



## FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

### **COMPLETE TEXT OF THE RESOLUTIONS FORMULATED BY ADMINISTRATION BOARD TO ORDINARY GENERAL MEETING 25 JUNE 2015**

1. **Analysis and approval, if applied, of yearly balance sheets and report of management, corresponding to economical exercise of 2014, of the company Fomento de Construcciones y Contratas, S.A. and its consolidated group, as well as the management of the board of directors during the same period.**

It was agreed: "Approval of the yearly based balance sheets and report of management, corresponding to exercise 2014 de FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. (hereinafter, the "company" or "FCC") as well as its Consolidated Group. These documents have been reported with the favourable support of the Audit and Control Committee and verified by the Auditor of Balance Sheets of the Company."

Also It was agreed to: "Approve the management of the Board of Directors of the Company during the social term closed by 31 December 2014."

2. **Consideration and approval, if applied, of the proposal of the application of the results of term 2014.**

Attending the negative result which shows the Balance of Losses and Gains of the social term closed by 31 December 2014, proposes: "Apply the result of term 2014, with a loss of 906,473,265.46 Euros, to the balance sheet of «Negative Results of past terms»".

3. **Re-election of the auditors of the balance sheets of the Company and its Consolidated Group.**

It was agreed: "Re-elect, counting with favourable report of the Audit and Control Committee, as Auditor of Balance Sheets of the Company and its Consolidated Group for the term of 2016, the firm DELOITTE, S.L., with its address in Madrid, Plaza Pablo Ruiz Picasso, number 1; inscribed at Commercial Register of Madrid, at volume 13.650, folder 188, section 8th, page M-54414 and inscribed in ROAC under number S-0692 and provided with CIF B79104469."

4. **Amendment of the Social by-laws for the purposes of, as the case may be. (i) adapt them to the revision of the Law of the Societies of Capital introduced by the law 31/2014, of 3 December and (ii) perform technical improvements. Approval of a consolidated wording. (**



**4.1. Amendment of the sections 1st ("Denomination") and 4th ("Social address, branches and corporative website") of the Title I ("General dispositions").**

It was agreed: "According to report issued by Administration Board which was at disposal of shareholders since the publication of call for the General Meeting, approve the amendment of the sections 1st and 4th of Social By-laws, in the terms which appears at the annex of present proposal of agreements."

**4.2. Amendment of the sections 5th ("Social Capital"), 6th ("Shares"), 7th (Transmission of shares"), 8th (Procedures without vote) and 10th ("Usufruct, pledge and seizure of shares") of the Second Section ("Social capital and shares).**

It was agreed: "According to report issued by Administration Board which was at disposal of shareholders since the publication of call for the General Meeting, approve the amendment of the sections 5st, 6th, 7th, 8th and 10th of Social By-laws, in the terms which appears at the annex of present proposal of agreements."

**4.3. Amendment of the sections 11th ("Organs of the Company") of Third Title ("of the governance of the Company").**

It was agreed: "According to report issued by Administration Board which has been available to shareholders since the publication of call for the General Meeting, approve the amendment of the article 11st of Social By-laws, in the terms which appears at the annex of present proposal of agreements."

**4.4. Amendment of the sections 12th ("General Meeting"), 13th ("Type of Assemblies"), 14th ("Call for"), 16th ("Power and obligation of calling for meeting"), 17th ("Constitution of the meeting"), 18th ("Legitimizing for assistance to the meeting"), 19th ("Representation"), 20th ("Place and time of celebration"), 21st ("Chairman of the meeting"), 22nd ("List of attendants"), 23rd ("Right for Information") and 24th ("Discussions"). Taking of decisions. Minutes); the incorporation of new sections 14 ("General Meeting's competences"), 20 ("Emission of votes on distance") and 25 ("Conflict of interests"); and the elimination of sections 15th ("Universal Meeting") and 25th ("Faculties of the Meeting") of Part 1st ("Of General Meeting") of Section Third.**

It was agreed: "According to the report of Administration Board which has been available to the shareholders since the publication of the call for General Meeting, approve the Amendment of the sections 12th, 13th, 14th, 16th, 17th, 18th, 19th, 20th, 21st, 22nd, 23rd and 24th, as well as the incorporation of the new sections 14, 20 and 25 and the elimination of the sections 15th and 25th of the Social By-laws, with the terms which appears in the annex of present proposal of agreements."

**4.5. Amendment of the sections 26th ("The Administration Board"), 27th ("Composition"), 28th ("Appointment, re-election, ratification and separation of the directors"), 29th ("Prerequisites and time length of position"), 30th ("Call for. Meetings"), 31st ("Constitution"), 32nd ("Discussions. Agreements. Minutes"), 33rd ("Organization"), 34th ("Faculties"), 35th ("Executive Committee and Managing Director"), 36th ("Operation of the Executive Commission") and 37th ("Remuneration") of the 2nd Section ("Of Administration Board") of Third Title.**

It was agreed: "According to report issued by Administration Board which has been available to shareholders since the publication of call for the General Meeting, approve the amendment of the article 26st, 27th, 28th, 29th, 30th, 31st, 32nd, 33rd,



34th, 35th, 36th and 37th of Social By-laws, in the terms which appears at the annex of present proposal of agreements."

- 4.6. Amendment of the articles 38th ("Of the Commissions of the Administration Board") and 39th ("Of the Committee of Audit and Control and the Committee of Appointments and Remunerations"); incorporation of the new article 41 ("The Commission of Appointments and Remunerations") of the 3rd Section ("Of the Board Commissions") of the Third Title; and amendment of the article 40th ("Of Attendant Board") of fourth Title ("Of Attendant Board").**

It was agreed: "According to report issued by Administration Board which has been available to shareholders since the publication of call for the General Meeting, approve the amendment of the article 38st, 39th and 40th, as well as the incorporation of the new article 41 of Social By-laws, in the terms which appears at the annex of present proposal of agreements."

- 4.7. Amendment of the articles 42nd ("Of the annual balance sheets"), 43rd ("Application of the results") and 44th ("Depositing of the balances") of the fifth Title ("Of social exercise and of the annual balances").**

It was agreed: "According to report issued by Administration Board which was available to shareholders since the publication of call for the General Meeting, approve the amendment of the sections 42nd, 43rd and 44th of Social By-laws, in the terms which appears at the annex of present proposal of agreements."

- 4.8. Amendment of the article 45th ("Dissolution") of the Sixth Title ("Dissolution and liquidation").**

It was agreed: "According to report issued by Administration Board which has been available to shareholders since the publication of call for the General Meeting, approve the amendment of the article 45st of Company's By-laws, in the terms which appears at the annex of present proposal of agreements."

- 4.9. Approval, as a result of previous amendments, of a consolidated text of the By-laws.**

It was agreed: "According to report issued by Administration Board which has been available to shareholders since the publication of call for the General Meeting, approve a consolidated text of the Company's By-laws, incorporating the previous amendments and renumbering the articles contained."

- 5. Amendment of the Regulations of the General Meeting of Share Holders for the purposes of, as the case may be, (i) adapt them to the revision of the Law of the Societies of Capital introduced by the law 31/2014, of 3 December and (ii) perform technical improvements. Approval of a consolidated wording.**

- 5.1. Amendment of the Introduction and incorporation of the new articles 1 ("Validity and amendment"), 2 ("Interpretation") and 3 ("Publicity") of the new Preliminary Title ("General Provisions").**

It was agreed: "According to report issued by Administration Board which was at disposal of shareholders since the publication of call for the General Meeting, approve the amendment of the Introduction, as well as the incorporation of the new articles 1, 2 and 3 of the Regulations of the General Meeting, in the terms which appears at the annex of present proposal of agreements."



**5.2. Amendment of the articles 1 ("General Meeting of the Share Holders"), 2 ("Types of Assemblies") and 3 ("Functions of Meeting") of the Title I ("Concept, types and functions of the General Meeting of Share Holders").**

It was agreed: "According to report issued by Administration Board which was available to shareholders since the publication of call for the General Meeting, approve the amendment of the sections 1, 2 and 3 of the Regulations of the General Meeting, in the terms which appear at the annex of current agreement proposals."

**5.3. Amendment of the articles 4 ("call for the General Meeting"), 5 ("Announcement of the call for"), 6 ("Information available since date of call for"), 7 ("Right of information previous to the celebration of the General Meeting") and 8 ("Delegations") of the Title II (" call for and the preparation of General Meeting").**

It was agreed: "According to report issued by Administration Board which was available to shareholders since the publication of call for the General Meeting, approve the amendment of the sections 4, 5, 6, 7 and 8 of the Regulations of the General Meeting, in the terms which appear at the annex present proposal of agreements."

**5.4. Amendment of the sections 9 ("Right and duty of assistance"), 10 (" Presiding Panel of the General Meeting"), 11 ("Constitution of General Meeting of shareholders"), 12 ("Requests for intervening"), 13 ("Interventions"), 14 ("Information"), 15 ("Voting for proposals"), 15-b ("Emission of vote by distance"), 16 ("Adoption of agreements and proclamation of results"), 17 ("Finishing of Meeting"), 18 ("Minutes of meeting"), 19 ("Publicity of the agreements") and 20 ("Electronic Forum of Shareholders"); and the incorporation of the new sections 13 ("place and time of celebration"), 14 ("Infrastructure and means"), 21 ("Conflict of interests") and 24 ("provisional suspension and extension") of the Title III ("Celebration of General Meeting").**

It was agreed: "According to report issued by Administration Board which was at disposal of shareholders since the publication of call for the General Meeting, approve the amendment of the sections 9, 10, 11, 12, 13, 14, 15, 15b, 16, 17, 18, 19 and 20, as well as the incorporation of the new articles 13, 14, 21 and 24 of the Regulations of the General Meeting, in the terms which appears at the annex of present proposal of agreements."

**5.5. Elimination of Annex ("Terms of Reference of Electronic Forum of Shareholders").**

It was agreed: "According to report issued by Administration Board which has been available to shareholders since the publication of call for the General Meeting, approve the elimination of the annex of Regulations of General Meeting, in the terms which appears at the annex of present proposal of agreements."

**5.6. Approval, as a result of previous amendments, of a consolidated text of the Regulations of General Meeting.**

It was agreed: "According to report issued by Administration Board which has been available to shareholders since the publication of call for the General Meeting, approve a consolidated text of the Regulations of the General Meeting, incorporating the previous amendments and renumbering the articles contained."



**6. Appointment and / or re-election of counsellors.**

**6.1. Appointment of SAMDE INVERSIONES (INVESTMENTS) 2010, S.L. UNIPERSONAL (INDIVIDUAL) as proprietary counsellor.**

It was agreed: "Appoint, with previous favourable report of the Commission of Appointments and Retributions, as member of Administration Board, effective since the date of celebration of present meeting and for the period indicated at by-laws of four (4) years of SAMEDE INVERSIONES 2010, S.L. INDIVIDUAL with the category of proprietary counsellor."

**6.2. Re-election of DOMINUM DIRECCIÓN Y GESTIÓN, S.A. as proprietary counsellor.**

It was agreed: "Re-elect, with previous favourable report of the Commission of Appointments and Retributions, as member of Administration Board, effective since the date of celebration of present meeting and for the period indicated at by-laws of four (4) years of DOMINUM DIRECCIÓN Y GESTIÓN, S.A. with the category of dominical manger."

**6.3. Appointment of INMOBILIARIA AEG, S.A. OF CV as dominical manger.**

It was agreed: "Appoint, with previous favourable report of the Commission of Appointments and Retributions, as member of Administration Board, effective since the date of celebration of present meeting and for the period indicated at by-laws of four (4) years of INMOBILIARIA AEG, S.A. OF CV with the category of proprietary counsellor."

**6.4. Appointment of INMUEBLES INSEO, S.A. OF CV as dominical manger.**

It was agreed: "Appoint, with previous favourable report of the Commission of Appointments and Retributions, as member of Administration Board, effective since the date of celebration of present meeting and for the period indicated at by-laws of four (4) years of INMUEBLES INSEO, S.A. OF CV with the category of proprietary counsellor."

**6.5. Appointment of Mr. ALEJANDRO ABOUMRAD GONZÁLEZ as proprietary counsellor.**

It was agreed: "Appoint, with previous favourable report of the Commission of Appointments and Retributions, as member of Administration Board, effective since the date of celebration of present meeting and for the period indicated at by-laws of four (4) years of Mr. Alejandro Aboumrad González with the category of proprietary counsellor."

**6.6. Appointment of Mr. GERARDO KURI KAUFMANN as proprietary counsellor.**



It was agreed: "Appoint, with previous favourable report of the Commission of Appointments and Retributions, as member of Administration Board, effective since the date of celebration of present meeting and for the period indicated at by-laws of four (4) years of Mr. Gerardo Kuri Kaufmann with the category of proprietary counsellor."

**6.7. Appointment of Mr. MANUEL GIL MADRIGAL as independent manager.**

It was agreed: "Appoint, with previous favourable report of the Commission of Appointments and Retributions, as member of Administration Board, effective since the date of celebration of present meeting and for the period indicated at by-laws of four (4) years of Mr. Manuel Gil Madrigal with the category of independent manager."

**6.8. Appointment of Mr. HENRI PROGLIO as independent manager.**

It was agreed: "Appoint, with previous favourable report of the Commission of Appointments and Retributions, as member of Administration Board, effective since the date of celebration of present meeting and for the period indicated at by-laws of four (4) years of Mr. Henri Proglío with the category of independent manager."

**6.9. Appointment of Mr. ÁLVARO VÁZQUEZ DE LAPUERTA as independent manager.**

It was agreed: "Appoint, with previous favourable report of the Commission of Appointments and Retributions, as member of Administration Board, effective since the date of celebration of present meeting and for the period indicated at by-laws of four (4) years of Mr. Álvaro Vázquez de Lapuerta with the category of independent manager."

**7. Approval, for the purposes which would result necessities, of the release of the obligation of no developing activities which presumes an effective competence with the Company, in accordance with article 230 of the Spanish Corporate Law.**

In accordance with Article 229 of the Spanish Corporate Law, after the wording given by the law 31/2014, of 3 December, which modifies the Spanish Corporate Law for the betterment of corporative governance, the members of Administration Board must abstain from developing activities as freelance or working for others which would imply an effective competence, regardless of present or potential, with the Company or, in any other way, would place them in a permanent conflict with the interests of the Company.

On its behalf, the Article 230 of the Spanish Corporate Law allows the General Meeting release al manager of such obligation in the case that it would not expect any loss for the Company or the given loss would be compensated by the benefits foreshadowed to obtain by that release.

Under the Sixth Point of Agenda, have been submitted for approval to General Meeting the appointment of four Counsellors (Inmobiliaria AEG, S.A. de CV, Inmuebles Inseo, S.A. de CV,



Alejandro Aboumrad González y Gerardo Kuri Kaufmann), whose respective professional profiles have been at disposal of shareholders. The mentioned counsellors receive the qualification of proprietary counsellors of shareholder Control Empresarial de Capitales S.A. of C.V. (depending to Inmobiliaria Carso, S.A. of C.V.), company belonging to an international group of companies in which those referred by Counsellors or its representatives physical persons, occupy manager or administrative posts and, among other corporate sectors, develops certain building activities, real state and concessions.

Although to the present date it cannot be considered that none of these four counsellors, or their respective physical representatives, whose approval is proposed develops direct or indirectly an activity which would place them in a situation of permanent conflict with the interests of the Company, given that the new Article 229 of the Spanish Corporate Law mentions as well to a "potential" competence and would fit a vast interpretation of this word, in order to avoid any risk of no compliance with the new wording of the law and, given the fact that cannot foresee any loss for the Company, but on the contrary synergies with FCC for the purposes of future opportunities of business, especially in Latin-America, which is foreseeable that will bring benefits for the Company, for the purposes of what is established in the Article 230 of the Spanish Corporate Law, is submitted to the vote of present General Meeting the release of the above mentioned four counsellors in order to capacitate them for having direct or indirect participation or act at posts at board of counsellors or administrative positions in the societies of the group to which belongs the shareholder Control Empresarial de Capitales S.S. de C. V. and Inmobiliaria Carso, S.A. of C.V. or in their participated and affiliated entities.

**7.1. Approval, for the purposes which would result necessary, of the release from obligation of not developing activities which presume an effective competence with the Company, in accordance with the Article 230 of the Spanish Corporate Law, regarding Inmobiliaria AEG, S.A. de C.V. and its physical person representative.**

It was agreed: "Release and, thus, allow to real-state company AEG, S.A. of CV and its physical person representative, direct or indirect participation, as well as occupying posts and functions in the societies of the Group to which belongs the shareholder Control Empresarial de Capitales S.A. of C.V. and Inmobiliaria Carso, S.A. of C.V. or in their participated or affiliated entities".

**7.2. Approval, for the purposes which would result necessary, of the release from obligation of not developing activities which presume an effective competence with the Company, in accordance with the Article 230 of the Spanish Corporate Law, regarding Inmobiliaria AEG, S.A. de C.V. and its physical person representative.**

It was agreed: "Release and, thus, allow to entity Inseo, S.A. of CV and its physical person representative, direct or indirect participation, as well as occupying posts and functions in the societies of the Group to which belongs the shareholder Control Empresarial de Capitales S.A. of C.V. and Inmobiliaria Carso, S.A. of C.V. or in their participated or affiliated entities".

**7.3. Approval, for the purposes which would result necessities, of the release of the obligation of no developing activities which presumes an effective competence with the Company, in accordance with Article 230 of the Spanish Corporate Law, regarding Mr. Alejandro Aboumrad González.**



It was agreed: "Release and, thus, allow Mr. Alejandro Aboumrad González direct or indirect participation, as well as occupying posts and functions in the societies of the Group to which belongs the shareholder Control Empresarial de Capitales S.A. of C.V. and Inmobiliaria Carso, S.A. of C.V. or in their participated or affiliated entities".

**7.4. Approval, for the purposes which would result necessary, of the release of the obligation of not developing activities which presumes an effective competence with the Company, in accordance with Article 230 of the Spanish Corporate Law, regarding Mr. Gerardo Kuri Kaufmann.**

It was agreed: "Release and, thus, allow Mr. Gerardo Kuri Kaufmann direct or indirect participation, as well as occupying posts and functions in the societies of the Group to which belongs to the shareholder Control Empresarial de Capitales S.A. of C.V. and Inmobiliaria Carso, S.A. of C.V. or in their participated or affiliated entities".

**8. Retribution of the members of the Administration Board.**

**8.1. Retribution of the members of the Board of Management corresponding to term 2014.**

In accordance with the provisions of annual report regarding the retributions of Counsellors submitted to vote and approved by Ordinary General Meeting of Shareholders of 23 June, 2014, and based on Article 38 of by-laws of Company, the retributive system of Counsellors includes the retribution consistent of a participation of cash benefits, as well as a retribution for the effective assistance of the Counsellors to the sessions of Board and its Commissions.

In accordance with the indications of the proposal of agreement of Second Point of the Agenda of present Meeting, the results of term 2014 implies the no proceed of accrual of the retribution of counsellors consisting of a participation in cash benefits.

Consequently, the Counsellors will be remunerated for developing their tasks only due to their assistance to the meetings of Board and its interim Commissions and for this purpose, the General Meeting must determine the quantity which corresponds under this concept, which will be distributed by the Board among its members bearing in mind their effective assistance to the meetings.

Based on the previous statement, It was agreed: "Approve, in accordance with Article 38 of By-laws of Company, that total amount to be distributed among Counsellors corresponding to the retribution of term 2014 for effective assistance to Board and its Commissions would be 619,500 Euros."

**8.2. Submission to vote with consultative character of annual Report regarding retributions of the Counsellors.**

According to what is established at Article 541 of the Spanish Corporate Law and Article 38 of the By-Laws of Company, the Board must elaborate yearly a report about the retributions of the Counsellors of the year in course and the application of the policy of retributions valid at the precedent term. In its session of 27 February 2015, the Administration Board of the Company, with previous favourable report of





the Commission of Appointments and Retributions, approved the report regarding retributions of the Counsellors which has been published as relevant fact at website of the National Commission of Value Market on 28 February 2015 and made available to shareholders in the website of the Company since the publication of the call for the General Meeting.

Based on the previous statement, It was agreed: "Approve, with consultative character, the mentioned annual report regarding retributions of Counsellors of FCC."

9. **Authorization to Administration Board, with powers of substitution, to convene, at one or several times, to increase the capital in accordance with Article 297.1.b) of the Spanish Corporate Law, subject to its limits described at the same Article, and with the power, when appropriate, of agree upon the exclusion of the right of preferential subscription up to limit of 20% of company's capital at the moment of present delegation.**

It was agreed: "Authorize to the Administration Board to agree upon increasing, at one or several times, the company's capital with a maximum amount of up to 50% of subscribed and paid-up capital at the date of present authorization, i.e. the amount of HUNDRED THIRTY MILLIONS TWO HUNDRED EIGHTY SIX THOUSAND HUNDRED EIGHTY NINE EUROS AND FIFTY CENTS (130,286,189.50 - Euros).

The increasing of capital, where appropriate, agreed upon, must be realised in a maximum period of five years starting from today's date.

Such increasing of company's Capital could be undertaken, with or without share's premium, well through nominal value increasing of existing shares with the requirements foreseen at the Spanish Corporate Law, well through emission of new ordinary or privileged, shares with or without votes, or redeemable shares, or any other type admitted in Law or several modalities at the same time, consisting of exchange value of the new shares or the increasing of the nominal value of the existing ones, at money contribution, included the transformation of the reserves of free availability, could also use simultaneously both modalities, if supported by the current legislation.

The Administration Board will be authorized, by virtue of this delegation, to establish that, in the case of incomplete subscription, the capital will be raised only at the precise amount of effected subscriptions, and for giving a new wording to the Article of By-Laws of Company related to company's capital, once agreed upon and executed the increase.

It will be considered included inside the disposable limit at each moment of the maximum quantity before referred to the amount of the increasing of the capital which, where appropriate, and with the purpose of attending the conversion of obligations, agreed upon by the Administration Board exercising the powers propose to delegate under the eleventh point of Agenda.

In virtue of present authorization, the Administration Board will be furthermore empowered to demand the admission to go public for new values that could be emitted at any stock market or regulated market, national or abroad, in accordance with legislation applicable.

It's attributed explicitly to the Administration Board the power of exclusion, at all or partly, the right of preferential subscription, in accordance with what is established at Article 506 of the Spanish Corporate Law up to a maximum nominal amount, conjunctively, equal to 20 % of the company's capital at the moment of present authorization, in relation with all or



any emissions that would agree upon based on this authorization, also included the exclusions of the right of preferential subscription undertaken in the context of emissions of values under Point Eleventh of Agenda.

In any case, if the Board decides to remove the right to preferential subscription, would emit at the same time of adoption the corresponding agreement of raising the capital, a report detailing the concrete reasons of company's interest which would justify such a measure, which will be the object of correlative report of an auditor of accounts, different from the Company which refers to the Article 506 of the Spanish Corporate Law. Those reports will be available to shareholders and transmitted to the first General Meeting which will be hold after agreement upon the emission.

In accordance with the articles 286, 297.1.b) and 506 of the Spanish Corporate Law, the Administration Board has made available to the shareholders a supporting report of the present proposal of agreement.

The Administration Board is equally authorized to delegate in favour of Executive Committee the powers conferred to by virtue of present agreement, according to intended purpose of the article 249.bis.l) of the Spanish Corporate Law."

**10. Authorization to the Administration Board, with explicit powers of substitution, to agree upon an emission, at one or several times, of whatsoever values of fixed income or debt instruments of similar nature, simple or with guarantee, for a maximum total amount of (1.000.000.000 €).**

It was agreed: "To authorize the Administration Board of the Company to agree upon the emission, in one or several times, of whatsoever values of fixed income or debt instruments of similar nature, simple or with guarantee which will be undertaken in accordance with the following condition:

**1. Values object of the emission.** The values referred to in this delegation could be obligations, bond and other values of fixed income or debt instruments of the similar nature, simple or with guarantee, at any forms admitted at Law, including, without limitative character, mortgage notes, promissory notes, preferential participations, or similar other values.

**2. Term.** The emission of the values could be effectuated at one or several times, at any moment, under the maximum term of five (5) years starting from the date of adoption of present agreement.

**3. The maximum amount of the delegation.** The maximum amount of emission or emissions of values agreed upon under the framework of this delegation will be of one thousand million Euros (1,000,000,000 €) or its equivalent in another currency.

In order to calculate the previous limit, will compute the cash flow of the emissions under the framework of itself. For this purpose, will not compute, the emissions undertaken following the delegation contained under the Point Eleventh of Agenda.

**4. Scope of the delegation.** The delegation to which refers this agreement will be extended, as widely as required on Law, to the setting of different aspects and conditions of each emission. Particularly, and merely for declaratory purposes, not limitative ones, will correspond to the Administration Board of the Company determine, for each emission, its amount, always within the global quantitative expressed limits; the place of emission (whether this maybe national or abroad) and the currency, and if is a foreigner one, its



equivalence in Euros; the denomination, either bond or obligations or any other admitted by Law; the date or dates of emission; the interest rate, dates and procedures for the payment of voucher; the character of perpetual or redeemable and in this last case the depreciation period and the date of maturity; the type of refund, premiums and prizes, the guarantees, including mortgage securities; the form of representation, through titles or annotations at accounts; the subordinated character or not of the emitted values; the number of values and its nominal value; the applicable legislation, either national or foreigner; request, if appropriate, the admission to negotiation in secondary official or not official markets, organized or not, nationals or foreigners, of the values emitted with the requirements foreseen at each case under current legal normative; and, generally, whatsoever other condition of the emission, as well as, if appropriate, designation of the corresponding examiner of the syndicate of the bearers of the values that could be emitted and approve the fundamental rules governing the legal relations between the Company and this syndicate, which if appropriate, would exist.

The delegation includes likewise the attribution to the Administration Board of the capacity of decision making regarding the conditions of refund or payback of the emitted values in use of this authorization, with the possibility of using for such purposes any instrument given in the foreseen legislation in regard to the Spanish Corporate Law. Furthermore, the Administration Board rests empowered to, whenever esteems convenient, and conditioned to obtaining the eventual necessary authorizations and, if appropriate, with the conformity of the assemblies of corresponding syndicates of bearers of pertinent values which could be emitted using this authorization, would modify the terms and conditions of such values.

**5. Admission to negotiation.** The Company will request, when proceeds, the admission to negotiation at secondary official or non-official markets, organised or non-organised, nationals or foreigners, of the values emitted by virtue of this delegation, empowering the Administration Board for undertaking the procedures and the necessary actions for the admission to public quotation in front of competent organisms of the different value markets national or foreigners.

**6. Guarantee for the emissions of fixed income values by the companies of the Group.** The Administration Board of the Company is equally empowered to guarantee on behalf of the Company, in mid of limits previously signalled, the new emissions of values that, during the period of validity of present agreement, could undertake companies belonging to its Group.

**7. Faculties of delegation and substitution and granting of powers.** the Administration Board is empowered to, on its behalf, to delegate in favour of Executive Commission the powers conferred in virtue of present agreement to grant the pertinent powers to develop such delegated powers, according to what is provided in the article 249.bis.l) of the Spanish Corporate Law."

**11. Authorization to the Administration Board, with explicit powers of substitution, to agree upon the emission, in one or several times, of whatsoever values of fixed income or instruments of debt similar nature convertibles to or giving the right to subscribe shares of the company or might be redeemable or gives the right to acquire shares of the Company or other companies, for a maximum amount of five hundreds millions of Euros (500,000,000 €); as well as to raise the company's capital in the quantity needed, and to exclude, if appropriate, the right of preferential subscription up to a limit of 20 % of the company's capital at the present moment of delegation.**



It was agreed: "Authorize to the Administration Board, in accordance with the general legislative regime regarding emission of obligations and according to articles 286, 297 and 511 of the Spanish Corporate Law and 319 of Regulations of Mercantile Register for the emission of negotiable values in concordance with the following conditions:

**1. Values object of the emission.** The values to which refers this delegation can be obligations, redeemable bond with shares of the Company or any other company, belonging or not to its Group, and/or convertibles to shares of the Company, and other values of fixed income or debt instruments of the similar nature at whatsoever forms admitted in Law, including, without limitative character, mortgage bond, promissory notes, preferential participations or warrants or other similar values, which could give the right, direct or indirectly to the subscription or acquisition of the shares of the Company, or of any other company, belonging or not to its Group.

