board shall ensure that the remuneration received by board members as a result of their membership of the administrative bodies and the performance of their executive duties is subject to the principles set out in the remuneration policy in force from time to time.

5. Upon proposal from the Appointments, Remuneration and Corporate Governance Committee, the Board shall produce an annual report on the remuneration of Directors with content required by applicable law and which shall be put to an advisory vote as a separate item on the agenda at a General Shareholders' Meeting.

6. The Board will periodically approve the information on the remuneration of Directors and senior managers that the Company must make public after a report of the Appointments, Remuneration and Corporate Governance Committee and in

Directors and senior managers that the Company must make public after a report of the Appointments, Remuneration and Corporate Governance Committee and in accordance with applicable law

accordance with applicable law.

Article 29. Duty of Secrecy and Confidentiality

1. The Director, even after leaving his or her post, shall maintain the secrecy of resolutions, information, data, documentation and proceedings learned as a result of the exercise of his or her post, which he or she must not disclose or communicate to third parties.
2. The following cases are exempt from the duty of secrecy referred to in the previous paragraph
 - a) As permitted by applicable law.
 - b) As required by competent authorities or which the Director has a legal obligation to submit despite the information being subject to the secrecy requirement in accordance with the provisions of this article. In these cases, disclosure of information shall comply with the provisions of applicable law.

~~Where the Director is an artificial person, the duty of secrecy shall also rest with the natural person representative without prejudice to the obligation to inform his principle.~~

Article 29. Duty of Secrecy and Confidentiality

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Article 30. Duty of Loyalty

1. In the performance of his or her duties, the Director will act with the loyalty of a fiduciary and act in good faith and in the best interest of the Company To this end, the Director's own interests shall at all times be secondary to those of the Company.
2. Violation of the duty of loyalty will result not only in the obligation to compensate for the damage caused to the Company treasury, but also to return to the Company any unjust enrichment obtained by the Director.

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2. Violation of the duty of loyalty will result not only in the obligation to compensate for the damage caused to the Company treasury, but also to return to the Company any unjust enrichment obtained by the Director.

Article 35. ~~NonRelated-Arm's LengthParty~~ Transactions

1. The Board is responsible for understanding and approving any direct or indirect transaction made between the Company and any related-party as defined by applicable law prior to its execution ~~and after a report from the Audit and Compliance Committee.~~

Transactions shall be evaluated from the point of view of equal treatment and market conditions and in accordance with provisions set out in law.

The Board's power to approve related-party transactions may not be delegated except in the cases provided for in the legislation in force from time to time.

2. Notwithstanding the contents of the foregoing paragraph, authorisation must be given by the General Shareholders' Meeting when the transaction reaches a value of 10% or more of the total assets shown in the most recently approved annual consolidated balance sheet, or the value set out in the legislation in force from time to time of Company assets.
3. ~~In the case of recurrent transactions which take place in the ordinary course of the Company's business and are carried out under standard market conditions for customers and are of little relevance, understood to mean those transactions which need not be accounted for in order to express a fair picture of the Company's assets, financial situation and results, prior authorisation by the Board of the general line of activities concerned shall suffice.~~
4. ~~The authorisation provided for in the previous paragraphs shall not, however, be required where the transactions in question simultaneously fulfil the following three conditions:~~

Article 35. Related-Party Transactions

1. The Board is responsible for understanding and approving any direct or indirect transaction made between the Company and any related-party as defined by applicable law prior to its execution.

Transactions shall be evaluated from the point of view of equal treatment and market conditions and in accordance with provisions set out in law.

The Board's power to approve related-party transactions may not be delegated except in the cases provided for in the legislation in force from time to time.