**2. Term.** The emission of the values could be effectuated at one or several times, at any moment, under the maximum term of five (5) years starting from the date of adoption of present agreement.

**3. The maximum amount of the delegation.** The maximum amount of the emission or emissions of the values will be of five hundreds millions of Euros (500,000,000 €) or its equivalent in another currency.

In order to calculate the previous limit, will not count for these purposes emissions undertaken under the shadow of the delegation contained at Point tenth of Agenda. In the case of warrants will be considered the sum up of premiums and prizes of the exercise of the warrants of the emissions agreed upon under the protection of this delegation.

**4. Scope of the delegation.** The delegation to which refers this agreement will be extended, as widely as required on Law, to the setting of different aspects and conditions of each emission. Particularly, and merely for declaratory purposes, not limited, will correspond to the Administration Board of the Company determine, for each emission, its amount, always within the global quantitative expressed limits; the place of emission (whether this maybe national or abroad) and the currency, and if is a foreigner one, its equivalence in Euros; the denomination, either bond or obligations or any other admitted by Law; the date or dates of emission; the convertible character or redeemable of the values, with the possibility of being convertibles or redeemable total or partially, and in the eventual case of being redeemable, with the pre-existent shares of any type of the Company or other companies of the Group of the Company or out of it, and the condition of being convertible or redeemable necessary or voluntarily, and, in this last case, to the election of bearer of the values of the Company, or incorporating the right for option of buying or subscription on the alluded shares; the interest rate, dates and procedures for the payment of voucher; the character of perpetual or redeemable and in this last case the depreciation period and the date of expiration; the type of refund, premiums and prizes, the guarantees, including mortgage securities; the form of representation, through titles or annotations at accounts; the subordinated character or not of the emitted values; the number of values and its nominal value; the applicable legislation, either national or foreigner; request, if appropriate, the admission to negotiation in secondary official or not official markets, organized or not, nationals or foreigners, of the values emitted with the requirements foreseen at each case under current legal normative; and, generally, whatsoever other condition of the emission, as well as, if appropriate, designation of the corresponding examiner of the syndicate of the bearers of the values that could be emitted and approve the fundamental rules governing the legal relations between the Company and this syndicate, which if appropriate, would exist.



The delegation includes likewise the attribution to the Administration Board of the capacity of decision making regarding the conditions of refund or payback of the emitted values using this authorization, with the possibility of using for such purposes any instrument given in the provided legislation in regard to the Spanish Corporate Law. Furthermore, the Administration Board rests empowered to, whenever esteems convenient, and conditioned to obtaining the eventual necessary authorizations and, if appropriate, with the conformity of the assemblies of corresponding syndicates of bearers of pertinent values which could be emitted using this authorization, would modify the terms and conditions of such values.

**5. Bases and modalities for the conversion.** In the case of emissions of values of fixed income convertibles to shares of the Company realized according to the previous sections and with the purpose of determining the Bases and modalities for the conversion, it's agreed to establish the following criteria:

(i) the values emitted under protection of this agreement can be convertibles, total or partially, into shares of new emission of the Company, ordinary or of any type, with arrangement of a fixed relation of conversion (determined or determinable) or variable, resting the Administration Board entitled to decide whether are necessary or voluntarily convertibles, and in the case they would be voluntarily, to the election of its bearers or the Company, with the periodicity and during the term establishes for in the agreement of emission and could not exceed twenty (20) years counted since the corresponding date of emission.

(ii) The Administration Board could establish that the Company reserves the right to opt, at any time, between the conversion into new shares of the Company or the delivery of the shares already existing of the Company, concreting the nature of the shares to deliver at the time of realization of the conversion, being capable of opting including the delivery of a combination of the shares of new emission of the Company with pre-existent shares, respecting always the equality of treatment of all bearers of shares which converts at the same date. The Company would opt equally to pay an amount in cash in substitution of its obligation to deliver shares, total or partially.

(iii) Regarding the conversion and/or exchange, the values will be valued by its nominal amount and the shares with fixed exchange rate that would establish the agreement of Administration Board in which this delegation will be used, or at variable exchange to be determined on the date or dates indicated in the agreement itself of the Administration Board, depending on the value of the quotation in Stock Exchange of the shares of the Company at the date/s or period/s which are taken as reference at the same agreement. In any case, the fixed change rate so determined cannot be inferior to the medium change value of the shares in the Continuous Stock Exchange of the Spanish Stock Exchanges in which are admitted for negotiation the shares of the Company, according to the closing values, during a period to be determined by the Administration Board, not superior to three (3) months nor inferior to five (5) natural days previous to the date of the adoption of agreement of emission of the values of fixed income rent by the Administration Board or the date of pay out of the values by the subscribed, with a premium or, in its case, a discount on the given price per share, even though in the case of fixing a discount on a price per share, it cannot be superior to 25% of the value of the shares taken by as reference in conformity with previously foreseen.

(iv) Also could agree upon emission of values of fixed income rent convertibles and/or redeemable with a conversion relation and/or variable exchange. In this case, the price of the shares for the purpose of conversion and/or exchange will be the arithmetical medium of the closing prices of the shares of the Company in the Continuous Stock Exchange during a period to determine by the Administration Board, not more than three (3) months nor less than five (5) natural days before the date of conversion and/or exchange, with a



premium or, in its case, a discount on the price per share. The premium or discount can be different for each date of conversion and/or Exchange of each emission (or, its case, each segment of an emission), although in the case of fixing a discount on the price per share, this cannot be superior to 25% of the value of the shares taken as reference in conformity with previously foreseen.

(v) When proceeds the conversion, the fractions of shares which in its case would correspond deliver to the bearer of the values will be rounded in the form determined by the Administration Board and each bearer can receive, if so is established by the Administration Board, in the case of rounding by defect, in cash the difference that such presumption could produce.

(vi) By no means the value of the share for the purpose of conversion relation of the obligations into shares can be inferior to its nominal value. Furthermore, according to what prevails in the article 415 of the Spanish Corporate Law, obligations cannot be converted into shares when the nominal value of those are inferior to these.

(vii) At the time of approval of an emission of obligations or convertible bond and/or redeemable ones under protection of the authorization contained in this agreement, the Administration Board will emit a report developing and concreting, based on the previously described criteria the bases and modalities for the conversion specifically applicable to the indicated emission. This report will be accompanied by the corresponding report of the auditors of accounts to which refers the article 414 of the Spanish Corporate Law.

**6. Bases and modalities of the exercise of the warrants and other similar values.** In the case of emission of warrants, it is agreed upon to establish the following criteria:

(i) In the case of the emissions of warrants, to which will be applied by analogy what is established in the Spanish Corporate Law for the convertible obligations, for the determination of the bases and the modalities of its exercise, the Administration Board will be empowered to determine, in the most ample terms, the criteria applicable to the exercise of the rights of subscription or acquisition of the shares of the Company or other company, of the Group or not, or a combination of any of them, derived from the values of this class which are emitted under the protection of the delegation hereby granted, applying in relation with such emissions the criteria established in the previous section 5, with the necessary adaptations with the purpose of making them compatibles with the Legal and financial regime of this class of values.

(ii) The previous criteria will be of application, *mutatis mutandi* and in the measure that can be applicable, in relation with the emission of values of fixed income rent (or warrants) redeemable with the shares of other Companies.

**7. Exclusion of the right of preferential subscription and raise of Capital.** The delegation in favour of Administration Board hereby foreseen regarding the emission of values of fixed income rent convertible to shares contains, likewise, the declaratory title, not limitative, the following powers:

(i) The power of Administration Board, under the protection of what is foreseen in the article 511 of the Spanish Corporate Law, to exclude, total or partially, the right of preferential subscription of the shareholders. In any case, if the Administration Board would decide to remove the right of preferential subscription of the shareholders in relation with a concrete emission of obligations or convertible bond, warrant and remaining similar values to these, if eventually decides to produce, under the protection of this authorization, will emit, at the time of the approval of the emission and in accordance with the applicable regulations, a report detailing the precise reasons of company's interest which would justify such



measure, which will be the object of correlative report of an auditor of accounts nominated by Mercantile Register of Capital different from the auditor of the Company, to which the articles 414 and 511 of the Spanish Corporate Law are referred. Those reports will be available to shareholders and transmitted to the first General Meeting of shareholders which will be held after agreement upon the emission.

This power will be limited to those raising of capital which are performed under the protection of this authorization and the one which will constitute the object of Ninth Point of Agenda to the maximum corresponding amount of, conjunctively, 20% of the company's Capital at the date of adoption of this agreement.

(ii) The faculty of raising the capital in the quantity needed to attend the requests for conversion and/or exercise of the right for the subscription of the shares. The foretold prerogative only can be exercised inasmuch as the Administration Board, summing up the raising capital to attend the emission of convertible obligations, warrants and the remaining values similar to these and the remaining arising of capital which would agree under the protection of granted authorizations by this General Meeting of shareholders, no exceeds the half limit of the figure of the company's capital foreseen in the articles 297.1. (b) of the Spanish Corporate Law. This authorization for raising the capital includes emission and putting on circulation, in one or several times, the representative shares of itself necessary to realize the conversion and/or exercise the right of subscription of the shares, as well as of a new wording to the article of By-Laws of the Company related to the figure of company's capital and for, in its case, cancel the part of the raising not being necessary for the conversion and/or exercise of the right of the subscription of the shares.

(iii) The faculty of development and concreting the bases and modalities for the conversion, exchange and/or exercising the right of subscription and/or acquisition of shares, driven from the values to be emitted, bearing in mind the criteria established on the previous sections 5 and 6.

**8. Admission to negotiation.** The Company will request, when proceeds, the admission to negotiation at secondary official or non-official markets, organised or non-organised, nationals or foreigners, of the values emitted by virtue of this delegation, empowering the Administration Board for undertaking the procedures and the necessary actions for the admission to public quotation in front of competent organisms of the different value markets national or foreigners.

hereby is stated explicitly that, in the case of posterior request for the exclusion from negotiation, this will be adopted with the same formalities as that of request for admission, to the measure that are applicable, and, in that presumption, the interest of the shareholders or obligation bearers whom opposed or did not vote for the agreement of the terms foreseen in the current legislation, will be guaranteed. Likewise, it's stated expressly the submission of the Company to the norms which would exist or could be dictated in the future regarding Stock Exchange and, especially, regarding recruitment, permanency and exclusion from the negotiation.

**9. Guarantee for the emissions of values of fixed income convertible and/or redeemable or warrants with the companies of the Group.** the Administration Board rests equally authorized to guarantee in the name of the Company, in between the limits previously signalled, the new emissions of values of fixed income convertibles and/or redeemable or warrants which, during the period of validity of this agreement, carry out the depending companies.

**10. Faculties of delegation and substitution and granting of powers.** the Administration Board is empowered to, on its behalf, to delegate in favour of Executive



Commission the powers conferred in virtue of present agreement to grant the pertinent powers to develop such delegated powers, according to what is provided in the article 249.bis.l) of the Spanish Corporate Law.

**11. Report of the counsellors.** In conformity with the articles 286, 297.1.b) and 511 of the Spanish Corporate Law, the Administration Board had made available to shareholders a report justifying the present proposal of agreement."

**12. Largely empower the administrators for the development, elevation to the public, subscription, correction and execution of the adopted agreements.**

It was agreed: "Largely empower all the components of the Administration Board of the Company, as well as secretary and the Deputy Secretary of the Board, with most amplest terms, with the purpose of empowering each of them indistinctly, could raise to public the agreements adopted at the General Meeting, with powers to correct, rectify, or interpreting the text of themselves in relation to the verbal or written qualification in the Mercantile Register and with the only purpose of its inscription on it. Such authorization contains, likewise, the giving of all kind of public or private documents which would be necessities for the execution, development and formalising of all adopted agreements by the Meeting, without any limitation."

**13. Approval, if proceeds, of the minutes of the Meeting, in whatsoever form established in the article 202 of the Spanish Corporate Law or, in its case, application of the foreseen in the article 203 of the same legal text.**

Although is proposed to approve the minutes of the Meeting at whatsoever established forms in the article 202 of the Spanish Corporate Law, the shareholders are informed that the Administration Board has the purpose of require the presence of Notary in order to redact the minutes of the meeting.

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**TO THE PROPOSALS OF AGREEMENTS SUBMITTED FOR VOTE UNDER POINT 4 OF  
AGENDA (AMENDMENT OF THE BY-LAWS OF COMPANY)**

**I.- Amendment of the By-Laws of the Company (Point 4 of Agenda)**

In conformity with the report of the Administration Board which has been available to shareholders since the call for the General Meeting, It was agreed the amendment of the following articles of the By-Laws of the Company, whose resulting wording, in the case of being approved the proposal of agreement, would be the following:

**4.1. Amendment of the articles 1st ("Denomination") and 4th ("Social address, branches and corporative website") of the Title I ("General dispositions").**

**"Article 1. Denomination**

*The current By-Laws contain the regulations followed by the Company "FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A." (hereinafter, the "Company") Additionally, the Spanish Corporation Law (hereinafter, the "Law") and other dispositions in force at each moment will be applied."*

**"Article 4. Company's address, branches and corporative website**

1. *The Company will be registered in the city of Barcelona, in calle Balmes, nº 36.*
2. *The Administration Board is empowered to establish, remove and transfer branches, delegations, agencies, establishments, factories or representations in any village of Spain or abroad, as well as changing the registered office in the same municipality, and modifying this article so that the new registered office appears after the moving of the Company.*
3. *The Company will have a corporate website "[www.fcc.es](http://www.fcc.es)", under the terms established by the Law.*

*Through this aforementioned corporative web page the right of information will be attended on the side of shareholders, and the perceptive documents and information, attending the Law, the present By-Laws of the company and more interim regulations of the company, as well as all those information considered to be opportune to make available to the shareholders and investors through this mean will be published.*

*The amendment, removal or transfer of the Company website will be competence of*



the Administration Board."

**4.2. Amendment of the sections 5th ("Share Capital"), 6th ("Shares"), 7th ("Transmission of shares"), 8th ("Shares without vote") and 10th ("Usufruct, pledge and seizure of shares") of the Second Title ("Share capital and shares").**

**"Article 5. Share capital**

*The company's capital is fixed at TWO HUNDREDS SIXTY MILLIONS FIVE HUNDRED SEVENTY TWO THOUSAND THREE HUNDRED SEVENTY NINE EUROS (260,572,379.00.-€), represented by two hundred sixty millions five hundred seventy two thousand three hundred seventy nine (260,572,379) shares, belonging to a single class and serial, of one (1.-€) EURO of nominative value for each of them.*

*These shares are totally subscribed and paid off."*

**"Article 6. Shares**

- 1. The shares are represented by book-entry account registry, corresponding to the handling of the account registry by the Sociedad de Gestión de los Sistemas de Registro Compensación y Liquidación de Valores (IBERCLEAR), or the entity or entities that, in accordance with the Law, have this function, and will be controlled by what is stipulated in the market values regulations. Each share offers the right to one vote.*
- 2. The Company can request at any moment the entity in charge of the handling of the account registry the data corresponding to the shareholders, including the address and means of contact that they have, and will recognise as such those that appear legitimised in the entity in charge of this registry.*

*The Company, through the corresponding agreement of the Administration Board, can also create a Shareholders Registry in order to be able to communicate with them".*

**"Article 7. Transfer of shares**

*The shares can be transferred by all the means accepted in Law, from the moment that the Law allows it. The foreign natural person or legal entity, can subscribe or acquire shares of the Company, in the terms and conditions that the dispositions in force establish at each moment."*



**"Article 8. Shares without voting"**

*The Company can submit shares without voting right for a nominal amount not higher than half of the disbursed share capital.*

*The owners of the shares without voting will have the right to perceive the annual minimum dividend of five per cent (5%) of the disbursed capital for each share without voting, this perception being subject with what is established in the Law that will be applied to everything that refers to these shares."*

**"Article 10. Shares usufruct, pledge and seizures"**

*In case of shares usufruct, the quality of the partner resides in the proprietary knot, but the usufructuary will have the right, in any case, to the dividends agreed by the Company during the usufruct. The exercise of the rest of the partner rights corresponds to the usufructuary. The relationship between the usufructuary and the proprietary knot and the rest of the usufruct content will be ruled by what the usufruct constitutive title mentions, and if non-existent, by what the Law stipulates, and if not planned by this, what the civil law applies."*

**4.3. Amendment of the article 11th ("Bodies of the Company") of the Third Title ("Governance of the company").**

**"Article 11. Company bodies"**

- 1. The governance and administration of the Company corresponds to the General Meeting of Shareholders and the Administration Board for this, respectively in its functions and competences ambit.*
- 2. Additionally, the Administration Board will constitute, in accordance with what has been legally established and its organisation faculty, an Audit and Control Commission, an Appointments and Retributions Commission and as many internal Commissions as needed or considered appropriate to develop better its functions, appointing its members and establishing their functions.*

*The Administration Board can equally establish Advisory Boards in order to contribute to a higher efficiency in the exercise of its functions."*



4.4. Amendment of the articles 12th ("General Meeting"), 13th ("Meeting type"), 14th ("Calling"), 16th ("Faculty and obligation of convening the Meeting"), 17th ("Meeting constitution"), 18th ("Eligibility to assist the Meeting"), 19th ("Representation"), 20th ("Place and time of holding"), 21st ("Chair of the Meeting"), 22nd ("List of attendants"), 23rd ("Right to Information") and 24th ("Discussions. Taking of decisions. Minutes"); the incorporation of new articles 14 ("General Meeting's competences"), 20 ("Cast of absentee ballot") and 25 ("Conflict of interests"); and the elimination of sections 15th ("Universal Meeting") and 25th ("Faculties of the Meeting") of Part 1st ("Of General Meeting") of Section Third.

**"Article 12. The General Meeting**

1. *The shareholders constituted in General Meeting, correctly called, will decide by simple majority (an agreement is adopted when it obtains more votes in favour than against of the capital present and represented in the Meeting), in matters that are in its competence, except for cases in which the Law or By-Laws establish a higher majority to adopt some agreements.  
All the shareholders, including the dissidents, and the ones that have not participated in the meeting, are submitted to the General Meeting agreements, without prejudice of the separation and imputation rights established by the Law.*
2. *The General Meeting is ruled by what has been stipulated in the Law, in the current By-Laws and the General Meeting Regulation.*
3. *The Company will ensure, at all moment, the equality of treatment of all the shareholders that are in the same position in relation with the information, participation and exercise of voting right in the Meeting."*

**"Article 13. Types of Meetings**

1. *The General Meetings can be Ordinary or Extraordinary.*
2. *The Ordinary General Meeting will meet necessarily in the six (6) first months of each period, to approve, in this case, the corporate management and the former period accounts, as well as to resolve about the result of application, and to approve, any other agreement submitted and included in the Agenda.*

*The Ordinary General Meeting will be valid even if it has been called or held after the referred deadline.*

3. *Any Meeting that is not the one planned in the former section will be consider Extraordinary General Meeting".*

**NEW "Article 14. Competences of the General Meeting**

*The General Meeting will decide on matters attributed to it by the Law, by the current By-Laws or by the General Meeting Regulation and, particularly, about the following:*

- a) *The approval of annual accounts, the application of the result and the approval of the corporate management.*
- b) *The appointment, ratification and separation of counsellors, as well as the appointment and separation of the liquidators and, in this case, of the accounts auditors, as well as the exercise of the responsibility corporate action against any of them.*
- c) *The amendment of the current By-Laws.*

- d) *The raising and the reduction of company's capital, as well as the delegation at the Administration Board of the faculty of increasing the company's capital, whether appropriate it can also attribute also the power of exclusion or limitation of the right of preferential subscription, in the wordings established by Law.*
- e) *The issuance or creation of new share types or series.*
- f) *The bond and other assets issue and the delegation in the Administration Board of the issuance faculty.*
- g) *The deletion or limitation of the pre-emptive subscription right.*
- h) *The acquisition, disposal or contribution of essential assets to another company; as well as the transfer to depending entities of essential activities developed up to the moment by the Company, even though she has full domain over them.*

*These activities and operative assets will be presumed of essential nature when the operation volume overpasses twenty-five per cent (25%) of the balance total assets.*

- i) *The amendment, fusion, excision, global ceasing of assets and liabilities and the transfer of the registered office abroad.*
- j) *The dissolution of the Company.*
- k) *The approval of the final liquidation balance.*
- l) *The operations which effect is equivalent to the Company's liquidation.*
- m) *The remuneration policy of the counsellors in the terms establishes in the Spanish Corporation Law.*
- n) *Any remuneration system or incentives to counsellors or senior managers consisting in the delivery of shares, options on shares or being referenced in any way with the share value.*
- o) *The authorisation for the acquisition of own shares in the legal limitations.*
- p) *The approval and amendment of the General Meeting Regulation.*
- q) *Any other matters that the Law or the By-Laws define".*

"Article 14th. **Meeting call notice [that becomes article 15]**

1. *The General Meetings, both Ordinary and Extraordinary, will have to be called by a notice published in the Official Newsletter of the Commercial Register or in one of the newspapers of great circulation in Spain, in the Company website and in the National Commission of Market Values, at least one month before the date planned for the holding of the Meeting. However, the Extraordinary General Meetings can be called with a minimum anticipation of fifteen (15) days in conformity with the requirements established in the Law and the General Meeting Regulation.*
2. *The notice can, also, communication the date in which, if relevant, the Meeting will be hold upon second call. Between the first and the second meeting, at least twenty-fours (24) hours should pass. If the correctly called General Meeting, being of any time, cannot be held upon first call, and in the notice a second date was not planned, the holding of the second one has to be announced, with the same Agenda and the same publication requirements than the first one, in the fifteen (15) days following the date of the non-held Meeting and with at least ten (10) days prior to the date fixed for the meeting.*

3. *The announcement will express the name of the Company, the place, the date and hour in which will be held the Meeting, the Agenda, in which will appear all the matters which will be treated, in charge of person or persons who call for it and the right of the shareholders to examine at the company's address and, if appropriate, to obtain, in an immediate and free of charge way, copy of the documents which have to be submitted to the approval of Meeting, and if appropriate, the report of the auditors of accounts and the corresponding technical reports, as well as the mentions and information legally enforceable for the Companies with public quotation, the ones which are figured out in the Regulations Of General Meeting and any other information or documentation which the Administration Board considers convenient for the interest of the shareholders.*
4. *The shareholders that represent, at least three per cent (3%) of the share capital, may request that a complement to the Ordinary General Meeting call be published including one or more items for the Agenda, if the new items are accompanied of a justification or, in some cases, of a justified agreement proposal. The exercise of this right, that in no case will proceed regarding the Extraordinary General Meetings, will have to be done by due notification, that will have to be received in the registered office in the five (5) days following the call publication. The complement of the call for must be published at minimum with fifteen (15) days ahead of the date established for the meeting of Meeting. The lack of publication of the call complement in the legal period fixed will be cause of complain to the Board.*
5. *The shareholders that represent, at least, three per cent (3%) of the share capital, can, in the five (5) days following the publication of the call, present proposals founded in accordance with matters already included or that should be included in the Agenda of the called Meeting. As the agreement proposals are received, the Company will ensure the spread of such proposals and the documentation which, if appropriate, will accompany among the rest of shareholders, publishing them uninterruptedly in its website."*

"Article 16th. **Faculty and obligation of calling the Meeting**

1. *The General Meetings have to be called by the Administration Board or, if needed, by the Company liquidators. The Administration Board will call for General Meeting always if it considers necessary or convenient for the interest of the company, and at any case, at the dates and periods determined by Law and the present By-Laws of the Company.*
2. *The Administration Board must call for General Meeting when requested for, through notarial requirement, the shareholders that represent, at least, the three per cent (3%) of company's capital, expressing in the request the subjects to be treated on it.*
3. *In this case, the General Meeting should be called by the Administration Board to be held in the two (2) months following the date in which the attorney request was presented to the Administration Board to call it, including necessarily in the Agenda the items that induced this request.*
4. *If the General Meeting is not called during the corresponding legal or statutory established period, it can be called, under request of any shareholder, by the commercial judge of the registered office, and prior hearing of the counsellors.*
5. *If the Administration Board does not attend in due time the call for the General Meeting request realised by the minority, the commercial judge of the registered office can call the meeting, prior hearing of the counsellors".*

"Article 17th. **Meeting constitution**

1. *The Ordinary or Extraordinary General Meeting will be validly constituted, upon first call, when the present or represented shareholders have, at least, fifty per cent (50%) of the subscribed capital with voting right; upon second call, the Meeting constitution will be valid when the present or represented shareholders have, at least, forty-five per cent (45%) of the subscribed capital with voting right. The situations in which, in accordance*



with the items included in the Agenda, it is not legally possible to require the valid constitution of the General Meeting of a percentage capital higher than the one established by the applicable regulation will be excluded from the former article.

2. Additionally, the percentages mentioned in the former paragraph, will also be the ones applied so that the General Meeting Ordinary and Extraordinary can validly agree on bond issue, the global ceasing of assets and liabilities, the removal or limitation of the pre-emptive acquisition right of new shares, the transfer of the registered office abroad and, in general, any amendment of the By-Laws.
3. If in order to correctly adopt an agreement in relation with one, or more, of the agenda items of the General Meeting call, the assistance of a determined percentage of the share capital is needed, in accordance with the legal or statutory regulation applied, and this percentage is not reached, or some concrete interested shareholders consent is needed and these are not present or represented, the General Meeting will discuss and decide about those other agenda items that do not require the assistance of this percentage of share capital or these concrete shareholders".

#### **"Article 18th. Legitimation for assistance to Meeting**

1. All the shareholders owners of one or more shares, even the ones without voting rights, have the right of attendance in the General Meetings, if their ownership is inscribed in the book-entry countable registry, at least five (5) days before the holding of the Meeting date, and can prove it by showing, in the registered office, the corresponding legitimation certificate, attendance card, delegation or representation and absentee ballot or by any other means admitted by the legislation in force.
2. Also if required, Directorates, Managers Technicians and other individuals that have the good interest of the corporate matters may assist in The General Meetings. The Company counsellors will be obliged to assist, but their presence is not needed for the valid constitution of the Meeting. In whatever has not been established in the current article, in relation with the legitimation to assist in the Meeting, the Law will be followed.
3. The shareholders may assist and vote in the General Meeting as well as appoint a proxy, in accordance with what has been stipulated in the current By-Laws and the General Meeting Regulation.
4. Since the publication of the call for until the celebration of General Assembly. The Company will publish uninterruptedly in its web page corporative information related to the means of communication at distance, among it the electronic ones that the shareholders may use in order to give effectiveness to their right of representation, voting, where appropriate, assistance. Additionally, it will include the delays, types and methods of exercise of the shareholders rights that will assist to the Meeting through electronic or telematic means, if this possibility is planned".

#### **"Article 19th. Representation**

1. Every shareholder that has the right of participation can be represented in the General Meeting by another individual, even if he/she is not a shareholder. The representation will have to be conferred in the terms and with the scope established in the Law, in written and with special nature for each Meeting, unless it is the partner, ascendant or



*descendent of the represented or general empowerment, in public document, to administrate all the assets that the represented shareholder has in the national territory.*

2. *The representation can be appointed also by distant communication means, guaranteeing correctly the identity of the represented and of the representative, and the electronic communication safety, that the Administration Board will define when making the call for the Meeting, in accordance with what has been stipulated in the Company's General Meeting of Shareholders Regulation.*
3. *The General Meeting Chairman, Secretary or the individuals appointed by them, will be considered empowered to determine the validity of the conferred representations and the observance of the Meeting attendance requirements.*
4. *The representation can always be cancelled. The personal attendance of the represented to the Meeting has cancelling value.*
5. *The entities that are legitimised as shareholders in virtue of the shares counting registry but that act in the name of different individuals, can in all cases fraction the vote and exercise it in the divergent direction in accordance with the different vote instructions, if they received them. Additionally they can delegate the vote to each of the indirect owners or designed third parties, without limiting the number of appointed delegations.*
6. *The Administration Board can develop the former provisions, by establishing the rules, means and adequate procedures to the technique status to tool the proxy appointment in accordance with what has been established in the current By-Laws and the General Meeting Regulation.*

**NEW "Article 20. Cast of absentee ballot**

1. *The participation in the General Meeting and the voting of the proposals in the items included in the agenda of any kind of General Meeting can be delegated or exercised directly by the shareholder through postal, electronic correspondence, or any other distant communication mean that, guaranteeing correctly the identity of the subject that participates or votes and the electronic communication safety, the Administration Board determines when calling each Meeting, in accordance with what is stipulated in the Company's General Meeting of Shareholders Regulation.*
2. *The shareholders that cast an absentee ballot in accordance with what has been disposed in the article will be considered present to the effects of the General Meeting constitution.*
3. *The personal attendance to the General Meeting of shareholder will have the effect of cancelling the vote cast through postal or electronic correspondence.*
4. *The Administration Board can develop the former provisions, by establishing the rules, means and adequate procedures to the technique status to tool the absentee ballot, in accordance with what has been established in the current By-Laws and the General Meeting Regulation."*





**"Article 20th. Place and time of holding [that becomes article 21]**

1. *The General Meetings will take place in the Spanish locality that, every time they are called, the Administration Board decides, on the day and time indicated in the call.*

*If in the call the place of holding is not mentioned, it will be understood that the meeting will take place in the registered office.*

2. *The attendance to the General Meeting can be done by going to the place where the meeting will be held or, if desired, to other places that the Company will have mentioned in the call, and that are connected with that other one with any of the valid systems that will allow the recognition and identification of the attendants, the permanent communication among the attendants, independently from where they are, as well as the intervention and cast of vote, all of that in live. The attendants to any of the places will be considered, to all the effects related to the General Meeting, as attendants to the one and same meeting. The meeting will be held where the main place is.*
3. *The General Meeting, when there is a justified reason for it, can extend the meeting for one or more consecutive days, under the proposition of the General Meeting Chairman, of the majority of the assisting counsellors to the meeting or under request of a number of partners that represent, at least, a twenty-five per cent (25%) of its share capital. No matter how many sessions are contemplated, the General meeting will be considered unique, and only one minutes will be prepared for all the sessions. The General Meeting can also be temporarily suspended in the cases and forms stipulated by the Regulation".*

**"Article 21st. Meeting Chairman and Secretariat [that becomes article 22]**

1. *The General Meeting will be chaired by the Administration Board Chairman. In case of absence or unavailability of the Board Chairman, he/she will be substituted by the Deputy Chairmen in order, establishing, if this has not been set, by the one with the longest position as the Company counsellor, and if not possible, by the eldest counsellor.*
2. *The General Meeting Secretary will be the same as the Administration Board's. In case of absence or unavailability of the Board Secretary, he/she will be substituted by the Deputy Secretary of the Administration Board, and if this one is also missing, the General Meeting's Secretary will be the individual designated by the concurring partners at the beginning of the meeting."*

**"Article 22nd. Attendants list [that becomes article 23]**

1. *Before starting the Agenda, the list of attendants will be confirmed, expressing the nature or representation of all of them and the number of shares (proper or someone else's) that they concur.*



2. *At the end of the list the number of present or represented shareholders will be determined, as well as the capital amount of which they are owners, specifying the one that corresponds to the shareholders with voting rights."*

**"Article 23<sup>nd</sup>. Right of information [that becomes article 24]**

1. *The shareholders may request, in writing or by other electronic or telematic communication means, from the Administration Board, up to the fifth natural day before the one set for the holding of the Meeting, upon first call, the information and clarifications or ask the questions that they deem necessary, about the matters that are included in the Agenda, about the information accessible to the public that was provided by the Company to the National Commission of Market Values, from the holding of the last General Meeting and in relation with the auditor report. The information or clarifications demanded will be answered by the Administration Board in writing, up to the day the General Meeting will be held.*
2. *The information or clarification requests that the shareholders will ask in relation with the matters or referred information in the former paragraph, orally during the General Meeting before the examination and discussion about the items contained in the Agenda, or in writing from the fifth natural day before the call of the General Meeting, will be answered orally during the Meeting by any of the present counsellors, as indicated by the Chairman. If the requested information or clarifications refer to matters related to the Audit and Control Commission, they will be provided by any of the members or assessors of that Commission present in the meeting. If the Chairman considers that it is not possible to satisfy the right of the shareholder in the same Meeting, the pending information will be provided in writing to the requesting shareholder in the following seven (7) natural days after the end of the General Meeting.*
3. *The Administration Board is obliged to provide the requested information under the care of the two former sections, unless the information is not needed for the tutoring of the shareholder rights, or there are objective reasons to consider that it could be used for extra-corporate reasons or its publication may harm the Company or linked companies.*

*The requested information cannot be denied when the request is supported by shareholders that represent, at least, twenty-five per cent (25%) of the share capital.*

4. *The Company has a website, that contains the requested information, and through which the exercise of the right to information can be performed by the shareholders, in accordance with the regulation stipulated in each moment. The valid requests of information, clarifications or questions asked in writing and the answers provided in writing by the administrators will be included in the Company website once the information is provided to the solicitor. In this sense, when prior to asking a concrete question, the requested information is available, clearly, expressly and directly for all the shareholder in the Company's website under the question-response format, the Administration Board can limit its answer to consult the information provided in that section.*

*Additionally, the valid information requests, clarifications or questions asked in written and the answers provided in written by the Administration Board will be included in Company's website."*



**NEW "Article 25. Conflict of interests**

1. *The shareholder could not exercise the right of voting corresponding to its shares while adopting an agreement which has as object:*

  - a) *excluding him/her from the company;*
  - b) *free him/her from an obligation or conferring him/her a right;*
  - c) *facilitating any type of financial assistance, including the guarantee provision in his/her favour; or*
  - d) *release from the obligations driven from the duty of loyalty of the counsellors, in conformity with what prevails on Law.*

2. *The shares of the shareholder that is to be found in any of these conflict of interest situations contemplated in the former section will be deduced from the share capital for the calculation of the majority of the votes that in each case will be needed.*
3. *In conflict of interest cases different from the ones mentioned in the section 1, the shareholders will not be forbidden from their voting right."*

**"Article 24th. Discussions. Adoption of agreements. Minutes [that becomes article 26]**

1. *The Chairman will direct the development of the Meeting and the discussions, giving the foot to all the shareholders that have requested it by writing and afterwards to the ones that request it orally, until he/she considers that the matter has been discussed enough.*
2. *In the General Meeting those matters that are substantially independent will be vote separately and, in any case, even if they appear in the Agenda, they will have to be voted separately the appointment, ratification, re-election or separation of each counsellor as well as, in the By-Pass amendments, the amendment of each articles or group of articles that have self-autonomy, as well as the matters to which the following section refers.*
3. *The agreements will be adapted by simple majority of the votes of the present or represented shareholders in the Meeting, an agreement is considered adopted when it obtains more votes in favour than against of the present and represented capital, except for cases in which the Law or By-Laws request a qualified majority, as mentioned below.*

*In particular, they will be adopted with the vote in favour of present or represented shares in the Meeting they represent, at least, fifty per cent (50%) of the share capital subscribed with voting right, the following agreements:*



- (i) Modification of corporate purpose.*
  - (ii) Transfer of registered office abroad.*
  - (iii) The shares or bonds or other assets issue in shares with exclusion of the pre-emptive subscription in favour of shareholders of the Company.*
  - (iv) The issuance or creation of new share types or series different from the ones that are in circulation.*
  - (v) Establishment and/or amendment in any direction of any remuneration system and/or concession of incentives to counsellors or senior counsellors consisting in the delivery of shares, options on shares or being referenced in any way with the share value.*
  - (vi) The dissolution, liquidation, fusion, excision, global ceasing of assets and liabilities, transformation or tender request.*
  - (vii) Amendment of the articles of the current Corporate By-Laws that regulate the former subjects.*
- 4. Each share, with present or represented voting right in the meeting, will give the right to one vote.*
  - 5. For each agreement, the minimum number of shares will be determined in relation with the valid votes, the proportion of the share capital representing these votes, the total number of valid votes, the number of votes in favour and against each agreement and the number of abstentions.*
  - 6. The agreements of the Meeting, with a summary of the matters discussed and the interventions that have asked to be reflected, will be mentioned in the minutes with the legal requirements that will be signed by the Secretary, with approval of the Chairman, or the individuals that have substituted him/her. The Minutes can be approved by the Board at the end of the meeting, or in the following fifteen (15) days, by the Meeting Chairman and two (2) Speakers, one in representation of the majority and another one of the minority.*
  - 7. The Minutes approved at any of these forms, will have executive force since the date of its approval. If the presence of an attorney has been needed to end the Meeting, the Attorney minutes will not be submitted to approval and will be considered a Meeting minute.*
  - 8. The certification of the Minutes and General Meetings agreements will be issued by the Secretary or Deputy secretary of the Administration Board with the approval of the Chairman or, if needed, the Deputy chairman of the same Board.*
  - 9. The adopted agreements and the result of the votes will be integrally published in the Company's website in the five (5) days following the end of the General Meeting."*



4.5. Amendment of the articles 26th ("The Administrative Board"), 27th ("Composition"), 28th ("Appointment, re-election, amendment and separation of counsellors"), 29th ("Requirements and term of office"), 30th ("Call. Meetings"), 31st ("Constitution"), 32nd (Discussions. Agreements. Minutes"), 33rd ("Organization"), 34th ("Faculties"), 35th ("Executive Committee and Managing Director"), 36th ("Operation of the Executive Commission") and 37th ("Remuneration") of the 2nd Section ("Of Administration Board") of Third Title.

**"Article 26th. The Administration Board [will become article 27]**

1. *The Administration Board constitutes the organ in charge of management, administration and representation of the Company, in judgement and out of it, without overlapping of attributions that, according to the Law and to the these By-Laws, corresponds to General Meeting, centring its activities basically on the supervision and control of the ordinary management of the Company given to executive counsellors and top management, as well as the consideration of all those subjects of a particular transcendence for the Company.*
2. *Those faculties and functions that legally or statutory are reserved to the knowledge of the Administration Board cannot be delegated, those needed for a responsible exercise of the general supervision function as well as the ones that the General Meeting might have delegated in the Administration Board, with the exception of the ones authorised to be sub-delegated. In particular, The Administration Board cannot delegate in any case the approval of the following subjects, not even to one of its members (including the Chief Executive Officer):*
  - a) *The approval of the financial debt contract, in an act or succession of acts on behalf of the Company and/or its subsidiaries or participating, that imply a consolidated debt over twenty million Euros (20,000,000€). To this effect, will be understood as financial debt the one which comes considered so the Company in concordance with its accountancy practices audited.*
  - b) *The approval to buy or sell relevant assets, in an act or succession of acts on behalf of the Company and/or its subsidiaries or participating, considering to these effects as relevant assets the ones that represent more than twenty million Euros (20,000,000€) of the total individual asset of the affected company.*
  - c) *The approval of the celebration of any kind of relevant contract, that in an act or succession of acts on behalf of the Company and/or its subsidiaries or participating, considering to these effects as relevant agreements the ones that require a founding volume for its execution for the amount of twenty million Euros (20,000,000€) and are not self-agreements of the Company's activity and/or of subsidiaries and participating".*

**"Article 27th. Composition [that becomes article 28]**

1. *The Administration Board will have twelve (12) members.*
2. *The counsellors will be qualified as executive or non-executive, distinguishing among those the proprietaries, independents or other external, all this in accordance with what has legally been established.*



3. *Particularly, the Administration Board will have to count on three independent counsellors, that will have to be chosen by General Meeting from the application of rigorous professionalism and complete independence criteria, having to be proposed for their election by the Appointments and Retributions Commission and also by a company of high prestige in charge of the selection of the counsellors of quoted companies, which will have to also act in its selection process in accordance with the profile that the company looks for and in order to satisfy the requirements of professionalism and independence that will be requested at any time by the law as well as by the corporate good governance practice. The selected candidates will be proposed to the Administration Board and to the General Meeting of Shareholders unless they directly cover co-option vacancies.*
4. *The Administration Board must look out for the processes of selection of its members encourage the diversity of gender, of experiences and knowledge and does not have implicit shortcomings which would imply some sort of discrimination, and particularly, to encourage the selection of woman counsellors.*

**"Article 28th. Appointment, re-election, ratification and separation of counsellors [that becomes article 29]**

1. *The appointment of counsellors corresponds to The General Board.*
2. *If during the period in which they were appointed, the counsellors produce vacancy, the Board can design the individuals that must substitute them until the next General Meeting is hold. Additionally, if there is a vacant once the General Meeting is called and before its holding, the Administration Board can appoint a Counsellor until the celebration of the following General Meeting.*
3. *The separation of the counsellors can be agreed at any moment of the General Meeting.*
4. *The Administration Board in its appointment, re-election, ratification or separation of Counsellors proposals that is submitted to the General Meeting and in the appointment decisions that the Board adopts in relation with the co-option faculties that it is legally attributed, will follow the criteria and orientations established to this matter in the Administration Board Regulation."*

**"Article 29th. Requirements and term of position [that becomes article 30]**

1. *To be a counsellor there is no need to be a shareholder and the natural persons and also legal entities can be counsellors, but in this last case, the legal entity has to appoint a natural person that will permanently represent it for the period and the functions of the position. The cancellation of the proxy by the administrator legal entity cannot be undertook until the substituting person is not appointed.*
2. *Individuals that have legal issues of incapacity or incompatibility may not be counsellors, especially for high positions determined by the Law 3/2015, of 30 March and 53/1984, of 26 December and others that could be established in the future.*



3. *The counsellors will undertake their position during a term of four (4) years, but cannot be re-elected, one or more times, for equally long terms."*

**"Article 30nd. Call. Meetings [that becomes article 31]**

1. *The Administration Board will meet at least once every trimester, and always agreed by the Chairman, or whoever has its faculties, or when the Executive Commission requires it or, at least, one third of the Board members.*

*In this last case, if the Chairman, without justified reasons does not agree the call in a month, the Board can be called by the counsellors that have requested the meeting, to celebrate it in the locality where the registered office is*

2. *Generally, and without prejudice of what has been established in the former paragraph, the Secretary will call the meetings in the name of the Chairman, through letter, telegram or telefax, e-mail, addressed to each of the counsellors with at least four (4) days before the meeting. In case of emergency, considered by the Chairman himself/herself, the call for the meeting can be done 24 (twenty-four) hours before the date and time of the Administration Board meeting.*
3. *The meetings will be held in the registered office of the Company or in any place appointed by the Chairman and indicated in the call.*
4. *Board meetings can be held through teleconference, videoconference or any other analogue system, in order for one or more of the counsellors to assist in that meeting through this system. For that purpose, the call for meeting, alongside with the indication of the place where the physical meeting will be held, which must be attended by the Secretary of the Board, must mention that to it can go and assist through telephone conference call, video conference or equivalent systems, needing to indicate and to dispose of precise technical means and/or electronics and/or of communication for this purpose, that in all the cases must facilitate the direct and simultaneous communication between all the attendants."*

**"Article 31nd. Constitution [that becomes article 32]**

*For the valid constitution of the Board it is required that, present or represented, the majority of its components assist.*

*The absent counsellors can be represented by another counsellor. However, the non-executive counsellors can only be represented by another non-executive counsellor.*

**"Article 32nd. Discussions. Agreements. Minutes [that becomes article 33]**



1. *The discussions will be chaired by the Board Chairman, and if absent, by the Deputy Chairman that will correspond in order, and if also absent, by the eldest counsellor.*

*The meeting Chairman will be assisted by the Secretary and if missing by the Deputy Secretary, and if he/she is also missing, a counsellor designed by the Board will take care of it.*

2. *The Chairman will give the floor to the counsellors that request it until he/she considers that the matter has been discussed enough, in which case it will be submitted to voting.*
3. *The agreements will be adopted with the vote in favour of the absolute majority of the counsellors assisting the meeting, with the exception of the permanent delegation of one or more legally delegable faculties of the Administration Board to the Executive Commission, to the Chairman or the Chief Executive Officer, the appointment of the counsellors that have to occupy these positions, and the approval of the agreements between counsellors with executive functions and the Company, that will require for its validity the vote in favour of two third parts (2/3) of the Board components, the affected counsellors abstaining himself/herself by the mentioned contracts, from assisting in the discussion and participating in the voting.*
4. *With the initiative of chairman, the Administration Board would adopt written agreements and without the presence of its members in session, when none of the counsellors opposes to this proceeding. When this voting procedure is followed by all the members in the Administration Board, the Administration Board Secretary will inform in the minutes the adopted agreements, naming the counsellors and the system followed to make the Board's will happen, and also indicating the vote cast by each counsellor. In this case, it will be considered that the agreements have been adopted in the registered office and on the date of reception of the last cast vote or in the ten (10) days delay mentioned below, whatever happens first. It will also be expressed that no Administration Board member has opposed to this procedure.*

*The written vote will have to be submitted to the Administration Board Secretary and with acknowledgement of receipt in the ten (10) days, after the reception of the cast vote request, not being acceptable if not.*

*Once the period for the cast of vote has passed, the Secretary will notify the counsellors of the result, or the impossibility of using this voting procedure if one of the counsellors has opposed to this method.*

5. *The discussions and agreements of the Board will figure in minutes that will be signed by the Chairman and the Secretary or by the individuals that have acted as such in the meeting. The minutes must be approved by the Board at the end of every meeting or in the next.*

*In case of Board meetings carried out with teleconference, videoconference or any other analogue system, the Administration Board Secretary will have to make it figure in the minutes of the meetings, as well as the counsellors that assist physically in the meeting through the teleconference, videoconference or analogue system. The agreements will be considered adopted in the place where the*





Chairman is.

6. *The certifications of the minutes of the Board agreements will be issued by the Secretary or the Deputy Secretary, even if they are not counsellors, with the approval of the Chairman, or the Deputy Chairman."*

**"Article 33rd. Organisation [that becomes article 34]**

1. *The Board will choose among its counsellors, after informing the Appointments and Retributions Commission, a Chairman, and may also choose one or more Deputy Chairmen. The term of this positions cannot exceed their term as counsellors, without prejudice of their re-election by the Board, before the expiration of their term, or their re-election. The post of the President of Administration Board has to fall on necessarily on a board member not executive of the Company.*
2. *The Chairman, as the maximal responsible of the Board's efficiency, will call and preside the meetings of the Administration Board, creating their Agenda, ensuring, with the collaboration of the Secretary, that the counsellors receive previously enough information to discuss the Agenda items, directing and stimulation the discussion and the active participation of the counsellors during the Board sessions, safeguarding their free decision making and freedom of expression, organising and coordinating with the relevant Commission Presidents the periodic evaluation of the Administration Board and its Commissions, as well as, the Chief Executive Officer's, if needed.*
3. *The Board may appoint the individuals, and in the conditions that it deems convenient, the board deputies or the technical counsellors, as non-voting attendants. The Administration Board will appoint, upon report of the Board for Appointments and Retributions, a Secretary, may choose a Deputy Secretary that may or not be counsellors, in which case they will assist to the meetings as non-voting attendants. The appointment of Secretary and Deputy Secretary, will be indefinitely, if the designated individual is not a counsellor, and if he/she is a counsellor, the term of this position cannot exceed the ones of his term as a counsellor, without prejudice of his/her re-election by the Board. The Secretary, apart from the functions assigned by the Law and By-Laws or the Administration Board Regulation, must do the following:*
  - i) *Keep the documentation of the Administration Board, record in the minute books the development of the sessions and attest their content and the adopted resolutions.*
  - ii) *Watch that the Administration Board actions adjust to the regulation in force and are in accordance with the by-laws and other internal regulations.*
  - iii) *Assist the Chairman so that the counsellors receive the relevant information for the exercise of their function with enough time and in the correct format.*
4. *The Chairman will be substituted, in case of absentee or unavailability, by the Deputy President and if there is more than one, in order and if there is no Deputy President, by the oldest counsellor. The Secretary will be substituted, in case of absentee or unavailability, by the Deputy secretary and if there is none also, by the*



counsellor that the Board will design every time.

5. Also the Board can accept the resignation of its members, provide among the shareholders the vacancies that can occur until the following General Meeting is held and regulate its own operation in what is not expressly regulated by the Law and these By-Laws.

To this effect, the Administration Board will approve a Regulation in which its operation and internal regime regulations will be contained, as well as the ones that regulation the Audit and Control Commission, the Appointment and Retributions Commission and the rest of Commissions, which creation is decided by the Administration Board.

The Administration Board will inform about the content of the Regulation and its amendments in the next General Meeting of Shareholder closer to the Administration Board meeting in which these agreements have been adopted."

**"Article 34th. Faculties [that becomes article 35]**

The Administration Board will exercise all the functions and Faculties necessary for the development of the business which constitutes the purpose of the company, being empowered with most widely powers of directing, administrate, dispose of the assets and represent the Company, with or without judgement, capable of signing all kinds of contracts and acts related with the purpose of the Company, while implying acquisition, disposal or charges of buildings, strengthening of alien businesses or transactions, limitless, due to the fact that Administration Board is empowered with all the Faculties that, as a person, corresponds to the Company, except the acts which the Law or these By-Laws reserves exclusively for the General Meeting.

The Administration Board faculties that will be established in the Law cannot be delegated, without prejudice of those that are mentioned in the provision 27 of the current By-Laws."

**"Article 35th. Executive Commission and Chief Executive Officer [that will become article 36]**

1. The Administration Board may appoint an Executive Commission and a Chief Executive Officer, from its own members, and delegate permanently, on the Chairman, all or part of the faculties, that legally, statutorily or in accordance with the Administration Board Regulation can be delegated, without prejudice of the empowerments that could be conferred to any individual. The composition of the Executive Commission will be, regarding the participation in diverse categories of counsellors, similar to the Administration Board's.



2. *The permanent delegation of any Administration Board faculty on any of the counsellors, or on the Executive Commission, and the appointment of the counsellors that should hold such positions, will require for their validity the vote in favour of, at least, two third parts of the Board components, and will have no effect until their inscription in the Commercial Register."*

**"Article 36th. Operation of the Executive Commission [that will become article 37]**

1. *The Administration Board, when creating the Executive Commission, will determine its faculties and will appoints the counsellors that have to integrate it.*
2. *The Executive Commission will be called by its Chairman, or by own initiative, or when two (2) of its members request it, through letter, telegram, e-mail or telefax, addressed to each of its members at least forty-eight (48) hours before the date of the meeting, but it could be immediately called twenty-four (24) hours before because of emergency reasons, in which case, the agenda of the meeting will be restricted to the items that have motivated the emergency.*
3. *In case of absentee or unavailability of the Executive Commission Chairman, or if this position is vacant, it can be called by the longest established Commission member in the position and, in case of equally established individuals, the oldest. For legal entities, the age of the representative natural person will be considered, to this effect.*
4. *The meetings will be held in the registered office of the Company or in any place appointed by the Chairman and indicated in the call.*
5. *For the valid constitution of the Executive Commission it is required that, present or represented, the majority of its members assist.*
6. *The absent individuals may choose to be represented by another member of the Executive Commission, by writing directed to its Chairman.*
7. *The debates will be conducted by the Chairman, who will give the floor to the attendants that request it.*
8. *In absence of the Executive Commission Chairman, or if his/her position is vacant, his/her functions will be carried out by the member of the Commission that will be chosen for this purpose by the majority of the attendants to the meeting.*
9. *The agreements will be adopted by absolute majority of the Commission members.*
10. *In case of a tied vote, the subject will be passed to the Administration Board, for which the Executive Commission members will request a call in accordance with what has been stipulated in the article 32 of these By-Laws, unless a meeting of this body has already been called in the next thirty natural days, in which case the Commission will request the Board Chairman to include in the agenda of that meeting the items on which there was a tied vote."*



**"Article 37th. Retribution [that becomes article 38]**

1. *The post of manager is remunerated.*
2. *The retribution of the counsellors in this condition, for all the Administration Board, will consist of a participation in the net profits, that must not exceed two per cent (2%) of the period result attributed to the Society in the annual accounts consolidated of the Group from which the company is the parent company, once the Legal Reserve attentions are covered, and after a minimum dividend of four per cent (4%) of the nominal value of the shares has been paid to the shareholders. The percentage that corresponds to each period will be establish by the General Meeting.*
3. *The Board will distribute among its members the retribution agreed by the General Board, considering their roles and responsibilities exercised by each of them in the Board or the internal Commissions and other criteria determined in the Administration Board Regulation.*
4. *Without prejudice of the above-mentioned, the counsellors will receive a retribution for their attendance in the Board and Internal commissions meetings. To this effect, the General Board will determine the amount that corresponds to each period for this concept, and that will be distributed by the Board among its members considering their effective attendance in the Board and Internal commissions of which they are members meetings.*
5. *Additionally, the Company will maintain in any case a civil responsibility insurance for its counsellors.*
6. *In accordance with the agreement that the General Board will adopt regarding this matter, the counsellors' retribution can consist, also, and apart from what has been established in the former sections, in the delivery of shares or options on shares, or referenced retributions to the values of the Company shares.*
7. *The counsellors' retribution will in any case have a reasonable proportion with the importance of the company, its financial situation at each moment and the comparable companies' market standards. The retribution system established will have to be oriented to promote long-term profitability and sustainability of the Company and integrate the needed precautions to avoid excessive risk-taking and the compensation of unfavourable results.*
8. *The retributions planned in the former sections, owing to the Administration Board membership, will be compatible with the other work perceptions, of service or professional that correspond to the Counsellors for their directive, executive, assessment or other different nature functions different from supervision and decision-making proper to their counsellor condition, which, if needed, they develop for the Company, that will be determined by the Administration Board in accordance with what has been established in the counsellors remuneration policy approved by the General Board and that will be included in a contract that will be held among the counsellor and the Company, that will have to be previously approved by the Administration Board with the vote in favour of, at least, two third parts of its members, and having to be integrated as an annex to the session minutes. The affected manager must abstain from assisting to the discussions and to participate at voting.*

*This agreement, that will have to be in accordance with the Company remuneration policy, will have to contain all the mentions required by the Law and, in particular, will include all the concepts for which the counsellor can obtain a retribution for his executive functions performance.*

- 9. The Administration Board will elaborate an annual report regarding the remuneration of the counsellors, containing the policy of the remunerations of the Company approved by General Meeting applicable to the current term in course,, the global sum up of how the policy of remunerations was applied during this term as well as the details of the individual remuneration accrued by all the concepts for each and all counsellors, which will be propagated and submitted to voting, with consultative character and as a separated point of Agenda, to the Ordinary General Meeting of shareholders in the terms established by Law."*

**4.6. Amendment of the articles 38th ("Of the Administrative Board's Commissions") and 39th ("Of the Audit and Control Committee and of the Appointments and Retributions Commission"); incorporation of the new article 41 ("The Appointments and Retributions Commission") of the 3rd Section ("Of the Board Commissions") of the Third Title; and Amendment of the article 40th ("Of the Advisory Board") of the Fourth Title ("Of the Advisory Board").**

**"Article 38th. Of the Commissions of Administration Board [that becomes article 39]**

- 1. The Administration Board must create and maintain in its fold with permanent and intern character, a Commission of Audit and Control and a Commission of Appointments and Retributions, with their legally established competences, at present By-Laws, on the Regulation of The Administration Board and, if appropriate, in the Regulations of the proper Commission, must facilitate the independence while exercising their functions.*
- 2. Without prejudice of the above-mentioned, the Administration Board may also constitute other internal Commissions, with the attributions, composition and operational regime that the Administration Board itself will determine in each case."*

**"Article 39th. The Audit and Control Commission [that becomes article 40]**

- 1. The Administration Board will count with a Commission of Audit and Control without executive functions and with the Faculties of information, assessment and proposal inside its sphere of action, which will be composed by a minimum of three (3) and a maximum of six (6) counsellors, appointed by the Administration Board, with previous favourable report of the Commission of Appointments and Retributions, for a period not superior to their office as counsellors and with the possibility of being re-elected indefinitely, if it would be as counsellors too. The totality of the Audit and Control Commission members will have to meet the condition of non-executive counsellors, most of their components must be independent counsellors, of which one will be appointed, considering his/her knowledge and experience in finance, auditing or both.*
- 2. The Commission will choose among its independent members a Chairman, and additionally they may choose a Deputy Chairman. The term of this positions cannot*



exceed four (4) years or their term as members of the Commission, but they can be re-elected once a year has passed after their ceasing.