2. Notwithstanding the contents of the foregoing paragraph, authorisation must be given by the General Shareholders' Meeting when the transaction reaches a value of 10% or more of the total assets shown in the most recently approved annual consolidated balance sheet, or the value set out in the legislation in force from time to time.
3. Approval of a related-party transaction by the General Shareholders' Meeting or the Board must be subject to a prior report by the Auditing and Compliance Committee, the contents of which shall adhere to the provisions of the legislation in force from time to time. Affected board members may not take part in the drafting of the said report.
4. Board members must provide information on any parties that are related to them, pursuant to the way this term is defined in law, so that the Company may identify any potential related-party transactions.
5. As a general rule, board members

- ~~a) That they be made under contracts whose conditions are standardized and generally applied to a large number of customers;~~
- ~~b) That they be made at prices or fees generally established by the person acting as the supplier of the good or service concerned; and~~
- ~~c) That the transaction amount does not exceed 1% of the Company's annual income and in the case of transactions with Directors, does not exceed twenty thousand euros.~~

~~5. Exceptionally, under exigent circumstances, related party transactions may be authorised by the Chairman of the Board with subsequent ratification by the Board at its next meeting.~~

3. Approval of a related-party transaction by the General Shareholders' Meeting or the Board must be subject to a prior report by the Auditing and Compliance Committee, the contents of which shall adhere to the provisions of the legislation in force from time to time. Affected board members may not take part in the drafting of the said report.

34. Board members must provide information on any parties that are related to them, pursuant to the way this term is defined in law, so that ~~in order for~~ so that the Company may identify any potential related-party transactions in advance, Directors must keep the Board informed if they have, directly or indirectly, significant interests or influence in companies or entities that do business with the Company.

5. As a general rule, board members who are affected by ~~non-arms'~~ length related-party transactions or

who are affected by related-party transactions or who represent or are linked to any affected shareholders must abstain from participating in the debate and vote on the relevant resolution, unless their abstention is not required in law. In the case of transactions with Shareholders who are subject to a decision at a Meeting,, the affected Shareholder shall be deprived of its voting rights, except in cases in which the proposed resolution has been approved by the Board of Directors and a majority of the independent directors have not voted against it, pursuant to the regulations set out in the legislation in force from time to time.

6. Related-party transactions shall be valued in accordance with the regulations for calculating their value set out in the legislation in force from time to time.

who represent or are linked to any affected shareholders, must abstain from participating in the debate and vote on the relevant resolution, unless their abstention is not required in law in addition to not exercising or delegating their vote, shall be absent from the meeting while the Board or the committee concerned deliberates and votes on them. In the case of transactions with Shareholders who are subject to a decision at a Meeting, ~~the Board shall consider recommending that the Shareholders concerned abstain in voting the affected Shareholder shall be deprived of its voting rights, except in cases in which the proposed resolution has been approved by the Board of Directors and a majority of the independent directors have not voted against it, pursuant to the regulations set out in the legislation in force from time to time.~~

46. Related-party transactions shall be valued in accordance with the regulations for calculating their value set out in the legislation in force from time to time.

Article 36. Public Information

~~The Board shall report periodically on Related-party transactions engaged in by the Company or companies belonging to its group shall be subject to the rules of disclosure set out in the legislation in force from time to time in accordance with applicable law after a report from the Audit and Compliance Committee.~~

Article 36. Public Information

Related-party transactions engaged in by the Company or companies belonging to its group shall be subject to the rules of disclosure set out in the legislation in force from time to time.

Article 37. Relations with Shareholders and Investors, Voting Advisers and Other Stakeholders

1. The Board will favour and promote a policy of communication and regular Company contact with its shareholders, institutional investors, brokers, voting advisers and the market in general, as well as a general policy of communication of financial, non-financial and corporate information in full compliance with insider trading rules and the principle of equal treatment of similarly situated shareholders, and will facilitate adequate channels for receiving proposals that any of these parties they may make regarding Company management, guaranteeing continuity and accuracy in those communications
2. Under no circumstances may relations with institutional investors result in the delivery to them of any non-public information that might provide them with competitive advantage over other investors or shareholders.
3. Public requests for delegation of votes made by the Board or any of its members shall be governed by the provisions of applicable law and the Rules of Procedure for General Shareholders' Meetings.
4. The Board will promote the informed participation of shareholders at General Shareholders' Meetings and take all appropriate measures to help the General Shareholders' Meeting effectively perform its duties according to applicable law, the Bylaws and the Rules of Procedure for General Shareholders' Meetings.