*The individual that, without having to be a counsellor, is designated by the Commission, will act as the Secretary, and if relevant Deputy Secretary.*

3. *The members of the Commission can be assisted in their sessions by the individuals that, with advisor qualities and up to two (2) for each of the members, they consider necessary. These advisers will assist in the meetings as non-voting attendants.*
4. *Without prejudice of the other roles that are attributed by the Law, the current By-Laws and Board Regulation, to the Audit and Control Commission, it will have the following competences:*
  - a) *Inform the General Meeting of Shareholders about the matters that raise regarding subjects that are the Commission's competence.*
  - b) *Supervise the efficiency of the Company internal control, the Company internal audit services and the risk management services, including the tax, as well as discussing with the accounts auditor the important weaknesses of the internal control system detected during the audit development.*
  - c) *Supervise the elaboration and presentation process of the perceptive financial information.*
  - d) *Bring to the Administration Board the selection proposals, appointment, re-election and external accounts auditor substitution, as well as its recruitment conditions and gather information regularly from him about the audit plan and its execution, as well as preserving his/her independence in the exercise of his/her roles.*
  - e) *Establish the appropriate relations with the external audit to receive information about those matters that could risk its independence, for its Commission examination, and any other related with the development process of the accounts audit, as well as those other communications planned in the accounts audit legislation and in the audit regulations. In any case, they will have to receive annually from the external auditors, the declaration of its independence in relation with the Company or entities linked to it direct or indirectly, as well as the information of the additional rendered services of any class and these entities corresponding fees received by the external audit or by the individuals or linked entities in accordance with what has been stipulated in the legislation about accounts audit.*
  - f) *Issue annually, before the accounts audit report is issued, a report that will express an opinion about the independence of the accounts auditor. This report should include, in any case, the assessment of the additions services provision to which it is referred in the previous sections, considered individually and as a group, different from the legal audit and in relation with the independence regime or with the audit regulating regulation.*
  - g) *Inform, as soon as possible, the Administration Board about all the subjects planned in the Law, the current By-Laws and The Board Regulation and particularly about:*



- 1º. *the financial information that the Society must periodically make public, and*
  - 2º. *the creation or acquisition of participation in entities of special purpose or registered in countries or territories that are considered tax havens.*
- h) Those others that, if relevant, these By-Laws or the Board Administration Regulation may attribute to.*

*What has been established in the letters d), e) and f) of the previous section will be understood without prejudice of the accounts audit regulation rules.*

5. *For its operation, the Commission will meet, as considered by its chairman, as many times as needed to accomplish its roles and at least once every three months.*
6. *It will be valid, when present or represented, the majority of the members, adopt its agreements by absolute majority of its present or represented members. In case of a tied vote, the Chairman will have a casting vote.*
7. *The Audit and Control Commission will prepare an action plan for the period that the Administration Board will present, as well as a report about its activity during the period, that will be used as the assessment basis that the Administration Board will perform, with annual frequency, of its operation and its Commissions in order to propose, based on the result, an action plan that will correct the detected weaknesses.*
8. *Through the Regulation of Administration Board these regulations regarding the Audit and Control Commission will be developed, benefiting always the independence in its operation."*

**NEW "Article 41. The Appointments and Retributions Commission**

1. *The Administration Board will count with a Commission of Appointments and Retributions without executive functions, which will consist of a minimum of four(4) and a maximum of six (6) counsellors members designated by the Administration Board, which must be integrated exclusively by not executive counsellors, of whom minimum two must be independent counsellors. The term of its members cannot be for a period longer than the counsellors' term, without prejudice of being re-elected indefinitely, as long as they are also re-elected as counsellors.*
2. *The Commission will choose the Chairman of among its independent members. Additionally, the Commission will count with a Secretary as a non-voting attendant that does not need to be a counsellor.*
3. *The Appointments and Retributions Commission will have report, assessment and proposal regarding appointment, re-election, ratification and ceasing of counsellors competences, retributions of the counsellors and senior managers of the Company and conflict of interest situations, as well as operations linked and, without*



Citizen Services

*prejudice of the rest of the functions that the Law, the By-Laws or, in accordance with them, the Administration Board Regulation will attribute to it, will have minimum the following:*

- a) *Assess the competences, knowledge and experience needed in the Administration Board. To this effect, define the functions and abilities needed in the candidates that will have to cover each vacancy and evaluate the time and dedication required to be able to undertake efficiently this role.*
  - b) *Establish a representation goal for the less represented gender in the Administration Board and plan orientations about how to achieve this goal.*
  - c) *Take to the Administration Board the independent counsellors' appointment proposals for their designation by co-option or for its submission to the General Meeting of Shareholders decision, as well as the proposals for re-election or separation of these counsellors by the General Meeting of Shareholders.*
  - d) *Inform the appointment proposals of the rest of the counsellors for their designation by co-option or for its submission to the General Meeting of Shareholders decision, as well as the proposals for re-election or separation by the General Meeting of Shareholders.*
  - e) *Inform the appointment proposals and separation of senior managers and the basic conditions of their contracts.*
  - f) *Examine and organise the succession of the Administration Board Chairman and the first executive of the Company and, if relevant, bring proposals to the Administration Board so that this succession is done in a planned and orderly manner.*
  - g) *Propose to the Administration Board the counsellors and the general managers retributions policy or of the individuals that develop their senior management roles under the Board's, the Executive Commission's or the Chief Executive Officer's direct dependence, as well as the individual retribution and the rest of contractual conditions of the executive counsellors, watch its observance.*
  - h) *Inform, as soon as possible, the Administration Board about all the subjects planned in the Law, the current By-Laws and The Board Regulation and particularly about the linked operations.*
4. *For its operation, the Commission will meet, as considered by its chairman, as many times as needed to accomplish its roles and at least once every three months.*
  5. *It will be valid, when present or represented, the majority of the members, adopt its agreements by absolute majority of its present or represented members. In case of a tied vote, the Chairman will have a casting vote.*
  6. *The Appointments and Retribution Commission will elaborate an action plan for the period that he will provide to the Administration Board, as well as an activity*





report during the period that will be used as the assessment basis by the Administration Board.

7. *Through the Regulation of Board of Management these regulations regarding the Appointments and Retribution Commission will be developed, benefiting always its independence."*

**"Article 40th. The Board of Assessor [which passes to be article 42]**

1. *The Administration Board may design an Advisory Board that will be composed by a minimum of three (3) and a maximum of nine (9) members. Additionally, the Administration Board will have to inform about the appointment and termination of the individuals that, at any moment can be part of this Assessment Board.*
2. *The Board of Assessor is a consultative organ of the Company and its mission will consist of assisting the General Meeting, the Administration Board and its commissions, Delegate Manager and high directives of the Company.*
3. *The member of the Assessment Board need to have the requirements on knowledge, experience and professionalism needed so that the Assessment Board can undertake efficiently its functions and competences. The same system of diligence duties of a methodical businessperson will be applied to the members of the Assessment Board, considering the nature of the position and the functions attributed to each of them, and loyalty to which the Company counsellors are submitted, acting in good faith and in the best interest of the Company.*
4. *The post of the member of Board of Assessor will be remunerated. The retribution will consist of attendance allowance to the meetings of the Assessment Board, which amount will be determined by the Administration Board, upon report of the Appointment and Retributions Commission.*
5. *The Board of Assessor will elect among its members a president that will head the meetings, will call for them with his own initiative or on request of any of its members, and will certify its reports.*
6. *In whatever has not been planned in the article, and especially in relation with its operation and agreement adoption system, the Assessment Board will be conducted by what has been stipulated in the By-Laws of the Administration Board.*
7. *The Board of Assessor will have as mission:*
  - a) *Submit proposals to the bodies that it assesses in the scopes of its respective competences.*
  - b) *Inform the Company about the image that it offers in the sector, in the business community or in society.*



- c) *Study and inform the subjects that are submitted by the bodies that it assesses.*
  
- d) *Inform about new business possibilities or activities, both in Spain and abroad, as well as the amendments that it considers more adequate to ensure a higher stability, development and profitability of the company."*

#### **4.7. Amendment of the articles 42nd ("Of the annual accounts"), 43rd ("Result Application") and 44th ("Account deposit") of the Fifth Title ("Of the social period and annual accounts").**

"Article 42nd. **Drafting of annual accounts [that will become article 44]**

*The Company, in accordance with what has been established in the Business Code, should have an ordered accounting, adequate to the activity of the company that will allow a chronological monitoring of the operations, as well as the creation of inventories and balances. The accounting books will be legalised by the Commercial Register corresponding to the registered office place.*

*The Administration Board is obliged to inform, in a maximum delay of three (3) months from the closing of the financial period, the annual accounts, the management report and the result application proposal, as well as, if needed, the consolidated accounts and management report. The annual accounts will have to be written clearly and show the true image of the assets, the financial situation and the Company results, in accordance with what has been established in the Law and the Commercial Code and they will have to be signed by all the counsellors. If any of the signatures is missing, the lack of documents in each of them will be noted, with express indication of the reason."*

"Article 43rd. **Result application [that becomes article 45]**

1. *The General Board will take a resolution about the application of the period result, in accordance with the approved balance.*
  
2. *Once the provision for the legal reserve is covered, the minimum dividend of the shares without voting and other legal attentions and statutorily established, the Board will apply the exceeding benefit to dividend, counsellors' retribution, voluntary reservation, prevision found for investments or any other legally permitted attention, thereby fulfilling what has been established in the Law and these By-Laws.*
  
3. *If the General Board decides to distribute the dividends, it will determine the moment and method of payment. The determination of these extremes and any other that could be necessary or convenient for the agreement's effectiveness can be delegated to the Administration Board.*



4. *The General Board can agree that the dividend be totally or partially satisfied in kind, as long as the goods or object values of distribution are homogeneous, are admitted for negotiation in an official market at the moment of effectiveness of the agreement or the liquidity procurement is correctly ensured by the Company in the maximum delay of a year and they are not distributed for a lower value that the one they have in the Company balance.*
  
5. *The dividends distribution to the ordinary shares will be done in proportion to the share capital that has been disbursed."*

**"Article 44th. Depositing of the accounts [that becomes article 46]**

*In the month following the annual accounts approval, the Administration Board of the Company will present, for its deposit in the Commercial Register of the registered office, certification of the agreements of the General Board of approval of these annual accounts, correctly signed and of result application, as well as, of the consolidated accounts, to which it will attach a copy of each of these accounts, as well as the management report and the auditor's report.*

**4.8. Amendment of the article 45th ("Dissolution") of the Sixth Title ("Dissolution and liquidation").**

**"Article 45th. Dissolution [that becomes article 47]**

*The Company will be dissolved for reasons indicated in the Law. If the dissolution is owing to the reduction of the financial assets to a value lower than half of the capital, the dissolution can be avoided through agreement of increasing or reducing the share capital or by reintegration of the financial assets as needed. This regularisation will be efficient if it is done before the judicial dissolution of the Company is declared."*

**4.9. Approval, as a consequence of the former amendments, of a By-Laws consolidated text.**



**BY-LAWS**

**OF**

**FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.**



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## **GENERAL PROVISIONS**

### **Artículo 1. Denomination**

The current By-Laws contain the regulations followed by the Company "FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A." (hereinafter, the "**Company**") Additionally, the Spanish Corporation Law (hereinafter, the "**Law**") and other dispositions in force at each moment will be applied.

### **Artículo 2. Corporate purpose**

1. Constitutes the purpose of the Company:
  - 1) The construction, execution and maintenance of public and private works, as well as the exploitation of all kind of infrastructures.
  - 2) The offering of sanitising services, cleaning, management, building maintenance and reparation, constructions, infrastructures, vessels, aircraft and, in general, any kind of facilities, public or private. The offering of all kind of services which are owned by Public Administrations, including the performance of any kind of collaboration work inherent to the collection management of any of these Administrations that does not imply the exercise of authority, nor custody of public funds.
  - 3) The design, research, development, exploitation, maintenance and commercialisation of treatment plants and facilities and water purification. Use, transformation and commercialisation of all kinds of waters.
  - 4) The management of residuals and polluted soils as well as any assessment, research or consulting activity linked to these. The design, research, development, exploitation, maintenance and commercialisation of reusable, recycling, recovery, evaluation, removal, storage plants or facilities, or residual transfer stations or polluted soils, as well as the purchasing of sub-products that are originated in these treatments as well as other residuals.
  - 5) The establishment and exploitation of cement, lime, plaster factories and prefabricated derivative of these materials, as well as the concrete industry and the creation and exploitation of other industries related with the mentioned products. The research and use of mineral fields as well as the acquisition, use and permissions, concessions and other mine rights and interests; the industrialisation and commercialisation of the mine products derivative of these rights.
  - 6) The promotion and sale of lands, terrains, residential groups, urbanisations, business premises, offices and, in general, any kind of buildings. The exploitation of these buildings through renting, or in any other form that





implies the transmission of the property, and the offering of study services, assessment, administration and management for third parties owners of those.

- 7) The study, project, acquisition, ceasing, disposal, promotion, assessment, administration, management or exploitation in renting or in any other way of shopping centres.
- 8) The design, fabrication, quality control, purchase, sale, supply, import, export, renting, maintenance, reparation, distribution, representation and exploitation, even advertisement of furniture and urban equipment, understood in its most extent meaning, as well as signalling elements, in town and intercity communication roads, as well as the machinery and its components, tools, vehicles, facilities, materials and equipment.
- 9) The creation, design, purchase, sale, exploitation and ceasing, in any form, of patents, models, brands, licenses and other modalities of the industrial or intellectual property.
- 10) The study, project, acquisition, ceasing, disposal, promotion, assessment, administration, management or exploitation of geriatric residential centres, as well as any activity related with social services and sanitary assistance of attention to the eldest, psychic and physical disabilities and psychiatric issues; management and attention to these with daily centres opening, sanitary or socio-sanitary centres, residencies, tutored community or apartment buildings and domestic attention.
- 11) The study, project, acquisition, ceasing, disposal, promotion, assessment, administration, management or exploitation of business related to the food sector.
- 12) The offering of technical engineering services, including projects, studies and reports, as well as pre-investment studies, quality control, internal audits and electronic data exploitation.
- 13) The design, fabrication, quality control, purchase, sale, supply, import, export, renting, maintenance, reparation, distribution, representation and exploitation of electrical services and systems, electronic, computer and telecommunication, as well as the design, research, development and commercialisation of products related with these services.
- 14) The electric and energetic business in general, in all its aspects as well as in its different industrial and commercial activities. The offering of industrial services, as well as those that have preparatory or complementary nature of the activities included in the corporate purpose, particularly in relation with the safety, operation, maintenance, reparation and construction of facilities. The realisation of all kind of studies and research related with the electric



and energetic business in general, particularly the ones denominated renewable energies. The offering of services and project execution tending to the saving procurement and the energetic efficiency and the sustainable development.

- 15) The study, project, acquisition, ceasing, disposal, promotion, assessment, administration, management or exploitation of passenger and merchandise transportation services, including the sanitary transportation services of sick people in vehicles specially prepared to this effect, of transportation centres of any kind, airports and ports as well as any kind of services to the transportation Companies. Management, exploitation and maintenance of any kind of parking lots, as well as retirement and deposit of vehicles.
  - 16) The study, project, acquisition, ceasing, disposal, promotion, assessment, administration, management or exploitation of business related to logistical services.
  - 17) The study, project, acquisition, ceasing, disposal, promotion, assessment, administration, management or exploitation of business related to tourism and recreation.
  - 18) The study, project, acquisition, ceasing, disposal, promotion, assessment, administration, management or exploitation of cemeteries and funeral homes.
  - 19) The study, project, acquisition, ceasing, disposal, promotion, assessment, administration, management or exploitation of business related to financial services.
  - 20) The participation in other companies and societies, national or foreign, through the subscription, acquisition, negotiation and shares, participations and any other titles possession, with fixed or variable income. In no case the company will perform activities that the companies and institutions of collective investment exercise, regulated by the Law 35/2003 of 4 November, of institutions and collective investment.
2. The Company can carry out all the activities indicated, in Spain and abroad or participating in other companies, national or foreign, of similar or analogue subject. This participation will cover either the subscription, buying or acquisition, with any means valid at Law, of titles or mercantile values which confers a participation in the company's capital or in the benefits of such companies, as well as all the modality of association between companies.
  3. All those activities for which exercise the Law request special conditions that cannot be covered by this Society will be excluded.

### **Artículo 3. Timing**



The Company will subsist indefinitely, having started its operation the day that its articles of association were provided.

**Artículo 4. Company's address, branches and corporative website**

1. The Company will be registered in the city of Barcelona, in calle Balmes 36.
2. The Administration Board is empowered to establish, remove and transfer branches, delegations, agencies, establishments, factories or representations in any village of Spain or abroad, as well as changing the registered office in the same municipality, and modifying this article so that the new registered office appears after the moving of the Company.
3. The Company will have a corporate website "[www.fcc.es](http://www.fcc.es)"), under the terms established by the Law.

Through this aforementioned corporative website the right of information will be attended on the side of shareholders, and the perceptible documents and information, attending the Law, the present By-Laws of the company and more interim regulations of the company, as well as all those information considered to be opportune to make available to the shareholders and investors through this mean will be published.

The amendment, removal or transfer of the Company website will be competence of the Administration Board.

**SECOND TITLE**

**SHARE CAPITAL AND SHARES**

**Artículo 5. Share capital**

The company's capital is fixed at TWO HUNDREDS SIXTY MILLIONS FIVE HUNDRED SEVENTY TWO THOUSAND THREE HUNDRED SEVENTY NINE EUROS (260,572,379.00.-€), represented by two hundred sixty millions five hundred seventy two thousand three hundred seventy nine (260,572,379) shares, belonging to a single class and serial, of one (1.-€) EURO of nominative value for each of them.

These shares are totally subscribed and paid off.

**Artículo 6. Shares**

1. The shares are represented by book-entry account registry, corresponding to the handling of the account registry by the Sociedad de Gestión de los Sistemas de Registro Compensación y Liquidación de Valores (IBERCLEAR), or the entity or entities that, in accordance with the Law, have this function, and will be controlled by what is stipulated in the market values regulations. Each share gives the right to one vote.



2. The Company can request at any moment the entity in charge of the handling of the account registry the data corresponding to the shareholders, including the address and means of contact that they have, and will recognise as such those that appear legitimised in the entity in charge of this registry.

The Company, through the corresponding agreement of the Administration Board, can also create a Shareholders Registry in order to be able to communicate with them.

**Artículo 7. Transfer of shares**

The shares can be transferred by all the means accepted in Law, from the moment that the Law allows it. The foreign natural person or legal entity, can subscribe or acquire shares of the Company, in the terms and conditions that the dispositions in force establish at each moment.

**Artículo 8. Shares without voting**

The Company can submit shares without voting right for a nominal amount not higher than half of the disbursed share capital.

The owners of the shares without voting will have the right to perceive the annual minimum dividend of five per cent (5%) of the disbursed capital for each share without voting, this perception being subject with what is established in the Law that will be applied to everything that refers to these shares.

**Artículo 9. Co-ownership of shares**

The shares may not be divided. The co-owners of a share severally respond in front of the Company of the bonds that derive from the shareholder condition and will have to design a unique person that exercises in his/her name the inherent rights to its partner condition. The same rule will apply to the other co-ownership situations of rights over the shares.

**Artículo 10. Shares usufruct, pledge and seizures**

In case of shares usufruct, the quality of the partner resides in the proprietary knot, but the usufructuary will have the right, in any case, to the dividends agreed by the Company during the usufruct. The exercise of the rest of the partner rights corresponds to the usufructuary. The relationship between the usufructuary and the proprietary knot and the rest of the usufruct content will be ruled by what the usufruct constitutive title mentions, and if non-existent, by what the Law stipulates, and if not planned by this, what the civil law applies.

**THIRD TITLE**

**OF THE GOVERNANCE OF THE COMPANY**



### **Artículo 11. Company bodies**

1. The governance and administration of the Company corresponds to the General Meeting of Shareholders and the Administration Board for this, respectively in its functions and competences ambit.
2. Additionally, the Administration Board will constitute, in accordance with what has been legally established and its organisation faculty, an Audit and Control Commission, an Appointments and Retributions Commission and as many internal Commissions as needed or considered appropriate to develop better its functions, appointing its members and establishing their functions.

The Administration Board can equally establish Advisory Boards in order to contribute to a higher efficiency in the exercise of its functions.

### **Section 1st.- Of the General Meeting**

### **Artículo 12. The General Meeting**

1. The shareholders constituted in General Meeting, correctly called, will decide by simple majority (an agreement is adopted when it obtains more votes in favour than against of the capital present and represented in the Meeting), in matters that are in its competence, except for cases in which the Law or By-Laws establish a higher majority to adopt some agreements. All the shareholders, including the dissidents, and the ones that have not participated in the meeting, are submitted to the General Meeting agreements, without prejudice of the separation and imputation rights established by the Law.
2. The General Meeting is ruled by what has been stipulated in the Law, in the current By-Laws and the General Meeting Regulation.
3. The Company will ensure, at all moment, the equality of treatment of all the shareholders that are in the same position in relation with the information, participation and exercise of voting right in the Meeting.

### **Artículo 13. Types of Meetings**

1. The General Meetings can be Ordinary or Extraordinary.
2. The Ordinary General Meeting will meet necessarily in the six (6) first months of each period, to approve, in this case, the corporate management and the former period accounts, as well as to resolve about the result of application, and to approve, any other agreement submitted and included in the Agenda.

The Ordinary General Meeting will be valid even if it has been called or held after the referred deadline.



3. Any Meeting that is not the one planned in the former section will be considered Extraordinary General Meeting

#### **Artículo 14. Competences of the General Meeting**

The General Meeting will decide on matters attributed to it by the Law, by the current By-Laws or by the General Meeting Regulation and, particularly, about the following:

- a) The approval of annual accounts, the application of the result and the approval of the corporate management.
- b) The appointment, ratification and separation of counsellors, as well as the appointment and separation of the liquidators and, in this case, of the accounts auditors, as well as the exercise of the responsibility corporate action against any of them.
- c) The amendment of the current By-Laws.
- d) The raising and the reduction of company's capital, as well as the delegation at the Administration Board of the faculty of increasing the company's capital, whether appropriate it can also attribute also the power of exclusion or limitation of the right of preferential subscription, in the wordings established by Law.
- e) The issuance or creation of new share types or series.
- f) The bond and other assets issue and the delegation in the Administration Board of the issuance faculty.
- g) The deletion or limitation of the pre-emptive subscription right.
- h) The acquisition, disposal or contribution of essential assets to another company; as well as the transfer to depending entities of essential activities developed up to the moment by the Company, even though she has full domain over them.

These activities and operative assets will be presumed of essential nature when the operation volume overpasses twenty-five per cent (25%) of the balance total assets.

- i) The amendment, fusion, excision, global ceasing of assets and liabilities and the transfer of the registered office abroad.
- j) The dissolution of the Company.
- k) The approval of the final liquidation balance.
- l) The operations which effect is equivalent to the Company's liquidation.
- m) The remuneration policy of the counsellors in the terms establishes in the Spanish Corporation Law.
- n) Any remuneration system or incentives to counsellors or senior counsellors consisting in the delivery of shares, options on shares or being referenced in any way with the share value.
- o) The authorisation for the acquisition of own shares in the legal limitations.



- p) The approval and amendment of the General Meeting Regulation.
- q) Any other matters that the Law or the By-Laws define.

**Artículo 15. Call notice for Meeting**

1. The General Meetings, both Ordinary and Extraordinary, will have to be called by a notice published in the Official Newsletter of the Commercial Register or in one of the newspapers of great circulation in Spain, in the Company website and in the National Commission of Market Values, at least one month before the date planned for the holding of the Meeting. However, the Extraordinary General Meetings can be called with a minimum anticipation of fifteen (15) days in conformity with the requirements established in the Law and the General Meeting Regulation.
2. The notice can, also, communication the date in which, if relevant, the Meeting will be hold upon second call. Between the first and the second meeting, at least twenty-fours (24) hours should pass. If the correctly called General Meeting, being of any time, cannot be held upon first call, and in the notice a second date was not planned, the holding of the second one has to be announced, with the same Agenda and the same publication requirements than the first one, in the fifteen (15) days following the date of the non-held Meeting and with at least ten (10) days prior to the date fixed for the meeting.
3. The announcement will express the name of the Company, the place, the date and hour in which will be held the Meeting, the Agenda, in which will appear all the matters which will be treated, in charge of person or persons who call for it and the right of the shareholders to examine at the company's address and, if appropriate, to obtain, in an immediate and free of charge way, copy of the documents which have to be submitted to the approval of Meeting, and if appropriate, the report of the auditors of accounts and the corresponding technical reports, as well as the mentions and information legally enforceable for the Companies with public quotation, the ones which are figured out in the Regulations Of General Meeting and any other information or documentation which the Administration Board considers convenient for the interest of the shareholders.
4. The shareholders that represent, at least three per cent (3%) of the share capital, may request that a complement to the Ordinary General Meeting call be published including one or more items for the Agenda, if the new items are accompanied of a justification or, in some cases, of a justified agreement proposal. The exercise of this right, that in no case will proceed regarding the Extraordinary General Meetings, will have to be done by due notification, that will have to be received in the registered office in the five (5) days following the call publication. The complement of the call for must be published at minimum with fifteen (15) days ahead of the date established for the meeting of Meeting. The lack of publication



of the call complement in the legal period fixed will be cause of complain to the Board.

5. The shareholders that represent, at least, three per cent (3%) of the share capital, can, in the five (5) days following the publication of the call, present proposals founded in accordance with matters already included or that should be included in the Agenda of the called Meeting. As the agreement proposals are received, the Company will ensure the spread of such proposals and the documentation which, if appropriate, will accompany among the rest of shareholders, publishing them uninterruptedly in its website.

**Artículo 16. Faculty and obligation of calling the Meeting**

1. The General Meetings have to be called by the Administration Board or, if needed, by the Company liquidators. The Administration Board will call for General Meeting always if it considers necessary or convenient for the interest of the company, and at any case, at the dates and periods determined by Law and the present By-Laws of the Company.
2. The Administration Board must call for General Meeting when requested for, through notarial requirement, the shareholders that represent, at least, the three per cent (3%) of company's capital, expressing in the request the subjects to be treated on it.
3. In this case, the General Meeting should be called by the Administration Board to be held in the two (2) months following the date in which the attorney request was presented to the Administration Board to call it, including necessarily in the Agenda the items that induced this request.
4. If the General Meeting is not called during the corresponding legal or statutory established period, it can be called, under request of any shareholder, by the commercial judge of the registered office, and prior hearing of the counsellors.
5. If the Administration Board does not attend in due time the call for the General Meeting request realised by the minority, the commercial judge of the registered office can call the meeting, prior hearing of the counsellors.

**Artículo 17. Meeting constitution**

1. The Ordinary or Extraordinary General Meeting will be validly constituted, upon first call, when the present or represented shareholders have, at least, fifty per cent (50%) of the subscribed capital with voting right; upon second call, the Meeting constitution will be valid when the present or represented shareholders have, at least, forty-five per cent (45%) of the subscribed capital with voting right. The situations in which, in accordance with the items included in the Agenda, it is not legally possible to require the valid constitution of the General Meeting of a percentage capital higher than the one established by the applicable regulation will be excluded from the former article.





2. Additionally, the percentages mentioned in the former paragraph, will also be the ones applied so that the General Meeting Ordinary and Extraordinary can validly agree on bond issue, the global ceasing of assets and liabilities, the removal or limitation of the pre-emptive acquisition right of new shares, the transfer of the registered office abroad and, in general, any amendment of the By-Laws.
3. If in order to correctly adopt an agreement in relation with one, or more, of the agenda items of the General Meeting call, the assistance of a determined percentage of the share capital is needed, in accordance with the legal or statutory regulation applied, and this percentage is not reached, or some concrete interested shareholders consent is needed and these are not present or represented, the General Meeting will discuss and decide about those other agenda items that do not require the assistance of this percentage of share capital or these concrete shareholders.