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Article 39. Relations with Auditors

1. The Board's relations with the Company's external auditors will be managed by the Auditing and Compliance Committee
2. Nonetheless, the external auditors shall attend any Board meeting where any audit report on financial information to be made public by the Company is to be presented, so that all Directors may have direct access to the auditors at the time of submission of the content and conclusions of those reports.

The Chairman/Chairwoman of the Board may also request the involvement of external auditors at Board Meetings when he deems it appropriate or at the request of a Deputy-Chairman/Chairwoman, the Lead Independent Director or one third of Directors.

3. The Board will make every effort to submit to the Meeting the Company's annual financial statements without reservations or qualifications in the audit report. Should any exist, the Board shall request external auditors, if required, to report clearly on them to shareholders at the General Shareholders' Meeting. The Chairman/Chairwoman of the Auditing and Compliance Committee shall inform shareholders at the General Shareholders' Meeting of the views of the committee as to the contents and scope of the qualified opinions or reservations~~qualification~~ and shall make a summary of such views available at the time of convening the General Shareholders' Meeting.
4. The Board shall refrain from contracting the audit of the annual financial statements to any firm when circumstances arise which may compromise their independence according to criteria established by

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4. The Board shall refrain from contracting the audit of the annual financial statements to any firm when circumstances arise which may compromise their independence according to criteria established by

applicable law.

5. The Board shall publicly report on the overall fees that the Company pays to the audit firm for audit services with the frequency and content established under applicable law and shall provide detailed and individualised information on additional services of any kind provided and the corresponding fees received by the external auditor or by persons or entities linked to it.
6. The audit firm, the audit professional responsible for the work, and members of the external audit team should rotate periodically in accordance with schedules established under applicable law and under circumstances, where appropriate, as determined by the Board after proposal from the Auditing and Compliance Committee.

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3 Inclusion of new article 19 ter approved by the Board of Directors at its Meeting held September 22nd, 2021

Article 19 ter. The Strategy Committee

1. The operations of the Strategy Committee shall be in accordance with applicable law, the Bylaws and these Regulations.
2. The Strategy Committee shall consist exclusively of Non-Executive Directors with a minimum of three and a maximum of six, at least three of whom must be independent directors

It shall be chaired by the Chairman of the Board of Directors; in the absence of the Chairman, the meeting shall be chaired by the independent director appointed for this purpose by the Committee.

3. Members of the Committee shall be appointed in an effort to ensure that as a group they possess the knowledge, skills and experience appropriate for the duties they are to execute.

- 4. The Strategy Committee shall meet whenever it is convened, pursuant to the terms of these Regulations, and at least twice a year.
- 5. The Committee shall have a consultative and advisory nature, with the following duties:
 - a) Analyze the proposals made by the Executive Directors to the Board regarding the strategy (business, financial or otherwise) of the Company and its group.
 - b) To monitor the strategic plan, submitting proposals or recommendations to the Board on the same.
 - c) Keep updated on international, local and industry market trends in which the Company and its group operate.

4 Amendments approved by the Board of Directors at its Meeting held May 19th, 2022

Earlier Version, Redlined	Version Effective 2022
<p>Article 8. Qualitative Composition</p> <ol style="list-style-type: none"> 1. In exercising its powers to propose nominees at Meetings as well as co-optation for coverage of temporary vacancies, the Board shall act on the criteria that Proprietary and Independent Directors represent a large majority of the Board and that the number of Executive Directors be the minimum necessary, considering the complexity of the Company and the percentage of Executive Directors' equity interest in the Company. 2. The Board shall also ensure that the percentage of Proprietary Directors as a total of Non-Executive Directors is not greater than the percentage of the Company's capital represented by those Proprietary Directors. This criterion may be relaxed where: (i) there are few significant shareholders; or (ii) where there are several shareholders represented on the Board without ties to 	<p>Article 8. Qualitative Composition</p> <ol style="list-style-type: none"> 1. In exercising its powers to propose nominees at Meetings as well as co-optation for coverage of temporary vacancies, the Board shall act on the criteria that Proprietary and Independent Directors represent a large majority of the Board and that the number of Executive Directors be the minimum necessary, considering the complexity of the Company and the percentage of Executive Directors' equity interest in the Company. 2. The Board shall also ensure that the percentage of Proprietary Directors as a total of Non-Executive Directors is not greater than the percentage of the Company's capital represented by those Proprietary Directors. This criterion may be relaxed where: (i) there are few significant shareholders; or (ii) where there are several shareholders represented on

each other.