**Artículo 18. Legitimation to assist the Meeting**

1. All the shareholders owners of one or more shares, even the ones without voting rights, have the right of attendance in the General Meetings, if their ownership is inscribed in the book-entry countable registry, at least five (5) days before the holding of the Meeting date, and can prove it by showing, in the registered office, the corresponding legitimation certificate, attendance card, delegation or representation and absentee ballot or by any other means admitted by the legislation in force.
2. Also if required, Directorates, Managers Technicians and other individuals that have the good interest of the corporate matters may assist in The General Meetings. The Company counsellors will be obliged to assist, but their presence is not needed for the valid constitution of the Meeting. In whatever has not been established in the current article, in relation with the legitimation to assist in the Meeting, the Law will be followed.
3. The shareholders may assist and vote in the General Meeting as well as appoint a proxy, in accordance with what has been stipulated in the current By-Laws and the General Meeting Regulation.
4. Since the publication of the call for until the celebration of General Meeting. The Company will publish uninterruptedly in its website corporative information related to the means of communication at distance, among it the electronic ones that the shareholders may use in order to give effectiveness to their right of representation, voting, where appropriate, assistance. Additionally, it will include the delays, types and methods of exercise of the shareholders rights that will assist to the Meeting through electronic or telematic means, if this possibility is planned.

**Artículo 19. Representation**



1. Every shareholder that has the right of participation can be represented in the General Meeting by another individual, even if he/she is not a shareholder. The representation will have to be conferred in the terms and with the scope established in the Law, in written and with special nature for each Meeting, unless it is the partner, ascendant or descendent of the represented or general empowerment, in public document, to administrate all the assets that the represented shareholder has in the national territory.
2. The representation can be appointed also by distant communication means, guaranteeing correctly the identity of the represented and of the representative, and the electronic communication safety, that the Administration Board will define when making the call for the Meeting, in accordance with what has been stipulated in the Company's General Meeting of Shareholders Regulation.
3. The General Meeting Chairman, Secretary or the individuals appointed by them, will be considered empowered to determine the validity of the conferred representations and the observance of the Meeting attendance requirements.
4. The representation can always be cancelled. The personal attendance of the represented to the Meeting has cancelling value.
5. The entities that are legitimised as shareholders in virtue of the shares counting registry but that act in the name of different individuals, can in all cases fraction the vote and exercise it in the divergent direction in accordance with the different vote instructions, if they received them. Additionally they can delegate the vote to each of the indirect owners or designed third parties, without limiting the number of appointed delegations.
6. The Administration Board can develop the former provisions, by establishing the rules, means and adequate procedures to the technique status to tool the proxy appointment in accordance with what has been established in the current By-Laws and the General Meeting Regulation.

**Artículo 20. Cast of absentee ballot**

1. The participation in the General Meeting and the voting of the proposals in the items included in the agenda of any kind of General Meeting can be delegated or exercised directly by the shareholder through postal, electronic correspondence, or any other distant communication mean that, guaranteeing correctly the identity of the subject that participates or votes and the electronic communication safety, the Administration Board determines when calling each Meeting, in accordance with what is stipulated in the *Company's* General Meeting of Shareholders Regulation.
2. The shareholders that cast an absentee ballot in accordance with what has been disposed in the article will be considered present to the effects of the General Meeting constitution.



3. The personal attendance to the General Meeting of shareholder will have the effect of cancelling the vote cast through postal or electronic correspondence.
4. The Administration Board can develop the former provisions, by establishing the rules, means and adequate procedures to the technique status to tool the absentee ballot, in accordance with what has been established in the current By-Laws and the General Meeting Regulation.

**Artículo 21. Place and time of holding**

1. The General Meetings will take place in the Spanish locality that, every time they are called, the Administration Board decides, on the day and time indicated in the call.

If in the call the place of holding is not mentioned, it will be understood that the meeting will take place in the registered office.

2. The attendance to the General Meeting can be done by going to the place where the meeting will be held or, if desired, to other places that the Company will have mentioned in the call, and that are connected with that other one with any of the valid systems that will allow the recognition and identification of the attendants, the permanent communication among the attendants, independently from where they are, as well as the intervention and cast of vote, all of that in live. The attendants to any of the places will be considered, to all the effects related to the General Meeting, as attendants to the one and same meeting. The meeting will be held where the main place is.
3. The General Meeting, when there is a justified reason for it, can extend the meeting for one or more consecutive days, under the proposition of the General Meeting Chairman, of the majority of the assisting counsellors to the meeting or under request of a number of partners that represent, at least, a twenty-five per cent (25%) of its share capital. No matter how many sessions are contemplated, the General meeting will be considered unique, and only one minutes will be prepared for all the sessions. The General Meeting can also be temporarily suspended in the cases and forms stipulated by the Regulation.

**Artículo 22. Meeting Chairman and Secretariat**

1. The General Meeting will be chaired by the Administration Board Chairman. In case of absence or unavailability of the Board Chairman, he/she will be substituted by the Deputy Chairmen in order, establishing, if this has not been set, by the one with the longest position as the Company counsellor, and if not possible, by the eldest counsellor.
2. The General Meeting Secretary will be the same as the Administration Board's. In case of absence or unavailability of the Board Secretary, he/she will be substituted by the Deputy Secretary of the Administration Board, and if this one is also missing,



the General Meeting's Secretary will be the individual designated by the concurring partners at the beginning of the meeting.

**Artículo 23. Attendants list**

1. Before starting the Agenda, the list of attendants will be confirmed, expressing the nature or representation of all of them and the number of shares (proper or someone else's) that they concur.
2. At the end of the list the number of present or represented shareholders will be determined, as well as the capital amount of which they are owners, specifying the one that corresponds to the shareholders with voting rights.

**Artículo 24. Right of information**

1. The shareholders may request, in writing or by other electronic or *telematic* communication means, from the Administration Board, up to the fifth natural day before the one set for the holding of the Meeting, upon first call, the information and clarifications or ask the questions that they deem necessary, about the matters that are included in the Agenda, about the information accessible to the public that was provided by the Company to the National Commission of Market Values, from the holding of the last General Meeting and in relation with the auditor report. The information or clarifications demanded will be answered by the Administration Board in writing, up to the day the General Meeting will be held.
2. The information or clarification requests that the shareholders will ask in relation with the matters or referred information in the former paragraph, orally during the General Meeting before the examination and discussion about the items contained in the Agenda, or in writing from the fifth natural day before the call of the General Meeting, will be answered orally during the Meeting by any of the present counsellors, as indicated by the Chairman. If the requested information or clarifications refer to matters related to the Audit and Control Commission, they will be provided by any of the members or assessors of that Commission present in the meeting. If the Chairman considers that it is not possible to satisfy the right of the shareholder in the same Meeting, the pending information will be provided in writing to the requesting shareholder in the following seven (7) natural days after the end of the General Meeting.
3. The Administration Board is obliged to provide the requested information under the care of the two former sections, unless the information is not needed for the tutoring of the shareholder rights, or there are objective reasons to consider that it could be used for extra-corporate reasons or its publication may harm the Company or linked companies.

The requested information cannot be denied when the request is supported by shareholders that represent, at least, twenty-five per cent (25%) of the share capital.



4. The Company has a website, that contains the requested information, and through which the exercise of the right to information can be performed by the shareholders, in accordance with the regulation stipulated in each moment. The valid requests of information, clarifications or questions asked in writing and the answers provided in writing by the administrators will be included in the Company website once the information is provided to the solicitor. In this sense, when prior to asking a concrete question, the requested information is available, clearly, expressly and directly for all the shareholder in the Company's website under the question-response format, the Administration Board can limit its answer to consult the information provided in that section.

Additionally, the valid information requests, clarifications or questions asked in written and the answers provided in written by the Administration Board will be included in Company's website.

**Artículo 25. Conflict of interests**

1. The shareholder could not exercise the right of voting corresponding to its shares while adopting an agreement which has as object:
  - a) excluding him/her from the company;
  - b) free him/her from an obligation or conferring him/her a right;
  - c) facilitating any type of financial assistance, including the guarantee provision in his/her favour; or
  - d) release from the obligations driven from the duty of loyalty of the counsellors, in conformity with what prevails on Law.
2. The shares of the shareholder that is to be found in any of these conflict of interest situations contemplated in the former section will be deduced from the share capital for the calculation of the majority of the votes that in each case will be needed.
3. In conflict of interest cases different from the ones mentioned in the section 1, the shareholders will not be forbidden from their voting right.

**Artículo 26. Discussions. Adoption of agreements. Minutes**

1. The Chairman will direct the development of the Meeting and the discussions, giving the foot to all the shareholders that have requested it by writing and afterwards to the ones that request it orally, until he/she considers that the matter has been discussed enough.
2. In the General Meeting those matters that are substantially independent will be vote separately and, in any case, even if they appear in the Agenda, they will have to be voted separately the appointment, ratification, re-election or separation of each counsellor as well as, in the By-Pass amendments, the amendment of each



articles or group of articles that have self-autonomy, as well as the matters to which the following section refers

3. The agreements will be adapted by simple majority of the votes of the present or represented shareholders in the Meeting, an agreement is considered adopted when it obtains more votes in favour than against of the present and represented capital, except for cases in which the Law or By-Laws request a qualified majority, as mentioned below:

In particular, they will be adopted with the vote in favour of present or represented shares in the Meeting they represent, at least, fifty per cent (50%) of the share capital subscribed with voting right, the following agreements:

- (i) Amendment of corporate purpose.
  - (ii) Transfer of registered office abroad.
  - (iii) The shares or bonds or other assets issue in shares with exclusion of the preemptive subscription in favour of shareholders of the Company.
  - (iv) The issuance or creation of new share types or series different from the ones that are in circulation.
  - (v) Establishment and/or amendment in any direction of any remuneration system and/or concession of incentives to counsellors or senior counsellors consisting in the delivery of shares, options on shares or being referenced in any way with the share value.
  - (vi) The dissolution, liquidation, fusion, excision, global ceasing of assets and liabilities, transformation or tender request.
  - (vii) Amendment of the articles of the current By-Laws that regulate the former subjects.
4. Each action with present or represented voting right in the meeting will give the right to one vote.
  5. For each agreement the number of shares will be determined in relation with the valid votes, the proportion of the share capital representing these votes, the total number of valid votes, the number of votes in favour and against each agreement and the number of abstentions.
  6. The agreements of the Meeting, with a summary of the matters discussed and the interventions that have asked to be reflected, will be mentioned in the minutes with the legal requirements that will be signed by the Secretary, with approval of the Chairman, or the individuals that have substituted him/her. The Minutes can be approved by the Board at the end of the meeting, or in the following fifteen (15) days, by the Meeting Chairman and two (2) Speakers, one in representation of the majority and another one of the minority.



7. The Minutes approved at any of these forms, will have executive force since the date of its approval. If the presence of an attorney has been needed to end the Meeting, the Attorney minutes will not be submitted to approval and will be considered a Meeting minute.
8. The certification of the Minutes and General Meetings agreements will be issued by the Secretary or Deputy secretary of the Administration Board with the approval of the Chairman or, if needed, the Deputy chairman of the same Board.
9. The adopted agreements and the result of the votes will be completely published in the Company's website in the five (5) days following the end of the General Meeting.
- 10.

### **Section 2nd. Of Administration Board**

#### **Artículo 27. The Administration Board**

1. The Administration Board constitutes the organ in charge of management, administration and representation of the Company, in judgement and out of it, without overlapping of attributions that, according to the Law and to the these By-Laws, corresponds to General Meeting, centring its activities basically on the supervision and control of the ordinary management of the Company given to executive counsellors and top management, as well as the consideration of all those subjects of a particular transcendence for the Company.
2. Those faculties and functions that legally or statutory are reserved to the knowledge of the Administration Board cannot be delegated, those needed for a responsible exercise of the general supervision function as well as the ones that the General Meeting might have delegated in the Administration Board, with the exception of the ones authorised to be sub-delegated. In particular, The Administration Board cannot delegate in any case the approval of the following subjects, not even to one of its members (including the Chief Executive Officer):
  - a) The approval of the financial debt contract, in an act or succession of acts on behalf of the Company and/or its subsidiaries or participating, that imply a consolidated debt over twenty million Euros (20,000,000€). To this effect, will be understood as financial debt the one which comes considered so the Company in concordance with its accountancy practices audited.
  - b) The approval to buy or sell relevant assets, in an act or succession of acts on behalf of the Company and/or its subsidiaries or participating, considering to these effects as relevant assets the ones that represent more than twenty million Euros (20,000,000€) of the total individual asset of the affected company.



- c) The approval of the celebration of any kind of relevant contract, that in an act or succession of acts on behalf of the Company and/or its subsidiaries or participating, considering to these effects as relevant agreements the ones that require a founding volume for its execution for the amount of twenty million Euros (20,000,000€) and are not self-agreements of the Company's activity and/or of subsidiaries and participating.

#### **Artículo 28. Composition**

1. The Administration Board will have twelve (12) members.
2. The counsellors will be qualified as executive and non-executive, distinguishing among those the proprietaries, independents or other external, all this in accordance with what has legally been established.
3. Particularly, the Administration Board will have to count on three independent counsellors, that will have to be chosen by General Meeting from the application of rigorous professionalism and complete independence criteria, having to be proposed for their election by the Appointments and Retributions Commission and also by a company of high prestige in charge of the selection of the counsellors of quoted companies, which will have to also act in its selection process in accordance with the profile that the company looks for and in order to satisfy the requirements of professionalism and independence that will be requested at any time by the law as well as by the corporate good governance practice. The selected candidates will be proposed to the Administration Board and to the General Meeting of Shareholders unless they directly cover co-option vacancies.
4. The Administration Board must look out for the processes of selection of its members encourage the diversity of gender, of experiences and knowledge and does not have implicit shortcomings which would imply some sort of discrimination, and particularly, to encourage the selection of woman counsellors.

#### **Artículo 29. Appointment, re-election, ratification and separation of counsellors**

1. The appointment of counsellors corresponds to The General Board.
2. If during the period in which they were appointed, the counsellors produce vacancy, the Board can design the individuals that must substitute them until the next General Meeting is hold. Additionally, if there is a vacant once the General Meeting is called and before its holding, the Administration Board can appoint a Counsellor until the celebration of the following General Meeting.
3. The separation of the counsellors can be agreed at any moment of the General Meeting.
4. The Administration Board in its appointment, re-election, ratification or separation of Counsellors proposals that is submitted to the General Meeting and in the appointment decisions that the Board adopts in relation with the co-option





faculties that it is legally attributed, will follow the criteria and orientations established to this matter in the Administration Board Regulation.

**Artículo 30. Requirements and term of position**

1. To be a counsellor there is no need to be a shareholder and the natural persons and also legal entities can be counsellors, but in this last case, the legal entity has to appoint a natural person that will permanently represent it for the period and the functions of the position. The cancellation of the proxy by the administrator legal entity cannot be undertaken until the substituting person is not appointed.
2. Individuals that have legal issues of incapacity or incompatibility may not be counsellors, especially for high positions determined by the Law 3/2015, of 30 March and 53/1984, of 26 December and others that could be established in the future.
3. The counsellors will undertake their position during a term of four (4) years, but cannot be re-elected, one or more times, for equally long terms.

**Artículo 31. Call. Meetings**

1. The Administration Board will meet at least once every trimester, and always agreed by the Chairman, or whoever has its faculties, or when the Executive Commission requires it or, at least, one third of the Board members.

In this last case, if the Chairman, without justified reasons does not agree the call in a month, the Board can be called by the counsellors that have requested the meeting, to celebrate it in the locality where the registered office is.

2. Generally, and without prejudice of what has been established in the former paragraph, the Secretary will call the meetings in the name of the Chairman, through letter, telegram or telefax, e-mail, addressed to each of the counsellors with at least four (4) days before the meeting. In case of emergency, considered by the Chairman himself/herself, the call for the meeting can be done 24 (twenty-four) hours before the date and time of the Administration Board meeting.
3. The meetings will be held in the registered office of the Company or in any place appointed by the Chairman and indicated in the call.
4. Board meetings can be held through teleconference, videoconference or any other analogue system, in order for one or more of the counsellors to assist in that meeting through this system. For that purpose, the call for meeting, alongside with the indication of the place where the physical meeting will be held, which must be attended by the Secretary of the Board, must mention that to it can go and assist through telephone conference call, video conference or equivalent systems, needing to indicate and to dispose of precise technical means and/or electronics and/or of communication for this purpose, that in all the cases must facilitate the direct and simultaneous communication between all the attendants.

### **Artículo 32. Constitution**

For the valid constitution of Board it is required that, present or represented, the majority of its members assist.

The absent counsellors can be represented by another counsellor. However, the non-executive counsellors only can be represented by another non-executive counsellor.

### **Artículo 33. Discussions. Agreements. Minutes**

1. The discussions will be directed by the Board Chairman, or by the Deputy Chairman that corresponds, and if not possible, by the eldest counsellor.

The meeting Chairman will be assisted by the Secretary and if missing by the Deputy Secretary, and if he/she is also missing, a counsellor designed by the Board will take care of it.

2. The Chairman will give the floor to the counsellors that request it until he/she considers that the matter has been discussed enough, in which case it will be submitted to voting.
3. The agreements will be adopted with the vote in favour of the absolute majority of the counsellors assisting the meeting, with the exception of the permanent delegation of one or more legally delegable faculties of the Administration Board to the Executive Commission, to the Chairman or the Chief Executive Officer, the appointment of the counsellors that have to occupy these positions, and the approval of the agreements between counsellors with executive functions and the Company, that will require for its validity the vote in favour of two third parts (2/3) of the Board components, the affected counsellors abstaining himself/herself by the mentioned contracts, from assisting in the discussion and participating in the voting.
4. With the initiative of chairman, the Administration Board would adopt written agreements and without the presence of its members in session, when none of the counsellors opposes to this proceeding. When this voting procedure is followed by all the members in the Administration Board, the Administration Board Secretary will inform in the minutes the adopted agreements, naming the counsellors and the system followed to make the Board's will happen, and also indicating the vote cast by each counsellor. In this case, it will be considered that the agreements have been adopted in the registered office and on the date of reception of the last cast vote or in the ten (10) days delay mentioned below, whatever happens first. It will also be expressed that no Administration Board member has opposed to this procedure.

The written vote will have to be submitted to the Administration Board Secretary and with acknowledgement of receipt in the ten (10) days, after the reception of the cast vote request, not being acceptable if not.



Once the period for the cast of vote has passed, the Secretary will notify the counsellors of the result, or the impossibility of using this voting procedure if one of the counsellors has opposed to this method.

5. The discussions and agreements of the Board will figure in minutes that will be signed by the Chairman and the Secretary or by the individuals that have acted as such in the meeting. The minutes must be approved by the Board at the end of every meeting or in the next.

In case of Board meetings carried out with teleconference, videoconference or any other analogue system, the Administration Board Secretary will have to make it figure in the minutes of the meetings, as well as the counsellors that assist physically in the meeting through the teleconference, videoconference or analogue system. The agreements will be considered adopted in the place where the Chairman is.

6. The certifications of the minutes of the Board agreements will be issued by the Secretary or the Deputy Secretary, even if they are not counsellors, with the approval of the Chairman, or the Deputy Chairman.

#### **Artículo 34. Organisation**

1. The Board will choose among its counsellors, upon report of the Board for Appointments and Retributions, a Chairman, and may also choose Deputy Chairmen. The term of this positions cannot exceed their term as counsellors, without prejudice of their re-election by the Board, before their term expires, or they are re-elected. The post of the President of Administration Board has to fall on necessarily on a board member not executive of the Company.
1. The Chairman, as the maximal responsible of the Board's efficiency, will call and preside the meetings of the Administration Board, creating their Agenda, ensuring, with the collaboration of the Secretary, that the counsellors receive previously enough information to discuss the Agenda items, directing and stimulation the discussion and the active participation of the counsellors during the Board sessions, safeguarding their free decision making and freedom of expression, organising and coordinating with the relevant Commission Presidents the periodic evaluation of the Administration Board and its Commissions, as well as, the Chief Executive Officer's, if needed.
2. The Board may appoint the individuals, and in the conditions that it deems convenient, the board deputies or the technical counsellors, as non-voting attendants. The Administration Board will appoint, upon report of the Board for Appointments and Retributions, a Secretary, may choose a Deputy Secretary that may or not be counsellors, in which case they will assist to the meetings as non-voting attendants. The appointment of the Secretary and Deputy secretary, if relevant, will be for an indefinite period, if the appointed individual is not a counsellor, and if he/she is a counsellor, the length of these charges cannot be



longer than his/her term as counsellor, without prejudice of his/her removal and re-election by Board agreement. The Secretary, as well as his/her roles assigned by Law and the By-Laws or the Administration Board Regulation, must perform the following:

- i. Keep the documentation of the Administration Board, record in the minute books the development of the sessions and attest their content and the adopted resolutions.
  - ii. Watch that the Administration Board actions adjust to the regulation in force and are in accordance with the by-laws and other internal regulations.
  - iii. Assist the Chairman so that the counsellors receive the relevant information for the exercise of their function with enough time and in the correct format.
3. The Chairman will be substituted, in case of absentee or unavailability, by the Deputy President and if there is more than one, in order and if there is no Deputy President, by the oldest counsellor. The Secretary will be substituted, in case of absentee or unavailability, by the Deputy secretary and if there is none also, by the counsellor that the Board will design every time.
4. Also the Board can accept the resignation of its members, provide among the shareholders the vacancies that can occur until the following General Meeting is held and regulate its own operation in what is not expressly regulated by the Law and these By-Laws.

To this effect, the Administration Board will approve a Regulation in which its operation and internal system regulations will be contained, as well as the ones that regulate the Audit and Control Commission, the Appointment and Retributions Commission and the rest of Commissions, which creation is decided by the Administration Board.

The Administration Board will inform about the content of the Regulation and its amendments in the next General Meeting of Shareholder closer to the Administration Board meeting in which these agreements have been adopted.

### **Artículo 35. Faculties**

The Administration Board will exercise all the necessary functions and faculties for the development of the business that constitutes the corporate purpose, having the largest powers to direct, administrate, dispose of the goods and represent the Company, in and out of court, being empowered to reach all kind of agreements and acts related with the corporate purpose, even if they involve acquisition, disposal or encumbrance of buildings, strengthening of foreign business or transactions, without any limitations, as the Administration Board is invested with all the faculties that, as an individual, correspond to the Society, except for actions that the Law or By-Laws reserve exclusively for the General Meeting.



The Administration Board faculties that will be established in the Law cannot be delegated, without prejudice of those that are mentioned in the provision 27 of the current By-Laws.

**Artículo 36. Executive Commission and Chief Executive Officer**

1. The Administration Board may appoint an Executive Commission and a Chief Executive Officer, from its own members, and delegate permanently, on the Chairman, all or part of the faculties, that legally, statutorily or in accordance with the Administration Board Regulation can be delegated, without prejudice of the empowerments that could be conferred to any individual. The composition of the Executive Commission will be, regarding the participation in diverse categories of counsellors, similar to the Administration Board's.
2. The permanent delegation of any Administration Board faculty on any of the counsellors, or on the Executive Commission, and the appointment of the counsellors that should hold such positions, will require for their validity the vote in favour of, at least, two third parts of the Board components, and will have no effect until their inscription in the Commercial Register.

**Artículo 37. Operation of the Executive Commission**

1. The Administration Board, when creating the Executive Commission, will determine its faculties and will appoints the counsellors that have to integrate it.
2. The Executive Commission will be called by its Chairman, or by own initiative, or when two (2) of its members request it, through letter, telegram, e-mail or telefax, addressed to each of its members at least forty-eight (48) hours before the date of the meeting, but it could be immediately called twenty-four (24) hours before because of emergency reasons, in which case, the agenda of the meeting will be restricted to the items that have motivated the emergency.
3. In case of absentee or unavailability of the Executive Commission Chairman, or if this position is vacant, it can be called by the longest established Commission member in the position and, in case of equally established individuals, the oldest. For legal entities, the age of the representative natural person will be considered, to this effect.
4. The meetings will be held in the registered office of the Company or in any place appointed by the Chairman and indicated in the call.
5. For the valid constitution of the Executive Commission it is required that, present or represented, the majority of its members assist.
6. The absent individuals may choose to be represented by another member of the Executive Commission, by writing directed to its Chairman.
7. The debates will be conducted by the Chairman, who will give the floor to the attendants that request it.



8. In absence of the Executive Commission Chairman, or if his/her position is vacant, his/her roles will be carried out by the member of the Commission that will be chosen for this purpose by the majority of the attendants to the meeting.
9. The agreements will be adopted by absolute majority of the Commission members.
10. In case of a tied vote, the subject will be passed to the Administration Board, for which the Executive Commission members will request a call in accordance with what has been stipulated in the article 32 of these By-Laws, unless a meeting of this body has already been called in the next thirty natural days, in which case the Commission will request the Board Chairman to include in the agenda of that meeting the items on which there was a tied vote.

### **Artículo 38. Retribution**

1. The counsellor position is remunerated.
2. The retribution of the counsellors in this condition, for all the Administration Board, will consist of a participation in the net profits, that must not exceed two per cent (2%) of the period result attributed to the Society in the annual accounts consolidated of the Group from which the company is the parent company, once the Legal Reserve attentions are covered, and after a minimum dividend of four per cent (4%) of the nominal value of the shares has been paid to the shareholders. The percentage that corresponds to each period will be establish by the General Meeting.
3. The Board will distribute among its members the retribution agreed by the General Board, considering their roles and responsibilities exercised by each of them in the Board or the internal Commissions and other criteria determined in the Administration Board Regulation.
4. Without prejudice of the above-mentioned, the counsellors will receive a retribution for their attendance in the Board and Internal commissions meetings. To this effect, the General Board will determine the amount that corresponds to each period for this concept, and that will be distributed by the Board among its members considering their effective attendance in the Board and Internal commissions of which they are members meetings.
5. Additionally, the Company will maintain in any case a civil responsibility insurance for its counsellors.
6. In accordance with the agreement that the General Board will adopt regarding this matter, the counsellors' retribution can consist, also, and apart from what has been established in the former sections, in the delivery of shares or options on shares, or referenced retributions to the values of the Company shares.
7. The counsellors' retribution will in any case have a reasonable proportion with the importance of the company, its financial situation at each moment and the comparable company's market standards. The retribution system established will



have to be oriented to promote long-term profitability and sustainability of the Company and integrate the needed precautions to avoid excessive risk-taking and the compensation of unfavourable results.

8. The retributions planned in the former sections, owing to the Administration Board membership, will be compatible with the other work perceptions, of service or professional that correspond to the Counsellors for their directive, executive, assessment or other different nature functions different from supervision and decision-making proper to their counsellor condition, which, if needed, they develop for the Company, that will be determined by the Administration Board in accordance with what has been established in the counsellors remuneration policy approved by the General Board and that will be included in a contract that will be held among the counsellor and the Company, that will have to be previously approved by the Administration Board with the vote in favour of, at least, two third parts of its members, and having to be integrated as an annex to the session minutes. The affected counsellor will have to refrain from assisting in the discussion and participating in the voting.

This agreement, that will have to be in accordance with the Company remuneration policy, will have to contain all the mentions required by the Law and, in particular, will include all the concepts for which the counsellor can obtain a retribution for his executive functions performance.

9. The Administration Board will elaborate an annual report about the counsellors remuneration, containing the Company remuneration policy approved by the General Board applied to the current period, the global summary as to how the retribution policy was applied during the period as well as the individual retributions detail earned for all the concepts by each of the counsellors, that will be diffused and submitted to voting, in a consultation basis and as a separate item of the Agenda, to the Ordinary General Meeting of shareholders by the terms established in the Law.

### **Section 3rd. About the Board Commissions**

#### **Artículo 39. About the Administration Board Commissions**

1. The Administration Board will have to create and maintain among its members, permanently and internally, an Audit and Control Commission and an Appointment and Retributions Commission, with their legally established competences, in the current By-Laws, in the Administration Board Regulation and, if relevant, in the own Commission Regulation, having to foster the independence in the exercise of their roles.



2. Without prejudice of the above-mentioned, the Administration Board may also constitute other internal Commissions, with the attributions, composition and operational system that the Administration Board itself will determine in each case.

**Artículo 40. The Audit and Control Commission**

1. The Administration Board will count with an Audit and Control Commission without executive functions and with information, assessment and proposal in its actuation sector faculties, that will be composed by a minimum of three (3) and a maximum of six (6) counsellors, appointed by the Administration Board upon report to the Appointment and Retributions Commission, for a period not longer than the counsellors' term and without prejudice of being re-elected indefinitely, as long as they are also re-elected as counsellors. The totality of the Audit and Control Commission members will have to meet the condition of non-executive counsellors, most of their components must be independent counsellors, of which one will be appointed, considering his/her knowledge and experience in finance, auditing or both.
2. The Commission will choose among its independent members a Chairman, and additionally they may choose a Deputy Chairman. The term of this positions cannot exceed four (4) years or their term as members of the Commission, but they can be re-elected once a year has passed after their ceasing.

The individual that, without having to be a counsellor, is designated by the Commission, will act as the Secretary, and if relevant Deputy Secretary.

3. The members of the Commission can be assisted in their sessions by the individuals that, with advisor qualities and up to two (2) for each of the members, they consider necessary. These advisers will assist in the meetings as non-voting attendants.
4. Without prejudice of the other roles that are attributed by the Law, the current By-Laws and Board Regulation, to the Audit and Control Commission, it will have the following competences:
  - a) Inform the General Meeting of Shareholders about the matters that raise regarding subjects that are the Commission's competence.
  - b) Supervise the efficiency of the Company internal control, the Company internal audit services and the risk management services, including the tax, as well as discussing with the accounts auditor the important weaknesses of the internal control system detected during the audit development.
  - c) Supervise the elaboration and presentation process of the perceptive financial information.
  - d) Bring to the Administration Board the selection proposals, appointment, re-election and external accounts auditor substitution, as well as its recruitment





conditions and gather information regularly from him about the audit plan and its execution, as well as preserving his/her independence in the exercise of his/her roles.

- e) Establish the appropriate relations with the external audit to receive information about those matters that could risk its independence, for its Commission examination, and any other related with the development process of the accounts audit, as well as those other communications planned in the accounts audit legislation and in the audit regulations. In any case, they will have to receive annually from the external auditors, the declaration of its independence in relation with the Company or entities linked to it direct or indirectly, as well as the information of the additional rendered services of any class and these entities corresponding fees received by the external audit or by the individuals or linked entities in accordance with what has been stipulated in the legislation about accounts audit.
- f) Issue annually, before the accounts audit report is issued, a report that will express an opinion about the independence of the accounts auditor. This report should include, in any case, the assessment of the additional services provision to which it is referred in the previous sections, considered individually and as a group, different from the legal audit and in relation with the independence system or with the audit regulating regulation.
- g) Inform, as soon as possible, the Administration Board about all the subjects planned in the Law, the current By-Laws and The Board Regulation and particularly about:
  - 1º. the financial information that the Society must periodically make public, and
  - 2º. the creation or acquisition of participation in entities of special purpose or registered in countries or territories that are considered tax havens.
- h) Those others that, if relevant, these By-Laws or the Board Administration Regulation may attribute to.

What has been established in the letters d), e) and f) of the previous section will be understood without prejudice of the accounts audit regulation rules.

- 5. For its operation, the Commission will meet, as considered by its chairman, as many times as needed to accomplish its roles and at least once every three months.
- 6. It will be valid, when present or represented, the majority of the members, adopt its agreements by absolute majority of its present or represented members. In case of a tied vote, the Chairman will have a casting vote.
- 7. The Audit and Control Commission will prepare an action plan for the period that the Administration Board will present, as well as a report about its activity during



the period, that will be used as the assessment basis that the Administration Board will perform, with annual frequency, of its operation and its Commissions in order to propose, based on the result, an action plan that will correct the detected weaknesses.

8. Through the Administration Board Regulation these regulations regarding the Audit and Control Commission will be developed, benefiting always the independence in its operation.

**Artículo 41. The Appointments and Retributions Commission**

1. The Administration Board will count on an Appointments and Retributions Commission without executive roles, that will be composed by a minimum of four (4) and a maximum of six (6) counsellors, appointed by the Administration Board, that will be exclusively integrated by non-executive counsellors, of which at least two will have to be independent counsellors. The term of its members cannot be for a period longer than the counsellors' term, without prejudice of being re-elected indefinitely, as long as they are also re-elected as counsellors.
2. The Commission will choose the Chairman of among its independent members. Additionally, the Commission will count with a Secretary as a non-voting attendant that does not need to be a counsellor.
3. The Appointments and Retributions Commission will have report, assessment and proposal regarding appointment, re-election, ratification and ceasing of counsellors competences, retributions of the counsellors and senior managers of the Company and conflict of interest situations, as well as operations linked and, without prejudice of the rest of the functions that the Law, the By-Laws or, in accordance with them, the Administration Board Regulation will attribute to it, will have minimum the following:
  - a) Assess the competences, knowledge and experience needed in the Administration Board. To this effect, define the functions and abilities needed in the candidates that will have to cover each vacancy and evaluate the time and dedication required to be able to undertake efficiently this role.
  - b) Establish a representation goal for the less represented gender in the Administration Board and plan orientations about how to achieve this goal.
  - c) Take to the Administration Board the independent counsellor's appointment proposals for their designation by co-option or for its submission to the General Meeting of Shareholders decision, as well as the proposals for re-election or separation of these counsellors by the General Meeting of Shareholders.
  - d) Inform the appointment proposals of the rest of the counsellors for their designation by co-option or for its submission to the General Meeting of



Shareholders decision, as well as the proposals for re-election or separation by the General Meeting of Shareholders.

- e) Inform the appointment proposals and separation of senior managers and the basic conditions of their contracts.
  - f) Examine and organise the succession of the Administration Board Chairman and the first executive of the Company and, if relevant, bring proposals to the Administration Board so that this succession is done in a planned and orderly manner.
  - g) Propose to the Administration Board the counsellors and the general managers retributions policy or of the individuals that develop their senior management roles under the Board's, the Executive Commission's or the Chief Executive Officer's direct dependence, as well as the individual retribution and the rest of contractual conditions of the executive counsellors, watch its observance.
  - h) Inform, as soon as possible, the Administration Board about all the subjects planned in the Law, the current By-Laws and The Board Regulation and particularly about the linked operations.
4. For its operation, the Commission will meet, as considered by its chairman, as many times as needed to accomplish its roles and at least once every three months.
  5. It will be valid, when present or represented, the majority of the members, adopt its agreements by absolute majority of its present or represented members. In case of a tied vote, the Chairman will have a casting vote.
  6. The Appointments and Retribution Commission will elaborate an action plan for the period that he will provide to the Administration Board, as well as an activity report during the period that will be used as the assessment basis by the Administration Board.
  7. Through the Administration Board Regulation these regulations regarding the Appointments and Retribution Commission will be developed, benefiting always the independence.



**FOURTH TITLE**  
**ABOUT THE ADVISORY BOARD**

**Artículo 42. The Advisory Board**

1. The Administration Board may design an Advisory Board that will be composed by a minimum of three (3) and a maximum of nine (9) members. Additionally, the Administration Board will have to inform about the appointment and termination of the individuals that, at any moment can be part of this Advisory Board.
2. The Advisory Board is a consultation body of the company and will have as a mission to assess the General Board, the Administration Board and its Commissions, the Chief Executive Officer and senior managers of the Company.
3. The member of the Advisory Board need to have the requirements on knowledge, experience and professionalism needed so that the Advisory Board can undertake efficiently its functions and competences. The same system of diligence duties of a methodical businessperson will be applied to the members of the Advisory Board, considering the nature of the position and the functions attributed to each of them, and loyalty to which the Company counsellors are submitted, acting in good faith and in the best interest of the Company.
4. The Advisory Board member position will be remunerated. The retribution will consist of attendance allowance to the meetings of the Advisory Board, which amount will be determined by the Administration Board, upon report of the Appointment and Retributions Commission.
5. The Advisory Board will choose among its members a Chairman that will direct the meetings, will call them by own initiative or under request of any of its members, and will certify its reports.
6. In whatever has not been planned in the article, and especially in relation with its operation and agreement adoption system, the Advisory Board will be conducted by what has been stipulated in the By-Laws of the Administration Board.
7. The Advisory Board will have as a mission:
  - a) Submit proposals to the bodies that it assesses in the scopes of its respective competences.
  - b) Inform the Company about the image that it offers in the sector, in the business community or in society.
  - c) Study and inform the subjects that are submitted by the bodies that it assesses.



- d) Inform about new business possibilities or activities, both in Spain and abroad, as well as the amendments that it considers more adequate to ensure a higher stability, development and profitability of the company.

## **FIFTH TITLE**

### **ABOUT THE FINANCIAL PERIOD AND ANNUAL ACCOUNTS**

#### **Artículo 43. About the financial period**

The financial period will correspond with the natural year.

#### **Artículo 44. Drafting of the annual accounts**

The Company, in accordance with what has been established in the Business Code, should have an ordered accounting, adequate to the activity of the company that will allow a chronological monitoring of the operations, as well as the creation of inventories and balances. The accounting books will be legalised by the Commercial Register corresponding to the registered office place.

The Administration Board is obliged to inform, in a maximum delay of three (3) months from the closing of the financial period, the annual accounts, the management report and the result application proposal, as well as, if needed, the consolidated accounts and management report. The annual accounts will have to be written clearly and show the true image of the assets, the financial situation and the Company results, in accordance with what has been established in the Law and the Commercial Code and they will have to be signed by all the counsellors. If any of the signatures is missing, the lack of documents in each of them will be noted, with express indication of the reason.

#### **Artículo 45. Result application**

1. The General Board will take a resolution about the application of the period result, in accordance with the approved balance.
2. Once the provision for the legal reserve is covered, the minimum dividend of the shares without voting and other legal attentions and statutorily established, the Board will apply the exceeding benefit to dividend, counsellors' retribution, voluntary reservation, provision found for investments or any other legally permitted attention, thereby fulfilling what has been established in the Law and these By-Laws.
3. If the General Board decides to distribute the dividends, it will determine the moment and method of payment. The determination of these extremes and any other that could be necessary or convenient for the agreement's effectiveness can be delegated to the Administration Board.



4. The General Board can agree that the dividend be totally or partially satisfied in kind, as long as the goods or object values of distribution are homogeneous, are admitted for negotiation in an official market at the moment of effectiveness of the agreement or the liquidity procurement is correctly ensured by the Company in the maximum delay of a year and they are not distributed for a lower value than the one they have in the Company balance.
5. The dividends distribution to the ordinary shares will be done in proportion to the share capital that has been disbursed.

**Artículo 46. Accounts deposit**

In the month following the annual accounts approval, the Administration Board of the Company will present, for its deposit in the Commercial Register of the registered office, certification of the agreements of the General Board of approval of these annual accounts, correctly signed and of result application, as well as, of the consolidated accounts, to which it will attach a copy of each of these accounts, as well as the management report and the auditor's report.

**SIXTH TITLE**

**DISSOLUTION AND LIQUIDATION**

**Artículo 47. Dissolution**

The Company will be dissolved for reasons indicated in the Law. If the dissolution is owing to the reduction of the financial assets to a value lower than half of the capital, the dissolution can be avoided through agreement of increasing or reducing the share capital or by reintegration of the financial assets as needed. This regularisation will be efficient if it is done before the judicial dissolution of the Company is declared.

**Artículo 48. Liquidation**

Unless something else is agreed by the General Board, during the liquidation period, the counsellors will assume the roles of liquidators with the faculties indicated by the Law and will practice the liquidation and division of the corporate assets in accordance with the agreements of the General Meeting and the current dispositions.

**Artículo 49. Division of the corporate assets**

Once all the corporate creditors are satisfied or once the amount of their credits is consigned, if they are expired, or ensured before the payment, if it is non-expired credits, the resulting asset will be distributed among the partners in accordance to the Law.

**SEVENTH TITLE**



**Article 48<sup>th</sup>. Bond issue**

The company can issue bonds or other values that recognise or create a debt, in accordance with the established limits and legal system.

The bonds can be represented through titles or notes in account, these last ones being limited by the legal dispositions that will apply on them.

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## TO THE AGREEMENT PROPOSALS SUBMITTED TO VOTING UNDER THE ITEM 5 OF THE AGENDA (AMENDMENT OF THE GENERAL BOARD REGULATION)

### II.- Amendment of the General Board Regulation (Item 5 of the Agenda)

In accordance with the Administration Board report that has been available to the shareholders since the General Meeting call, the modification of the following articles of the General Board is proposed, which resulting redaction, in case of approving the agreement proposal, would be the following:

#### 5.1. Amendment of the Preamble and incorporation of the new articles 1 ("Validity and amendment", 2 ("Interpretation") and 3 ("Publication") of the new Preliminary Title ("General provisions").

##### "PREAMBLE"

*In accordance with what has been established in the article 512 of the Spanish Corporation Law (Legislative Royal Decree 1/2010, of 2 July), the quoted companies have to approve a specific regulation for the General Board. The current Regulation of the General Meeting of Shareholders of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. (hereinafter, the "**Company**") has a threefold purpose. In the first place, it reinforces the transparency that should conduct the operation of corporate bodies, by making public their General Meetings preparation and holding procedures; in the second place, it defines the exercise of political rights of the shareholders on the occasion of the call and holding of General Meetings, by developing what is established in the By-Laws and the recommendations of good governance; and, in third place, unifies in a unique text all the rules in relation with the General Meeting of Shareholders, facilitating the knowledge that any shareholder can have about the operation of the Company's biggest body".*

##### **NEW "Article 1. Validity and amendment"**

- 1. The competence for the approval and amendment of the current General Meeting of Shareholders Regulation (the "**Regulation**") corresponds to the General Board. Once approved, they will be applied to the General Meetings that will be called from the date of its approval.*
- 2. The Administration Board can propose to the General Board amendments to the Regulation when considered convenient or necessary, accompanying its proposal with a report that justifies this amendment".*





#### **NEW "Article 2. Interpretation**

1. *The current Regulation completes and develops the system applied to the General Board contained in the regulation applied and in the By-Laws. Should there be any discrepancy between what has been established in this Regulation and the By-Laws, what has been stipulated in the By-Laws will always prevail.*
2. *The doubts that could appear in relation with its interpretation will be resolved by the Administration Board in accordance, with preference for the law, and in what the law does not contradict the corporate governance system of the company -integrated by corporate policies, internal regulations of corporate governance and other codes and internal procedures approved by the competent bodies of the company- and the recommendation of good governance of general recognition in the international markets, all of this in the frame of social interest that will propose, if relevant, the amendments deemed relevant. The ones that could arise in relation with its application and interpretation during the holding of the General Board will be resolved by its Chairman".*

#### **NEW "Article 3. Publication**

1. *The Company's Administration Board will have to adopt precise measures to ensure the diffusion of this Regulation and its amendments among the shareholders and the investor public.*
2. *In any case, the Regulation and its amendments will be communicated to the National Commission of Market Values and of registration in the Commercial Register, also being available in the Company's website."*

### **5.2. Amendment of the articles 1 (General Meeting of Shareholders"), 2 ("Types of Meetings") and 3 ("Functions of the Board") of the Title I ("Concept, types and functions of the General Meeting of Shareholders").**

#### **"Article 1. General Meeting of Shareholders [that becomes article 4]**

1. *The General Meeting of Shareholders is the biggest decision body of the Company in matters proper to its competence.*
2. *The agreements of the General Board correctly constituted, adopted in accordance with the By-Laws, the current Regulation and legal dispositions in force, will oblige all its shareholders, even the absent ones, the ones that refrain from voting and the dissidents, without prejudice of the rights and actions of all class that could correspond to them in accordance with the Laws in force.*



3. *The Company will ensure, at all moment, the equality of treatment of all the shareholders that are in the same position in relation with the information, participation and exercise of voting right in the Meeting".*

**"Article 2. Types of Meetings [that becomes article 5]**

1. *The General Meeting can be Ordinary or Extraordinary.*
2. *The Ordinary General Meeting, previously called to this effect, will meet necessarily in the six (6) first months of each period, to approve, in this case, the corporate management and the former period accounts, as well as to resolve about the result of application, and to approve, in this case, the consolidated accounts, without prejudice of its competence to treat and agree any other matter that appears in the Agenda, if the number of shareholders and the requested legal or statutory capital concur, depending on the occasion. The Ordinary General Meeting will be valid even if it has been called or held after the deadline.*
3. *Any Meeting that is not the one planned in the former paragraph will be consider Extraordinary General Meeting".*

**"Article 3. Competences of the General Meeting [that becomes article 6]**

*The General Meeting of Shareholders will decide about the matters of competence in accordance with the Law, By-Laws or the current Regulation and, in particular, about the following:*

- a) *The approval of annual accounts, the application of the result and the approval of the corporate management.*
- b) *The appointment, re-election, ratification and separation of counsellors, as well as the appointment and separation of the liquidators and, in this case, of the accounts auditors, as well as the exercise of the responsibility corporate action against any of them.*
- c) *The amendment of the By-Laws.*
- d) *The increase and decrease of the share capital, as well as the delegation in the Administration Board of the faculty to increase the share capital, in which case also the faculty to exclude or limit the right of pre-emptive subscription can also be attributed, in the terms established by the Law.*
- e) *The issuance or creation of new share types or series.*
- f) *The bond and other assets issue and the delegation in the Administration Board of the issuance faculty.*
- g) *The deletion or limitation of the pre-emptive subscription right.*
- h) *The acquisition, disposal or contribution of essential assets to another company; as well as the transfer to depending entities of essential activities developed up to the moment by the Company, even though she has full domain over them.*

*These activities and operative assets will be presumed of essential nature when the operation volume overpasses twenty-five per cent (25%) of the balance total assets.*



- i) *The amendment, fusion, excision, global ceasing of assets and liabilities and the transfer of the registered office abroad.*
- j) *The dissolution of the Company.*
- k) *The approval of the final liquidation balance.*
- l) *The operations which effect is equivalent to the Company's liquidation.*
- m) *The remuneration policy of the counsellors in the terms establishes in the Spanish Corporation Law.*
- n) *Any remuneration system or incentives to counsellors or senior managers consisting in the delivery of shares, options on shares or being referenced in any way with the share value.*
- o) *The authorisation for the acquisition of own shared in the legal limitations.*
- p) *The approval and amendment of the current Regulation.*
- q) *Any other matters that the Law or the By-Laws define".*

**5.3. Amendment of the articles 4 ("Call of General Meeting"), 5 ("Call notice"), 6 ("Information available from the date of call"), 7 ("Right of information previous to holding of the General Meeting") and 8 ("Delegations") of the Title II ("Call and preparation of the General Meeting").**

***"Article 4. Call of the General Meeting [that becomes article 7]***

1. *Without prejudice of what has been established in the Spanish Corporation Law about the Universal Meeting and the judicial call, it corresponds to the Administration Board, and in its case, to the Company liquidators, the call for the General Meeting of Shareholders, which should take place:*
  - a) *On a date that would allow its holding during the first six (6) months of the period, if it is and Ordinary General Meeting.*
  - b) *When the Administration Board considers it is relevant for the corporate interests, in the case of Extraordinary General Meetings.*
  - c) *In any case, when requested, through an attorney request, the shareholders that own at least three per cent (3%) of the share capital, by expressing in the request the matters to treat in the Meeting. In this case, the Meetings should be called to be held in the two (2) months following the date in which the attorney request was presented to the Board to call it, including necessarily in the Agenda the items that induced this request.*



d) *In other cases planned in the Laws and By-Laws.*

2. *If the General Meeting is not called during the corresponding legal or statutory established period, it can be called, under request of any partner, by the commercial judge of the registered office, and prior hearing of the Administrators.*

*If the Administration Board does not attend in due time the call for the General Meeting request realised by the minority described in the previous section 1.c and under the terms specified, the commercial judge of the registered office can call the meeting, prior hearing of the Administrators.*

3. *The Ordinary General Meeting will be valid even if it has been called or held after the deadline. If the correctly called General Meeting, being of any time, cannot be held upon first call, and in the notice a second date was not planned, the holding of the second one has to be announced, with the same Agenda and the same publication requirements than the first one, in the fifteen (15) days following the date of the non-held Meeting and with at least ten (10) days prior to the date fixed for the meeting.*
4. *In case of decease or of ceasing of the majority of the Administration Board members, any shareholder can request that the commercial judge of the registered office calls a General Meeting to appoint the administrators. Additionally, any of the administrator that remains in its position can call the General Meeting with this unique matter."*

**"Article 5. Call notice [that becomes article 8]**

1. *The General Meeting of Shareholders call, both Ordinary and Extraordinary, will be performed by a notice published in the Official Newsletter of the Commercial Register or in one of the newspapers of great circulation in Spain, in the Company website and in the National Commission of Market Values, at least one month before the date planned for the holding of the Meeting.*

*However, the Extraordinary General Meetings can be called with a minimum anticipation of fifteen (15) days. The reduction of the call period will require an express agreement adopted during the Ordinary General Meeting for, at least, two thirds of the subscribed capital with voting rights, and which validity cannot overpass the date of the following meeting date.*

*The administration body will value the opportunity of diffusing the call notice in a larger number of social communication means.*

2. *The call notice will contain:*



- a) *The Corporate name, the place, date and hour of the meeting for the first and, if needed, second call, leaving between the first and the second meeting, at least, a twenty-four (24) hour delay, as well as the position of the individual or individuals that call the meeting.*
  - b) *The Meeting Agenda, written with clarity and precision, that will include the matters that have to be treated in the meeting, and the Agenda items should not avoid the voting of those independent matters, so that the shareholders can exercise separately their voting preferences*
  - c) *The date in which the shareholder will have to register the shares in order to be able to participate and vote in the General Meeting, as well as the means to identify his/her ownership for the Company.*
  - d) *The place and method in which the complete text of the documents and agreement proposals can be obtained, as well as the Company website address in which the documentation will be available.*
  - e) *Clear and exact information of the treatments that the shareholders have to realise to participate and cast their vote in the General Meeting, including, in particular, the following extremes:*
    - *The rights of requesting information, of including items in the Agenda, and of presenting agreement proposals, as well as the exercise period. When it is informed that in the Company website more detailed information about those rights can be obtained, the publication can be limited to informing the exercise period.*
    - *The system for casting the vote by representation, with special indication of the forms that have to be used for the delegation of the vote and the means that have to be used for the Company to accept conferred representations notification by electronic means.*
    - *The established procedure for the absentee ballot, by postal mail or by electronic means.*
3. *Additionally, in the Meeting call notice, the following should appear:*
- a) *When it is the Ordinary General Meeting, the right of any shareholder to obtain from the Company, immediately and free of charge, the annual accounts and any documents that have to be submitted to the Meeting approval, as well as the management report and the accounts audit report.*
  - b) *When in the Agenda appears any amendment of the By-Laws, the right of all the shareholders to examine the complete text of the proposed amendment in the registered office and its report, as well as asking for the delivery or free sending of these documents.*
  - c) *When in the Agenda appears the approval of the Counsellors remunerations policy, the rights of all the shareholders to request the delivery or free sending of the proposal motivated by the referred policy and the specific report of the Appointments and Retributions Commission.*



4. *The Agenda that appears in the call will be determined by the Administration Board, without prejudice of the right that assists the shareholders that represent, at least, three per cent (3%) of the share capital, to request that a complement to the Ordinary General Meeting call be published including one or more items for the Agenda, if the new items are accompanied of a justification or, in some cases, of a justified agreement proposal. The exercise of this right, that in no case will proceed regarding the Extraordinary General Meetings, will have to be done by due notification, that will have to be received in the registered office in the five (5) days following the call publication. The complement of the call will have to be published minimum fifteen (15) days prior to the date established for the Board meeting. The lack of publication of the call complement in the legal period fixed will be cause of complain to the Board.*
  
5. *The shareholders that represent, at least, three per cent (3%) of the share capital, can, in the five (5) days following the publication of the call, present proposals founded in accordance with matters already included or that should be included in the Agenda of the called Meeting.*

*The Company will ensure the diffusion, as they are received, among the rest of shareholders, of these proposals and of the documentation that will accompany it, and publishing them continuously in its website".*

**"Article 6. Available information from the call date [that becomes article 9]**

*The Company will put at the disposition of its shareholders, from the publication of the call notice and up to the holding of the General Meeting, in its registered office, and will publish continuously through its website, at least, the following information:*

- a) *The complete text of the call notice.*
  
- b) *The total number of shares and rights of vote on the call date.*
  
- c) *The complete texts of all the agreement proposals on all and each of the items included in the Agenda or, in relation with those items of information nature only, a report of the competent bodies commenting each of those items, as well as the agreement proposals presented by the shareholders, as they are received.*
  
- d) *When the proposal consists in the appointment and ratification of counsellors, the following information regarding them will also be included: (i) the professional and biographical profile; (ii) other Administration Boards to which he/she pertains, being or not quoted companies; (iii) indication of the Counsellor category to which he/she pertains, informing, in the case of Proprietary Directors, the shareholder at whose request the appointment, ratification or re-election is proposed, or with whom they are linked; (iv) date of first appointment as Company Counsellor, as well as the further ones; (v) Company shares and options upon them of its owner; and (vi) proposal and reports required by Law.*



*If it is a legal entity, the information must include the corresponding natural person that will be appointed for the permanent exercise of the functions proper to the position.*

- e) The documents that have to be presented to the General Board and, in particular, the Board, accounts auditors and independent experts reports that, in accordance with the Law or By-Laws, have to be available to the shareholders about the matters included in the Agenda from the day of call.*
- f) Information about the communication flows between the Company and the shareholders to the effects of being able to gather information or make suggestions, in accordance with the regulation in force.*
- g) The means and procedures to appoint a proxy in the General Meetings as well as to cast and absentee ballot. In particular, the forms to accredit the assistance and exercise of vote by representation or by absentee ballot in the General Meeting, with the exception of when they are directly send by the Company to each shareholder. If because of technical reasons they cannot be published in the website, the Company will have to indicate how to obtain the forms in paper format that it will send to all the shareholders requesting it.*
- h) Terms of use of the Electronic Forum of the Shareholder".*

**"Article 7. Right of information prior to the holding of the General Meeting [that becomes article 10]**

- 1. Up to the fifth (5) day before the one set for the General Meeting holding, upon first call, the shareholders may request the information or clarifications or submit in writing the questions that they deem necessary regarding the Agenda items, the information accessible to the public that was provided by the Company to the National Commission of Market Values, from the holding of the last General Meeting and in relation with the auditor report.*
- 2. The information requests can be done using the e-mail, that will be informed for the shareholders to this effect in the Company's website for each General Meeting or, submitted in writing addressed to the "Trade and Investors Relation Department" in the registered office, personally or by delivering it by any postal mail or messenger means. What has been stipulated in this article is understood to be without prejudice of the rights of the shareholders of obtaining the documents in paper format and of requesting free delivery when the Law establishes it.*
- 3. The information demands regulated in this article will be answered in written, once the identity and condition of the requesting shareholder is verified, up to the day of the General Meeting of Shareholders, before its holding.*
- 4. The Board will be obliged to offer the requested information except in those cases in which (i) that information is not needed for the tutoring of the shareholder rights; (ii) there are objective reasons to consider that it could be used for extra-corporate reasons or its publication may harm the company or the linked companies; or (iii) when legal dispositions establish it. The requested information*



cannot be denied when the request is supported by shareholders that represent, at least, twenty-five per cent (25%) of the share capital.