3. In order to strike a reasonable balance between Proprietary Directors and Independent Directors, the Board shall consider the Company's shareholder structure, taking into account the magnitude of equity interest in absolute and comparative terms, as well as the degree of permanence and strategic links of the shareholders with the Company
4. The Board and the Appointments, Remuneration and Corporate Governance Committee shall ensure that the selection of persons to serve as Director is carried out in accordance with a policy aimed at promoting an appropriate composition of the Board, which: (i) is concrete and verifiable (ii) is aimed at promoting diversity of knowledge, experience, age, ~~and~~ gender and cultural, while avoiding biases that may lead to discrimination; and (iii) ensures that nominations are based on the outcome of the prior analysis of the competencies required by the Board and conform to the Company's profile.

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Article 33. Dedication

1. In the exercise of his or her duties, the Director shall dedicate the time and effort necessary for his or her proper performance, and shall attend, at least, 75% of the meetings held each year by the Board or the Committee of which he/she is a member. To this end, he or she shall inform the Board of activities which may materially affect his or her dedication as a Company Director.
2. Generally, speaking, Directors may not belong to so many boards that they are prevented or hindered from devoting sufficient time to their position as a Director of the Company. To this end, Directors shall comply with the following general limits
 - a) Executive Directors may hold administrative positions in only two other listed companies.
 - b) Non- Executive Directors may hold administrative positions in only four other listed companies.

Without prejudice to these limits, the Board shall assess in each case the personal and professional circumstances for each Director, in particular in the case of Proprietary Directors.

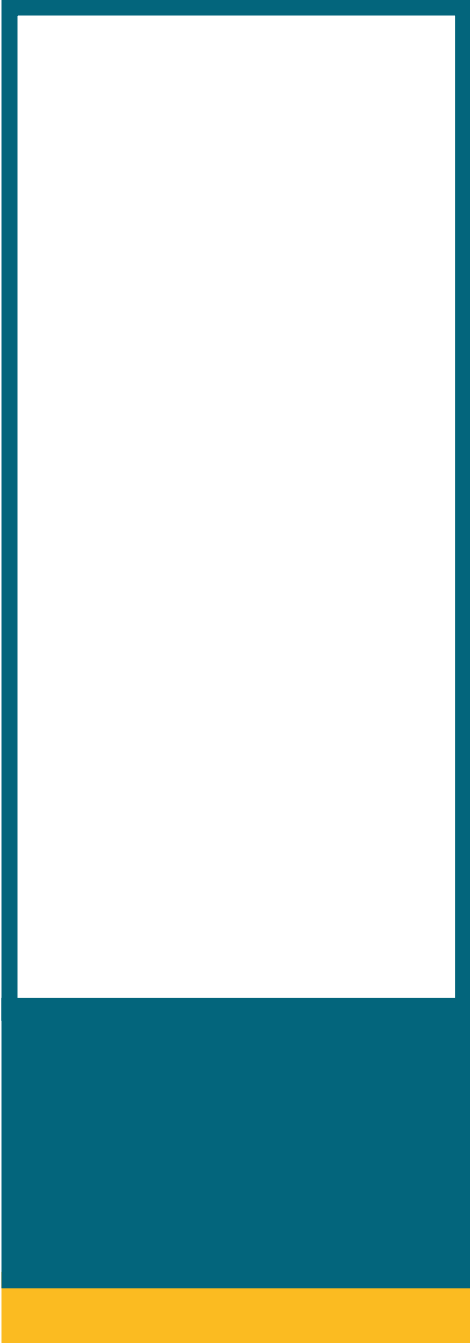
3. Failure to comply with the foregoing shall result in the application of the regulations of Article 23, paragraph 2 of these Regulations.

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