5. *The Administration Board can empower any of its members, as well as its Secretary and Deputy secretary, so that through the "Trade and Investors Relation Department" of the Company, the information requests of the shareholders are answered.*
6. *The valid information requests, clarifications or questions asked in written and the answers provided in written by the Administration Board will be included in Company's website.*
7. *When, prior to asking a concrete question, the requested information is available, clearly, expressly and directly for all the shareholder in the Company's website under the question-response format, the Administration Board can limit its answer to consult the information provided in that section".*

#### **"Article 8. Delegations [that becomes article 11]**

1. *The shareholders with assistance right can delegate their representation to another individual, even if he/she is not a shareholder.*

*In case that there were instructions on behalf of the represented shareholder, the representative will cast the vote and will have the obligation of conserving these instructions during a year from the corresponding Meeting holding date.*

*The representative can be the proxy of more than one shareholder without limitation in regards to the number of shareholders represented. When a representative is the proxy of many shareholders, he/she can cast votes of different signs considering the instructions given by each shareholder.*

*The entities that are legitimised as shareholders in virtue of the shares counting registry but that act in the name of different individuals, can in all cases fraction the vote and exercise it in the divergent direction in accordance with the different vote instructions, if they received them.*

*The intermediary entities to which the former paragraph refers can delegate the vote to each of the indirect owners or third persons designed by them, without being able to limit the number of provided delegations.*

*The delegation can also include those items that, even if they are not represented in the Agenda call, can be treated in the Meeting, as the Law allows it.*





*In any case, the number of represented actions will be computed for the valid constitution of the Meeting.*

*The representation can always be cancelled. The assistance of the shareholder to the Meeting, supposes the cancellation of any delegations, whenever its date is. In this sense the representations appointed before the cast of the absentee ballots will be considered cancelled, and the ones appointed after, will be considered as not presented.*

2. *The representation will have to be conferred in the terms and with the scope established in the Spanish Corporate Law, in written and with special nature for each Meeting, unless it is the partner, ascendant or descendent of the represented or general empowerment, in public document, to administrate all the assets that the represented shareholder has in the national territory.*

*The representation can be appointed also by postal correspondence, submitting by writing to the Company a document in which it states who is the appointed proxy, accompanied by the attendance card, delegation or representation and absentee ballots issued by the Company or entities in charge of controlling the registration of registry books. However, the attendance card, delegation and absentee ballot might be sufficient when the delegation might need to used it through postal correspondence.*

*The representation can also be appointed by electronic means or other distant communication means that, by guaranteeing correctly the identity of the represented and the representative and the safety of the electronic communication, the Administration Board determines on the occasion of each Meeting call, making it public in the call notice and the Company corporate website.*

*The regulation contained in the article 22 of the current Regulation, when possible, for the cast of absentee ballot, will apply to the proxy appointed by electronic means*

*The appointed proxy by any of the electronic means or other distant communication means will have to be received by the Company twenty-four (24) hours before the day planned for the General Meeting holding upon first call. If not, the representation will not be considered.*

*Everything that has been established previously will also apply to the cancellation of the appointed proxy.*

3. *The Chairman and the Secretary of the General Meeting will benefit of the largest faculties to admit the validity of the document or proxy accreditation mean, and*



*will only consider invalid those that lack of the minimal requirements and as long as they cannot be rectified.*

- 4. Before its appointment, the representative must inform with much detail the shareholder if there is a conflict of interest situation. If the conflict is posterior to his/her appointment and he/she has not informed the represented shareholder of its possible existence, he/she will have to inform him/her immediately. In both cases, by not having received new precise voting instructions for each of the items that the representative has to vote in the name of the shareholder, he/she will have to abstain from voting. In particular, a conflict of interest can exist, when the proxy is in one of the situations described in the article 523.2 of the Spanish Corporate Law.*
- 5. In cases where the Company's Counsellors, or any other individual or identity, ask publicly for representation, the regulations contained in the Spanish Corporate Law and the development regulation will be applied. In particular, the document in which the empowerment is notified will have to contain or have the Agenda as an annex, as well as the instructions request for the voting right exercise and the indication of the direction in which the representative will vote in case that there no instructions are provided, or if they are not clear.*

*The proxy can vote in different direction when there are ignored circumstances when sending the instructions and there is a risk of damaging the interests of the represented individual. If the vote is cast in a different direction than the instructions, the representative will have to inform immediately the represented, by writing in which he/she explains the reasons of the vote.*

*The public representation request can be also performed by electronic means in accordance with what has been planned in the current Regulation and other Company internal regulation.*

*It will be considered that there has been a public request when one individual represents more than three shareholders.*

- 6. Apart from complying with the duties stipulated in the previous section 5, if the Counsellors or another individual in his/her name or in name of any of them, have publicly requested representation, the Counsellor that obtains it will not be able to exercise his voting right corresponding to shares represented in those items of the Agenda where there is a conflict of interest, unless he/she has received precise voting instructions for each of the items. In any case, it will be understood that the Counsellor is in a conflict of interest situation regarding the following decisions:*
  - a) His/her appointment, re-election or ratification as a Counsellor.*
  - b) His/her destitution, separation or ceasing as a Counsellor.*
  - c) The exercise against himself/herself of the responsibility corporate action.*
  - d) The approval or ratification, when necessary, of Company operations with the corresponding Counsellor, companies controlled by him/her or that he/she represents or individuals that act on their own.*



7. *The Administration Board can develop the former plans, establish rules, means and procedures adequate to the technique status to tool the proxy appointment by electronic means, adjusting, in this case, to the related regulations and the By-Laws.*

*In particular, the Administration Board can: (i) regulate the use of alternative guarantees to the electronic signature for the proxy appointment by electronic correspondence; (ii) reduce the formed delay established for the reception by the Company of the conferred proxies by postal or electronic correspondence; and (iii) admit and authorise the Chairman and Secretary of the General Meeting or the individuals in which any of them delegate, to admit the representations received after the deadline, as long as the available means allow it.*

*In any case, the Administration Board will adopt precise measures to avoid duplications and ensure that whoever has appointed a proxy by postal or electronic correspondence is correctly legitimised by it in relation with what has been stipulated in the By-Laws and this Regulation.*

8. *The development rules that the Administration Board may adopt to protect what has been stipulated in the current article will be published in the Company website".*

**5.4. Amendment of the articles 9 ("Right and duty of participation"), 10 ("General Meeting Board"), 11 ("Constitution of the General Meeting of Shareholders"), 12 ("Intervention requests"), 13 ("Interventions"), 14 ("Information"), 15 ("Voting on motions"), 15 bis ("Casting of absentee ballot"), 16 ("Adoption of agreements and proclamation of result"), 17 ("End of the Meeting"), 18 ("Minutes of the Meeting"), 19 ("Publication of the agreements") and 20 ("Electronic forum of Shareholders"); and the incorporation of the new articles 13 ("Place and time of holding"), 14 ("Infrastructure and means"), 21 ("Conflict of interests") and 24 ("Provisional suspension and extension") of the Title III ("Celebration of the General Meeting").**

***"Article 9. Right and duty of attendance [that becomes article 12]***

1. *All the shareholders owners of one or more shares, even the ones without voting rights, have the right of attendance in the General Meeting, if their ownership is inscribed in the corresponding book-entry countable registry, at least five days before the holding of the Meeting date, and can prove it by showing, in the registered office, the corresponding legitimization certificate, attendance card, delegation and absentee ballot issued by the Company or by any other means admitted by the legislation in force.*
2. *The entities participating in the Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores S.A. (Iberclear) will be authorised by the Company to issue attendance cards to the Meeting for the shareholders, cards that also will be issued by the Company itself, after depositing the accreditation documents of the shares' ownership.*



For this goal, the Company will suggest to these entities the format of the attendance card that will have to be issued for the shareholders, so that the cards issued by these entities are uniform and integrate a code bar or another system that allows the electronic reading to make the computer calculation of the meeting attendants easier, as well as the formula to which the document has to adjust in order to delegate the representation in favour of another shareholder. The attendance card can integrate the identity of the represented unless it is expressly mentioned by the shareholder not to do so, as well as the supposed conflicts of interest.

3. *The members of the Administration Board will be obliged to assist to the General Meetings, but their presence is not needed for the Meeting to be valid. Also the Directorates, Managers, Technicians and other individuals that the Administration Board considers interesting that they assist to the Meeting and requests it, in order for the corporate matters to be in good hands and whose intervention during the Meeting, if requested, would be useful for the Company. The Chairman of the General Meeting can authorise the assistance of any other individual that he/she deems convenient, without prejudice of the Meeting's faculty to cancel this authorisation."*

#### **NEW "Article 13. Place and time of holding**

1. *The General Meetings will take place in the Spanish locality that, every time they are called, the Administration Board decides, on the day and time indicated in the call. If in the call the place of holding is not mentioned, it will be understood that the meeting will take place in the registered office.*
2. *The attendance to the General Meeting can be done by going to the place where the meeting will be held or, if desired, to other places that the Company will have mentioned in the call, and that are connected with that other one with any of the valid systems that will allow the recognition and identification of the attendants, the permanent communication among the attendants, independently from where they are, as well as the intervention and cast of vote, all of that in live. The main place will be located in the municipality of the registered office indicated in the call, but the accessory places will not need to be indicated. The attendants to any of the places will be considered, to all the effects related to the General Meeting, as attendants to the one and same meeting. The meeting will be held where the main place is."*

#### **NEW "Article 14. Infrastructure and means**

1. *The place destined for the holding of the General Meeting will have the staff, technical equipment and safety measures in accordance with the building characteristics and the importance of the event.*
2. *In guarantee of the attendants' security and the good development of the General Meeting, the safety and protection measure will be established, including the access control systems deemed adequate.*



3. *Additionally, in order to facilitate its diffusion, there will be audio-visual recording of the General Meeting. The development of the General Meeting can also be object of retransmission by any mean and, among others, through Internet video, and diffusion in social networks. The attendants may not use photography, video, image and/or sound recording devices, or similar equipment in the meeting where the General Meeting will be held, except if allowed so by its Chairman.*
4. *With enough time before the day planned to hold the General Meeting, the Company will prepare the human and technical equipment needed to have under control and computer calculation of the representation delegations that will be received with the corresponding voting instructions.*

*The day where the General Meeting is hold, the indicated place for the meeting will be prepared with the above-mentioned computer equipment -human and technical-, in order to control the entrance of the shareholders attending the meeting for the constitution quorum calculation of the General Meeting and the preparation of the attendants list."*

**"Article 10. Chairman, Secretariat and General Meeting Board [that becomes article 15]**

1. *The General Meeting Board will be composed by the Chairman, Secretary and the General Board.*
2. *The General Board will be chaired by the Administration Board Chairman. In case of absence or unavailability of the Board Chairman, he/she will be substituted by the Administration Board Deputy Chairmen in order, and if this order is not predetermined, in function of the longest established Counsellor member in the Company. If the Chairmen also miss, the Board will be chaired by the eldest Counsellor.*
3. *The General Meeting Chairman should:*
  - a) *Chair the meeting in such a way that the discussions take place in accordance with the Agenda.*
  - b) *Resolve the doubts that will appear in relation with the shareholders list and the content of the Agenda.*
  - c) *Give the floor to the shareholders that have requested it before the Meeting in writing and afterwards to the ones that request it orally or in writing during the Meeting, until it is considered that a matter has been discussed enough or the meeting flow is made difficult.*
  - d) *Indicate when the agreements votes will take place and inform of the voting results.*



- e) Generally, exercise all the faculties that are needed for the better development and order of the meeting, including the interpretation of what has been planned in this Regulation.

During the development of his/her functions, the Meeting Chairman will be assisted by the Secretary.

4. The General Meeting Secretary will be the same as the Administration Board's. In case of absence or unavailability of the Board Secretary, he/she will be substituted by the Deputy Secretary of the Administration Board, and if this one is also missing, the General Meeting's Secretary will be the individual designated by the concurring partners at the beginning of the meeting.
5. The General Meeting Secretary functions will be the following:
  - a) Inform the General Meeting, by delegation of the Chairman, of the attendance quorum to the General Meeting.
  - b) Read or inform briefly the agreement proposals text.
  - c) Resolve, next to the Chairman, the doubts, clarifications or reclamations that appear in relation with the attendants, delegations or representations list.
  - d) Write the General Meeting minutes.
  - e) And, generally, exercise by indication of the General Meeting Chairman, the necessary faculties of organisation, order and discipline that will be required for the correct development of the meeting and the adoption and formalisation of the agreements.
6. If, for any reason, during the General Meeting holding, the Chairman or the Secretary should leave during the exercise of their functions, the meeting will proceed in accordance with what has been stipulated in the former sections 2 and 4."

**"Article 11. Constitution of the General Meeting of Shareholders [that becomes article 16]**

1. In the place, date and time indicated in the General Meeting call and from two (2) hours before the beginning of the meeting, the shareholders or the valid proxies can present to the staff in charge of the registration the accreditation documents of their right to assist and represent. The right of assistance will be accredited through the presentation of the legitimation certification issued by the entities in charge of the Company's countable share registration, in which the registration in the name of the shareholder appears, at least five (5) days before the Meeting hosting date or by presenting the attendance card issued by the Company or by the participating entities in the Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores S.A. (Iberclear) that, to this effect, have been authorised by the Company.



*The shareholders that wish to vote through electronic means or other distant communication means will accredit their identity and shareholder condition in accordance with what has been stipulated in the article 22 of the current Regulation.*

- 2. The shareholders or their representatives that access the General Meeting holding place after the General Meeting has started the examination and discussion of the Agenda, will not be included in the attendants list.*
- 3. Before starting the Agenda, the list of attendants will be confirmed, expressing the nature or representation of all of them and the number of shares (proper or someone else's) that they concur*

*At the end of the list the number of present shareholders will be indicated (including the ones that have attended distantly) or represented, as well as the share capital amount of which they are owners, specifying the one that corresponds to the shareholders with voting rights.*

*The list of attendants will be at the beginning of the minutes or will be attached to it with an annex signed by the Secretary, with the agreement of the Chairman.*

- 4. The shareholders that cast their absentee ballots, in accordance with what has been stipulated in the article 22 of the current Regulation, will have to be taken into account as present in the General Meeting constitution.*
- 5. Once enough quorum is noticed, the General Board will be constituted, initiating in the place, day and hour fixed for its holding, upon first or second call.*
- 6. The Chairman, or by its delegation, the Secretary will read the call, and if no shareholder puts any opposition, it can be considered read, and will inform about the global data that the attendants list brings up, detailing the number of shareholders with voting rights present and represented that concur in the meeting, the number of corresponding shares to the ones and others and the capital percentage that they represent.*

*The declaration of the Chairman or the Secretary about the attendants list can be done provisionally, informing during the Meeting the definitive attendants list global data after concluding the shareholders intervention section and before submitting to voting the agreement proposals corresponding to the different items of the General Meeting Agenda.*

- 7. Once these data are publicly informed by the Chairman or the Secretary, the Chairmen Board will declare if the requested requirements are being complied for the valid constitution of the Meeting. The Attorney, if present, will ask the Assembly if there are reservations or protests to the Chairman's manifestations in relation with the number of partners concurring and the present capital. The doubts or reclamations expressed to the Attorney and if absent, to the Secretary*



that can succeed from these items will be reflected in the Minutes and will be resolved by the Chairmen Board.

Immediately, if needed, the Chairmen Board will declare the valid constitution of the Meeting.

8. *The General Meetings, both Ordinary and Extraordinary, will be validly constituted:*
  - *With general nature, upon first call, when the present or represented shareholders have, at least, fifty per cent (50%) of the subscribed capital with voting right. Upon second call, the Meeting constitution will be valid when the present or represented shareholders have, at least, forty-five per cent (45%) of the subscribed capital with voting right. The situations in which, in accordance with the items included in the Agenda, it is not legally possible to require the valid constitution of the General Meeting of a percentage capital higher than the one established by the applicable regulation will be excluded from the former article.*
  - *The percentages mentioned in the former paragraph, will also be the ones applied so that the Board can validly agree on bond issue, the global ceasing of assets and liabilities, the removal or limitation of the pre-emptive acquisition right of new shares, the transfer of the registered office abroad and, in general, any modification of the By-Laws.*
9. *If for any reason it is needed to hold the meeting in separate rooms, there will be audio-visual means that will allow the interaction and intercommunication among them in live and, therefore, the united act".*

**"Article 12. Intervention requests [that becomes article 17]**

1. *Once the General Meeting is constituted, the shareholders that, during their rights exercise, wish to intervene in the Meeting in the discussions section, will be identified in front of the Secretary or, in its case, in front of the Attorney (or in front of the individuals that assist them), by showing the National Identity Card, or equivalent identifying document if they are foreigners, and the attendance card, delegation and absentee ballot in which the number of shares that they own and the shares that they represent appears. Both documents will be given back once their intervention ends.*

*If they wish that their interventions appears literally in the Meeting Minutes, they will have to present it in written, at that moment, to the Secretary or, in any case, the Attorney (or the individuals that assist them), in order to check it when the shareholder's intervention starts.*

2. *The Board can establish in the call that the interventions and agreement proposals that, in accordance with the Law, the individuals that will be assisting by telematic means have the intention of formulating, if this possibility has been contemplated in the Meeting call, be submitted to the Company before the*





constitution of the Meeting. In this call the delays, methods and modes of exercise of the shareholders rights planned by the Board to allow the ordered development of the Meeting, will be described.

3. *Once the Board has the shareholders that wish to intervene list and before the voting of the matters included in the Agenda, an intervention section will be opened."*

**"Article 13. Interventions [that becomes article 18]**

1. *The shareholders interventions will take place in the order in which they are called to the Board.*
2. *The Chairman, considering the circumstances, will determined the initial maximum time for each intervention that will be the same for all and never less than five (5) minutes.*
3. *The Chairman, when exercising its ordering faculties of the Meeting development, and without prejudice of other actions:*
  - (i) *can extend, when considered correct, the initial time assigned to each shareholder;*
  - (ii) *can request that the speakers clarify matters that have not been understood or haven't been explained enough during the intervention;*
  - (iii) *can call to order the speaker shareholders so that they direct their intervention to the matters of the Meeting and abstain from making out of order manifestations or exercising his/her right in an abusive and obstructive way;*
  - (iv) *can announce to the speakers that their intervention period is nearly concluding so that they can adjust their speech and, once the time has elapsed, or if they are persistent in the conducts described in the former epigraph (iii), can withdraw their floor; and*
  - (v) *if he/she considers that the intervention can interfere with the normal and ordered development of the meeting, can invite them to leave the room and, if needed, to adopt the necessary means for the completion of this plan.*
4. *The shareholders may, during the interventions turn, formulate agreement proposals about the affairs in relation with which the General Meeting can legally debate and adopt agreements without them being included in the Agenda".*

**"Article 14. Right of information during the Meeting [that becomes article 19]**



1. *During the interventions turn, the shareholders, their correctly accredited proxies can orally request the information or clarifications that they deem necessary about the matters included in the call Agenda, the information accessible to the public that has been provided by the Company to the National Commission of Market Values from the last holding of the General Meeting of Shareholders and about the auditor report.*
2. *The Administration Board will be obliged to provide the information requested by the shareholders, unless one of the circumstances planned in the article 10.4 of the current Regulation happens or if the requested information is not available during the Meeting. In this case, the information will be provided in writing during the seven (7) days after the ending of the Meeting, and the shareholder will have to provide the address where to send the information.*
3. *Additionally, when, prior to asking a concrete question, the requested information is available, clearly, expressly and directly for all the shareholder in the Company's website under the question-response format, the Board can limit its answer to consult the information provided in that section.*
4. *The requested information or clarification will be provided by the Chairman or if he wished by the Chief Executive Officer, or by any of the present Counsellors. If the requested information or clarifications refer to matters related to the Audit and Control Commission, they will be provided by any of the members or assessors of that Commission present in the meeting. The Chairman can also empower any other person that he/she considers appropriate so that, in the Company's name and representation, he/she answers the information requests of the shareholders".*

**"Article 15. Agreement proposals voting [that becomes article 20]**

1. *Once the shareholders interventions end and the answers are provided in accordance with what has been stipulated in the Regulation, all the agreement proposals will be submitted to voting about the matters included in the Agenda or about those others that because of the legal format do not appear in it.*
2. *The Secretary will briefly read the agreement proposals, which texts appear in the Company's website. If required by any shareholder or, even if it is not required and the Chairman considers it appropriate, the Secretary will read completely everything. In any case, the Agenda item will be indicated to the attendants and the agreement proposal that will be submitted to voting.*
3. *The voting process of the agreement proposals will be developed following the Agenda planned in the call. First of all, the agreement proposals that the Administration Board has submitted to voting will be taken care of and afterwards, if needed, the proposals of other sources and relative to the matters that the General Meeting can resolve without them being included in the Agenda, the Chairman of the General Meeting being the once deciding in which order they will be submitted to voting. In any case, if an agreement proposal is approved, all the other ones that are not compatible with this one will automatically fall out, and therefore they will not need to be submitted to voting*
4. *Without prejudice that other alternative systems might be employed, the agreement proposals voting to which the former paragraph refers to will be*



undertook, under the Chairman's initiative, in accordance with the following procedure:

- a) *The agreement proposals related to matters included in the Agenda voting will be done through a negative deduction system. To this effect, for each proposal, the votes in favour will be considered those for all the present and represented shares, with the removal of those votes for shares which owner or proxy manifests that he/she votes against or abstains and the votes corresponding to those actions whose owners or proxies have abandoned the meeting before the voting of the agreement proposal and have informed the Secretary about them leaving, or the Attorney, to which they will add ones corresponding to the received delegations by the Administrative Board, indicating the votes against, or the abstention, for that proposal. The negative votes and abstentions will be calculated separately.*
  - b) *The agreement proposals relative to matters not included in the Agenda voting will be done by positive deduction, when these proposals are legally possible. To this effects, the contrary votes will be the ones corresponding to all the present and represented shares, deducing the votes corresponding to shares which owners and representative manifest that they will vote in favour or abstain and the ones corresponding to the shares which owners and representatives have abandoned the meeting before the voting of the agreement proposal and have informed about the leaving of the Meeting.*
5. *When technically possible, if the observation of all the legal conditions can be guaranteed, the Administration Board can establish electronic voting calculation systems.*
  6. *The matters that are substantially independent will have to be voted separately, so that the shareholders can exercise separately their voting preferences and in any case even if they are in the same item of the Agenda, they will have to be voted separately: (i) the appointment, ratification, re-election or separation of each Counsellor, that will have to be voted individually; and (ii) in the case of By-Laws amendments, each article or group of articles that have self-autonomy.*
  7. *The entities that appear legitimised as shareholders in virtue of the book-entry countable registry but act in representation of different individuals, can fraction their vote and cast it in divergent direction in accordance with the instructions received.*
  8. *The manifestations containing the direction of the vote realised by the Secretary or the Attorney (or the individuals that assist them) planned in the former paragraph 4, can be performed individually in relation with each proposal or commonly for some or all of them, expressing to the Secretary or Attorney the identity and condition of the shareholder or representative of who is casting them, the number of shares to which they refer and the direction of the vote or the abstention".*

**NEW "Article 21. Conflict of interests**



1. *The shareholder cannot exercise his/her right to vote corresponding to his/her actions when the agreement is in relation with:*
  - a) *excluding him/her from the company;*
  - b) *free him/her from an obligation or conferring him/her a right;*
  - c) *facilitating any type of financial assistance, including the guarantee provision in his/her favour; or*
  - d) *releasing him/her from his/her obligations from the loyalty duty of the counsellors, in accordance with what has been legally established.*
2. *The shares of the shareholder that is to be found in any of these conflict of interest situations contemplated in the former section will be deduced from the share capital for the calculation of the majority of the votes that in each case will be needed.*
3. *In conflict of interest cases different from the ones mentioned in the section 1, the shareholders will not be forbidden from their voting right.*

*However, when the shareholder or shareholders incurred in conflict vote has been decisive to adopt the agreement, it will correspond to the Company, in the case of imputation, and to the affected by the conflict shareholder or shareholders, the charge of the agreement conformity proof to the social interest. To the imputing shareholder or shareholders it will correspond to accredit the conflict of interest. From this regulation are excluded the agreements relative to the responsibility appointment, ceasing, revocation and exigency of the Counsellors and any other of similar signification in which the conflict of interest refers exclusively to the position that the shareholder occupies in the Company. In these cases, it will correspond to the imputing individuals to accredit the social interest prejudice".*

**"Article 15 bis. Cast of absentee ballot [that becomes article 22]**

1. *The voting of the proposals on items included in the Agenda can be performed by the shareholders through postal, electronic correspondence and any other distant communication means that guarantees correctly the identity of the shareholder and, in the case, the safety of the electronic communications, in accordance with the legislation in force at every moment.*
2. *For the cast of the vote by postal correspondence, the shareholder can submit to the Company in writing a document in which his voting direction or abstention is accompanied by the attendance card, delegation and distant vote issued in his/her favour by the Company or entity or entities in charge of the book-entry account registry. However, the attendance card, delegation and absentee ballot,*



correctly filled and signed, might be sufficient when the delegation might need to be used through postal correspondence.

3. *Voting through electronic communication will be issued under recognised electronic signature or other type of guarantee that the Administration Board considers correct to ensure the authenticity and identification of the shareholder that is exercising his voting right, to which he/she will accompany a copy in electronic format of the attendance card, delegation and absentee ballot.*

*Without prejudice of the former condition, the Company may create in its website a computer application specific to the distant voting right, in which case, it will not be needed to submit a copy in electronic format of the documents referred to in the former paragraph.*

4. *The cast vote by any of the means provided in the former sections will have to be received by the Company twenty-four (24) hours before the day of the holding of the General Meeting upon first call. If not, the vote will not be considered.*
5. *The cast of absentee ballot mentioned in the article will not be valid:*
  - a) *If there is posterior cancellation expressed by the same means used for the cast in the established period for this matter.*
  - b) *By physical assistance of the shareholder that has cast it to the meeting.*
6. *The Administration Board can develop the former plans, establish rules, means and procedures adequate to the technique status to tool the proxy appointment by electronic means, adjusting, in this case, to the related regulations and the By-Laws.*

*In particular, the Administration Board can: i) regulate the use of alternative guarantees to the electronic signature for the cast of the electronic vote in accordance with what has been stipulated in the previous third section, and (ii) reduce the former delay established in the previous fourth section for the reception by the Company of the cast votes sent by postal or electronic correspondence.*

*In any case, the Administration Board will adopt precise measures to avoid duplications and ensure that whoever has cast his/her vote by postal or electronic correspondence is correctly legitimised by it in relation with what has been stipulated in the By-Laws and this Regulation.*

7. *The development rules that the Administration Board may adopt to protect what has been stipulated in the current article will be published in the Company website".*

**"Article 16. Adoption of agreements and result proclamation [that becomes article 23]**



1. *The agreements will be adopted by simple majority of the present and represented shares in the General Meeting, and an agreement is adopted when it obtains more votes in favour than against of the capital present and represented, except for cases in which the Law or By-Laws require a qualified majority.*

*In particular, they will be adopted with the vote in favour of present or represented shares in the Meeting they represent, at least, fifty per cent (50%) of the share capital subscribed with voting right, the following agreements:*

- (i) Modification of corporate purpose.*
  - (ii) Transfer of registered office abroad.*
  - (iii) The shares or bonds or other assets issue in shares with exclusion of the pre-emptive subscription in favour of shareholders of the Company.*
  - (iv) The issuance or creation of new share types or series different from the ones that are in circulation.*
  - (v) Establishment and/or amendment in any direction of any remuneration system and/or concession of incentives to counsellors or senior managers consisting in the delivery of shares, options on shares or being referenced in any way with the share value.*
  - (vi) The dissolution, liquidation, fusion, excision, global ceasing of assets and liabilities, transformation or tender request.*
  - (vii) Modification of the articles of the current By-Laws that regulate the former subjects.*
2. *Each action with present or represented voting right in the meeting will give the right to one vote.*
  3. *The Chairman will declare approved the agreements when he has proof that the existing votes in favour are sufficient, without prejudice of the manifestation that the attendant shareholders make in front of the Attorney or Secretary about this matter.*
  4. *For each agreement submitted to voting in the General Meeting, the minimum number of shares will be determined in relation with the valid votes, the proportion of the share capital representing these votes, the total number of valid votes, the number of votes in favour and against each agreement and the number of abstentions.*
  5. *In any case, if an agreement proposal is approved, all the other ones that are not compatible with this one will automatically fall out, and therefore they will not need to be submitted to voting*



6. *If there are proposals related to matters that the General Meeting can resolve without them being in the agenda, the Chairman will decide the order in which they will be submitted to voting.*
7. *For the adoption of any of the agreements that the article 526 of the Spanish Corporation Law refers to, those shares that do not have voting right because of what has been established in this precept, will not be considered represented nor present, with the exception that the sub-delegation or alternate delegation has sent an individual that can exercise the voting right".*

#### **NEW "Article 24. Provisional suspension and extension**

1. *Exceptionally, if any extraordinary circumstance happens that avoids the normal development of the General Meeting, the Chairman of the Meeting, may agree to the suspension of the session during the time that he/she considers appropriate, in order to re-establish the necessary conditions for its continuation. The General Meeting Chairman can adopt additional measures that he considers appropriate to guarantee the safety of the attendants and avoid the repetition of the circumstances that could again modify the good order of the meeting.*

*If, once the session is restarted, the situation that has provoked the suspension continues, the Chairman can agree to the extension of the session to the next day or directly cancel the session.*

2. *Without prejudice of the former items, under proposal of the General Meeting Chairman, of the majority of Counsellors assisting in the meeting or under request of shareholders that represent, at least, the fourth part (1/4) of the present capital in the General Meeting, the attendants can agree to the extension of the sessions during one or more consecutive days. No matter how many sessions are contemplated, the General meeting will be considered unique, and only one minutes will be prepared for all the sessions".*

#### **"Article 17. End of the Meeting [that becomes article 25]**

*Once the voting of the agreement proposals finished and the results proclaimed, it corresponds to the Chairman to end the General Meeting and declare the end of the session."*

#### **"Article 18. Minutes of the Meeting [that becomes article 26]**

1. *The Secretary of the Meeting will end the Minutes of the session that will be included in the Minutes Book, and it can be approved by the Board at the end of the meeting, or in the following fifteen (15) days, by the Meeting Chairman and*



two (2) Speakers, one in representation of the majority and another one of the minority, the Minutes being approved in any of these executive forms from the day of approval.

2. *The meeting's minutes will include the list of attendants to which the article 192 of the Spanish Corporate Law refers, and will contain a summary of the discussions, literal expression of adopted agreements and the result of the votes.*
3. *The Administration Board can request the presence of an Attorney so that the Meeting ends and it will be always obliged to do so, five (5) days prior to the Meeting holding, if the shareholders that represent at least one per cent (1%) of the share capital request it. The Attorney minutes will not be submitted to approval, it will be consider a Meeting minute and the agreements that appear in it can be executed from the date of its end. The attorney fees will be paid by the Company."*

**"Article 19. Agreement publication [that becomes article 27]**

1. *Without prejudice of the inscription in the Commercial Registry of those agreements registerable and the legal provisions that can apply in matters of publication of social agreements, the Company will submit the approved agreements text to the National Commission of Market Values, in the established period.*
2. *The complete text of the adopted agreements and the result of the votes will be integrated in the Company's website in the five (5) days following the end of the General Meeting."*

**"Article 20. Electronic Forum of Shareholders [that becomes article 28]**

1. *In the occasion of the holding of each General Meeting of shareholder in the Company's website an electronic forum of shareholders will be put in place to which both the Company shareholders and the correctly constituted voluntary shareholders partnerships and subscribed in the special Registry put in place in the National Commission of Market Values, in order to facilitate the communication among shareholders of the Company because of the call and until the holding of the corresponding General Meeting. In the Forum, proposals that wish to be presented as complement to the agenda noticed in the call, adhesion requests to those proposals, initiatives to reach enough percentage to exercise a right of minority planned in the Law, as well as offers or demands of voluntary representation can be published.*
2. *The Administration Board will approve the working rules of this Forum that will be available in the Company's website".*





5.5. Removal of the Annex ("Terms of Reference of the Electronic Forum of Shareholders").

**5.6. Approval, as a consequence of the former amendments, of a General Meeting Regulation consolidated text.**



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**REGULATION OF THE GENERAL MEETING OF SHAREHOLDERS  
OF  
FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.**

**PREAMBLE**

In accordance with what has been established in the article 512 of the Spanish Corporation Law (Legislative Royal Decree 1/2010, of 2 July), the quoted companies have to approve a specific regulation for the General Board. The current Regulation of the General Meeting of Shareholders of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. (hereinafter, the "Company") has a threefold purpose. In the first place, it reinforces the transparency that should conduct the operation of corporate bodies, by making public their General Meetings preparation and holding procedures; in the second place, it defines the exercise of political rights of the shareholders on the occasion of the call and holding of General Meetings, by developing what is established in the By-Laws and the recommendations of good governance; and, in third place, unifies in a unique text all the rules in relation with the General Meeting of Shareholders, facilitating the knowledge that any shareholder can have about the operation of the Company's biggest body.

**PRELIMINAR TITLE**

**GENERAL DISPOSITIONS**

**Artículo 1. Validity and amendment**

1. The competence for the approval and amendment of the current General Meeting of shareholders Regulation (the "Regulation") corresponds to the General Board. Once approved, they will be applied to the General Meetings that will be called from the date of its approval.
2. The Administration Board can propose to the General Board amendments to the Regulation when considered convenient or necessary, accompanying its proposal with a report that justifies this amendment.

**Artículo 2. Interpretation**

1. The current Regulation completes and develops the system applied to the General Board contained in the regulation applied and in the By-Laws. Should there be any discrepancy between what has been established in this Regulation and the By-Laws, what has been stipulated in the By-Laws will always prevail.



2. The doubts that could appear in relation with its interpretation will be resolved by the Administration Board in accordance, with preference for the law, and in what the law does not contradict the corporate governance system of the company -integrated by corporate policies, internal regulations of corporate governance and other codes and internal procedures approved by the competent bodies of the company- and the recommendation of good governance of general recognition in the international markets, all of this in the frame of social interest that will propose, if relevant, the amendments deemed relevant. The ones that could arise in relation with its application and interpretation during the holding of the General Board will be resolved by its Chairman.

### **Artículo 3. Publication**

1. The Company's Administration Board will have to adopt precise measures to ensure the diffusion of this Regulation and its amendments among the shareholders and the investor public.
2. In any case, the Regulation and its amendments will be communicated to the National Commission of Market Values and of registration in the Commercial Register, also being available in the Company's website.

## **TITLE I**

### **CONCEPT, TYPES AND FUNCTIONS OF THE GENERAL MEETING OF SHAREHOLDERS**

#### **Artículo 4. General Meeting of Shareholders**

1. The General Meeting of Shareholders is the biggest decision body of the Company in matters proper to its competence.
2. The agreements of the General Board correctly constituted, adopted in accordance with the By-Laws, the current Regulation and legal dispositions in force, will oblige all its shareholders, even the absent ones, the ones that refrain from voting and the dissidents, without prejudice of the rights and actions of all class that could correspond to them in accordance with the Laws in force.
3. The Company will ensure, at all moment, the equality of treatment of all the shareholders that are in the same position in relation with the information, participation and exercise of voting right in the Meeting.

#### **Artículo 5. Types of Meetings**

1. The General Meeting can be Ordinary or Extraordinary.
2. The Ordinary General Meeting, previously called to this effect, will meet necessarily in the six (6) first months of each period, to approve, in this case, the corporate management and the former period accounts, as well as to resolve about the result of application, and to approve, in this case, the consolidated accounts, without prejudice of its competence to treat and agree any other matter that appears in the Agenda, if the number of shareholders and the requested legal





or statutory capital concur, depending on the occasion. The Ordinary General Meeting will be valid even if it is called after the deadline.

3. Any Meeting that is not the one planned in the former paragraph will be considered Extraordinary General Meeting.

#### **Artículo 6. Competences of the General Meeting**

The General Meeting of Shareholders will decide about the matters of competence in accordance with the Law, By-Laws or the current Regulation and, in particular, about the following:

- a) The approval of annual accounts, the application of the result and the approval of the corporate management.
- b) The appointment, re-election, ratification and separation of counsellors, as well as the appointment and separation of the liquidators and, in this case, of the accounts auditors, as well as the exercise of the responsibility corporate action against any of them.
- c) The amendment of the By-Laws.
- d) The increase and decrease of the share capital, as well as the delegation in the Administration Board of the faculty to increase the share capital, in which case also the faculty to exclude or limit the right of pre-emptive subscription can also be attributed, in the terms established by the Law.
- e) The issuance or creation of new share types or series.
- f) The bond and other assets issue and the delegation in the Administration Board of the issuance faculty.
- g) The deletion or limitation of the pre-emptive subscription right.
- h) The acquisition, disposal or contribution of essential assets to another company; as well as the transfer to depending entities of essential activities developed up to the moment by the Company, even though she has full domain over them.  
These activities and operative assets will be presumed of essential nature when the operation volume overpasses twenty-five per cent (25%) of the balance total assets.
- i) The amendment, fusion, excision, global ceasing of assets and liabilities and the transfer of the registered office abroad.
- j) The dissolution of the Company.
- k) The approval of the final liquidation balance.
- l) The operations which effect is equivalent to the Company's liquidation.
- m) The remuneration policy of the counsellors in the terms establishes in the Spanish Corporation Law.
- n) Any remuneration system or incentives to counsellors or senior managers consisting in the delivery of shares, options on shares or being referenced in any way with the share value.
- o) The authorisation for the acquisition of own shares in the legal limitations.
- p) The approval and amendment of the current Regulation.
- q) Any other matters that the Law or the By-Laws define.



## **TITLE II**

### **CALL AND PREPARATION OF GENERAL MEETING**

#### **Chapter I**

#### **Call of the General Meeting**

##### **Artículo 7. Call of the General Meeting**

1. Without prejudice of what has been established in the Spanish Corporation Law about the Universal Meeting and the judicial call, it corresponds to the Administration Board, and in its case, to the Company liquidators, the call for the General Meeting of Shareholders, which should take place:
  - a) On a date that would allow its holding during the first six (6) months of the period, if it is and Ordinary General Meeting.
  - b) When the Administration Board considers it is relevant for the corporate interests, in the case of Extraordinary General Meetings.
  - c) In any case, when requested, through an attorney request, the shareholders that own at least three per cent (3%) of the share capital, by expressing in the request the matters to treat in the Meeting. In this case, the Meetings should be called to be held in the two (2) months following the date in which the attorney request was presented to the Board to call it, including necessarily in the Agenda the items that induced this request.
  - d) In other cases planned in the Laws and By-Laws.
2. If the General Meeting is not called during the corresponding legal or statutory established period, it can be called, under request of any partner, by the commercial judge of the registered office, and prior hearing of the Administrators.

If the Administration Board does not attend in due time the call for the General Meeting request realised by the minority described in the previous section 1.c and under the terms specified, the commercial judge of the registered office can call the meeting, prior hearing of the Administrators.

3. The Ordinary General Meeting will be valid even if it has been called or held after the deadline. If the correctly called General Meeting, being of any time, cannot be held upon first call, and in the notice a second date was not planned, the holding of the second one has to be announced, with the same Agenda and the same publication requirements than the first one, in the fifteen (15) days following the date of the non-held Meeting and with at least ten (10) days prior to the date fixed for the meeting.



4. In case of decease or of ceasing of the majority of the Administration Board members, any shareholder can request that the commercial judge of the registered office calls a General Meeting to appoint the administrators. Additionally, any of the administrator that remains in its position can call the General Meeting with this unique matter.

#### **Artículo 8. Call notice**

1. The General Meeting of Shareholders call, both Ordinary and Extraordinary, will be performed by a notice published in the Official Newsletter of the Commercial Register or in one of the newspapers of great circulation in Spain, in the Company website and in the National Commission of Market Values, at least one month before the date planned for the holding of the Meeting.

However, the Extraordinary General Meetings can be called with a minimum anticipation of fifteen (15) days. The reduction of the call period will require an express agreement adopted during the Ordinary General Meeting for, at least, two thirds of the subscribed capital with voting rights, and which validity cannot overpass the date of the following meeting date.

The administration body will value the opportunity of diffusing the call notice in a larger number of social communication means.

2. The call notice will contain:
  - a) The Corporate name, the place, date and hour of the meeting for the first and, if needed, second call, leaving between the first and the second meeting, at least, a twenty-four (24) hour delay, as well as the position of the individual or individuals that call the meeting.
  - b) The Meeting Agenda, written with clarity and precision, that will include the matters that have to be treated in the meeting, and the Agenda items should not avoid the voting of those independent matters, so that the shareholders can exercise separately their voting preferences
  - c) The date in which the shareholder will have to register the shares in order to be able to participate and vote in the General Meeting, as well as the means to identify his/her ownership for the Company.
  - d) The place and method in which the complete text of the documents and agreement proposals can be obtained, as well as the Company website address in which the documentation will be available.
  - e) Clear and exact information of the treatments that the shareholders have to realise to participate and cast their vote in the General Meeting, including, in particular, the following extremes:
    - The rights of requesting information, of including items in the Agenda, and of presenting agreement proposals, as well as the exercise period.



When it is informed that in the Company website more detailed information about those rights can be obtained, the publication can be limited to informing the exercise period.

- When it is informed that in the Company website more detailed information about those rights can be obtained, the publication can be limited to informing the exercise period.
- The established procedure for the absentee ballot, by postal mail or by electronic means.

3. Additionally, in the Meeting call notice, the following should appear:

- a) When it is the Ordinary General Meeting, the right of any shareholder to obtain from the Company, immediately and free of charge, the annual accounts and any documents that have to be submitted to the Meeting approval, as well as the management report and the accounts audit report.
- b) When in the Agenda appears any amendment of the By-Laws, the right of all the shareholders to examine the complete text of the proposed amendment in the registered office and its report, as well as asking for the delivery or free sending of these documents.
- c) When in the Agenda appears the approval of the Counsellors remunerations policy, the rights of all the shareholders to request the delivery or free sending of the proposal motivated by the referred policy and the specific report of the Appointments and Retributions Commission.

4. The Agenda that appears in the call will be determined by the Administration Board, without prejudice of the right that assists the shareholders that represent, at least, three per cent (3%) of the share capital, to request that a complement to the Ordinary General Meeting call be published including one or more items for the Agenda, if the new items are accompanied of a justification or, in some cases, of a justified agreement proposal. The exercise of this right, that in no case will proceed regarding the Extraordinary General Meetings, will have to be done by due notification, that will have to be received in the registered office in the five (5) days following the call publication. The complement of the call will have to be published minimum fifteen (15) days prior to the date established for the Board meeting. The lack of publication of the call complement in the legal period fixed will be cause of complain to the Board.

5. The shareholders that represent, at least, three per cent (3%) of the share capital, can, in the five (5) days following the publication of the call, present proposals founded in accordance with matters already included or that should be included in the Agenda of the called Meeting.

The Company will ensure the diffusion, as they are received, among the rest of shareholders, of these proposals and of the documentation that will accompany it, and publishing them continuously in its website.



## Chapter II

### Preparation of the General Meeting

#### **Artículo 9. Available information from the call date**

The Company will put at the disposition of its shareholders, from the publication of the call notice and up to the holding of the General Meeting, in its registered office, and will publish continuously through its website, at least, the following information:

- a) The complete text of the call notice. The complete text of the call notice.
- b) The total number of shares and rights of vote on the call date.
- c) The complete texts of all the agreement proposals on all and each of the items included in the Agenda or, in relation with those items of information nature only, a report of the competent bodies commenting each of those items, as well as the agreement proposals presented by the shareholders, as they are received.
- d) When the proposal consists in the appointment and ratification of counsellors, the following information regarding them will also be included: *(i) the professional and biographical profile;* *(ii) other Administration Boards to which he/she pertains, being or not quoted companies;* *(iii) indication of the Counsellor category to which he/she pertains, informing, in the case of Proprietary Directors, the shareholder at whose request the appointment, ratification or re-election is proposed, or with whom they are linked;* *(iv) date of first appointment as Company Counsellor, as well as the further ones;* *(v) Company shares and options upon them of its owner;* and *(vi) proposal and reports required by Law.*

If it is a legal entity, the information must include the corresponding natural person that will be appointed for the permanent exercise of the functions proper to the position.

- e) The documents that have to be presented to the General Board and, in particular, the Board, accounts auditors and independent experts reports that, in accordance with the Law or By-Laws, have to be available to the shareholders about the matters included in the Agenda from the day of call.
- f) Information about the communication flows between the Company and the shareholders to the effects of being able to gather information or make suggestions, in accordance with the regulation in force.
- g) The means and procedures to appoint a proxy in the General Meetings as well as to cast and absentee ballot. The means and procedures to appoint a proxy in the General Meetings as well as to cast and absentee ballot. In particular, the forms to accredit the assistance and exercise of vote by representation or by absentee ballot in the General Meeting, with the exception of when they are directly send



by the Company to each shareholder. If because of technical reasons they cannot be published in the website, the Company will have to indicate how to obtain the forms in paper format that it will send to all the shareholders requesting it.

- h) Terms of use of the Electronic Forum of the Shareholder.

#### **Artículo 10. Information right prior to the General Meeting holding**

1. Up to the fifth (5) day before the one set for the General Meeting holding, upon first call, the shareholders may request the information or clarifications or submit in writing the questions that they deem necessary regarding the Agenda items, the information accessible to the public that was provided by the Company to the National Commission of Market Values, from the holding of the last General Meeting and in relation with the auditor report.
2. The information requests can be done using the e-mail, that will be informed for the shareholders to this effect in the Company's website for each General Meeting or, submitted in writing addressed to the "Trade and Investors Relation Department" in the registered office, personally or by delivering it by any postal mail or messenger means. What has been stipulated in this article is understood to be without prejudice of the rights of the shareholders of obtaining the documents in paper format and of requesting free delivery when the Law establishes it.
3. The information demands regulated in this article will be answered in written, once the identity and condition of the requesting shareholder is verified, up to the day of the General Meeting of Shareholders, before its holding.
4. The Board will be obliged to offer the requested information except in those cases in which (i) *that information is not needed for the tutoring of the shareholder rights*; (ii) there are objective reasons to consider that it could be used for extra-corporate reasons or its publication may harm the company or the linked companies; or (iii) when legal dispositions establish it. The requested information cannot be denied when the request is supported by shareholders that represent, at least, twenty-five per cent (25%) of the share capital.
5. The Administration Board can empower any of its members, as well as its Secretary and Deputy secretary, so that through the "Trade and Investors Relation Department" of the Company, the information requests of the shareholders are answered.
6. The valid information requests, clarifications or questions asked in written and the answers provided in written by the Administration Board will be included in Company's website.
7. When, prior to asking a concrete question, the requested information is available, clearly, expressly and directly for all the shareholder in the Company's website under the question-response format, the Administration Board can limit its answer to consult the information provided in that section.

#### **Artículo 11. Delegations**



1. The shareholders with assistance right can delegate their representation to another individual, even if he/she is not a shareholder.

In case that there were instructions on behalf of the represented shareholder, the representative will cast the vote and will have the obligation of conserving these instructions during a year from the corresponding Meeting holding date.

The representative can be the proxy of more than one shareholder without limitation in regards to the number of shareholders represented. When a representative is the proxy of many shareholders, he/she can cast votes of different signs considering the instructions given by each shareholder.

The entities that are legitimised as shareholders in virtue of the shares counting registry but that act in the name of different individuals, can in all cases fraction the vote and exercise it in the divergent direction in accordance with the different vote instructions, if they received them.

The intermediary entities to which the former paragraph refers can delegate the vote to each of the indirect owners or third persons designed by them, without being able to limit the number of provided delegations.

The delegation can also include those items that, even if they are not represented in the Agenda call, can be treated in the Meeting, as the Law allows it.

In any case, the number of represented actions will be computed for the valid constitution of the Meeting.

The representation can always be cancelled. The assistance of the shareholder to the Meeting, supposes the cancellation of any delegations, whenever its date is. In this sense the representations appointed before the cast of the absentee ballots will be considered cancelled, and the ones appointed after, will be considered as not presented.

2. The representation will have to be conferred in the terms and with the scope established in the Spanish Corporate Law, in written and with special nature for each Meeting, unless it is the partner, ascendant or descendent of the represented or general empowerment, in public document, to administrate all the assets that the represented shareholder has in the national territory.

The representation can be appointed also by postal correspondence, submitting by writing to the Company a document in which it states who is the appointed proxy, accompanied by the attendance card, delegation or representation and absentee ballots issued by the Company or entities in charge of controlling the registration of registry books. However, the attendance card, delegation and absentee ballot might be sufficient when the delegation might need to used it through postal correspondence.

The representation can also be appointed by electronic means or other distant communication means that, by guaranteeing correctly the identity of the



represented and the representative and the safety of the electronic communication, the Administration Board determines on the occasion of each Meeting call, making it public in the call notice and the Company corporate website.

The regulation contained in the article 22 of the current Regulation, when possible, for the cast of absentee ballot, will apply to the proxy appointed by electronic means

The appointed proxy by any of the electronic means or other distant communication means will have to be received by the Company twenty-four (24) hours before the day planned for the General Meeting holding upon first call. If not, the representation will not be considered.

Everything that has been established previously will also apply to the cancellation of the appointed proxy.

3. The Chairman and the Secretary of the General Meeting will benefit of the largest faculties to admit the validity of the document or proxy accreditation mean, and will only consider invalid those that lack of the minimal requirements and as long as they cannot be rectified.
4. Before its appointment, the representative must inform with much detail the shareholder if there is a conflict of interest situation. If the conflict is posterior to his/her appointment and he/she has not informed the represented shareholder of its possible existence, he/she will have to inform him/her immediately. In both cases, by not having received new precise voting instructions for each of the items that the representative has to vote in the name of the shareholder, he/she will have to abstain from voting. In particular, a conflict of interest can exist, when the proxy is in one of the situations described in the article 523.2 of the Spanish Corporate Law.
5. In cases where the Company's Counsellors, or any other individual or identity, ask publicly for representation, the regulations contained in the Spanish Corporate Law and the development regulation will be applied. In particular, the document in which the empowerment is notified will have to contain or have the Agenda as an annex, as well as the instructions request for the voting right exercise and the indication of the direction in which the representative will vote in case that there no instructions are provided, or if they are not clear.

The proxy can vote in different direction when there are ignored circumstances when sending the instructions and there is a risk of damaging the interests of the represented individual. If the vote is cast in a different direction than the instructions, the representative will have to inform immediately the represented, by writing in which he/she explains the reasons of the vote.





The public representation request can be also performed by electronic means in accordance with what has been planned in the current Regulation and other Company internal regulation.

It will be considered that there has been a public request when one individual represents more than three shareholders.

6. Apart from complying with the duties stipulated in the previous section 5, if the Counsellors or another individual in his/her name or in name of any of them, have publicly requested representation, the Counsellor that obtains it will not be able to exercise his voting right corresponding to shares represented in those items of the Agenda where there is a conflict of interest, unless he/she has received precise voting instructions for each of the items. In any case, it will be understood that the Counsellor is in a conflict of interest situation regarding the following decisions:
  - a) His/her appointment, re-election or ratification as a Counsellor.
  - b) His/her destitution, separation or ceasing as a Counsellor.
  - c) The exercise against himself/herself of the responsibility corporate action.
  - d) The approval or ratification, when necessary, of Company operations with the corresponding Counsellor, companies controlled by him/her or that he/she represents or individuals that act on their own.
7. The Administration Board can develop the former plans, establish rules, means and procedures adequate to the technique status to tool the proxy appointment by electronic means, adjusting, in this case, to the related regulations and the By-Laws.

In particular, the Administration Board can: *(i) regulate the use of alternative guarantees to the electronic signature for the proxy appointment by electronic correspondence; (ii) reduce the formed delay established for the reception by the Company of the conferred proxies by postal or electronic correspondence; and (iii) admit and authorise the Chairman and Secretary of the General Meeting or the individuals in which any of them delegate, to admit the representations received after the deadline, as long as the available means allow it.*

In any case, the Administration Board will adopt precise measures to avoid duplications and ensure that whoever has appointed a proxy by postal or electronic correspondence is correctly legitimised by it in relation with what has been stipulated in the By-Laws and this Regulation.

8. The development rules that the Administration Board may adopt to protect what has been stipulated in the current article will be published in the Company website.

### **TITLE III**

### **HOLDING OF THE GENERAL MEETING**



## Chapter I

### Meeting constitution

#### **Artículo 12. Right and duty to assist**

1. All the shareholders owners of one or more shares, even the ones without voting rights, have the right of attendance in the General Meeting, if their ownership is inscribed in the corresponding book-entry countable registry, at least five days before the holding of the Meeting date, and can prove it by showing, in the registered office, the corresponding legitimation certificate, attendance card, delegation and absentee ballot issued by the Company or by any other means admitted by the legislation in force.
2. The entities participating in the *Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores S.A. (Iberclear)* will be authorised by the Company to issue attendance cards to the Meeting for the shareholders, cards that also will be issued by the Company itself, after depositing the accreditation documents of the shares' ownership.

For this goal, the Company will suggest to these entities the format of the attendance card that will have to be issued for the shareholders, so that the cards issued by these entities are uniform and integrate a code bar or another system that allows the electronic reading to make the computer calculation of the meeting attendants easier, as well as the formula to which the document has to adjust in order to delegate the representation in favour of another shareholder. The attendance card can integrate the identity of the represented unless it is expressly mentioned by the shareholder not to do so, as well as the supposed conflicts of interest.

3. The members of the Administration Board will be obliged to assist to the General Meetings, but their presence is not needed for the Meeting to be valid. Also the Directorates, Managers, Technicians and other individuals that the Administration Board considers interesting that they assist to the Meeting and requests it, in order for the corporate matters to be in good hands and whose intervention during the Meeting, if requested, would be useful for the Company. The Chairman of the General Meeting can authorise the assistance of any other individual that he/she deems convenient, without prejudice of the Meeting's faculty to cancel this authorisation.

#### **Artículo 13. Place and time of holding**

1. The General Meetings will take place in the Spanish locality that, every time they are called, the Administration Board decides, on the day and time indicated in the call. If in the call the place of holding is not mentioned, it will be understood that the meeting will take place in the registered office.



2. The attendance to the General Meeting can be done by going to the place where the meeting will be held or, if desired, to other places that the Company will have mentioned in the call, and that are connected with that other one with any of the valid systems that will allow the recognition and identification of the attendants, the permanent communication among the attendants, independently from where they are, as well as the intervention and cast of vote, all of that in live. The main place will be located in the municipality of the registered office indicated in the call, but the accessory places will not need to be indicated. The attendants to any of the places will be considered, to all the effects related to the General Meeting, as attendants to the one and same meeting. The meeting will be held where the main place is.

#### **Artículo 14. Infrastructure and means**

1. The place destined for the holding of the General Meeting will have the staff, technical equipment and safety measures in accordance with the building characteristics and the importance of the event.
2. In guarantee of the attendants' security and the good development of the General Meeting, the safety and protection measure will be established, including the access control systems deemed adequate.
3. Additionally, in order to facilitate its diffusion, there will be audio-visual recording of the General Meeting. The development of the General Meeting can also be object of retransmission by any mean and, among others, through Internet video, and diffusion in social networks. The attendants may not use photography, video, image and/or sound recording devices, or similar equipment in the meeting where the General Meeting will be held, except if allowed so by its Chairman.
4. With enough time before the day planned to hold the General Meeting, the Company will prepare the human and technical equipment needed to have under control and computer calculation of the representation delegations that will be received with the corresponding voting instructions.

The day where the General Meeting is hold, the indicated place for the meeting will be prepared with the above-mentioned computer equipment -human and technical-, in order to control the entrance of the shareholders attending the meeting for the constitution quorum calculation of the General Meeting and the preparation of the attendants list.

#### **Artículo 15. General Meeting Chairman, Secretary and Board**

1. The General Meeting Board will be composed by the Chairman, Secretary and the General Board.
2. The General Board will be chaired by the Administration Board Chairman. In case of absence or unavailability of the Board Chairman, he/she will be substituted by the Administration Board Deputy Chairmen in order, and if this order is not predetermined, in function of the longest established Counsellor member in the



Company. If the Chairmen also miss, the Board will be chaired by the eldest Counsellor.

3. The General Meeting Chairman should:
  - a) Chair the meeting in such a way that the discussions take place in accordance with the Agenda.
  - b) Resolve the doubts that will appear in relation with the shareholders list and the content of the Agenda.
  - c) Give the floor to the shareholders that have requested it before the Meeting in writing and afterwards to the ones that request it orally or in writing during the Meeting, until it is considered that a matter has been discussed enough or the meeting flow is made difficult.
  - d) Indicate when the agreements votes will take place and inform of the voting results.
  - e) Generally, exercise all the faculties that are needed for the better development and order of the meeting, including the interpretation of what has been planned in this Regulation.

During the development of his/her functions, the Meeting Chairman will be assisted by the Secretary.

4. The General Meeting Secretary will be the same as the Administration Board's. In case of absence or unavailability of the Board Secretary, he/she will be substituted by the Deputy Secretary of the Administration Board, and if this one is also missing, the General Meeting's Secretary will be the individual designated by the concurring partners at the beginning of the meeting.
5. The General Meeting Secretary functions will be the following:
  - a) Inform the General Meeting, by delegation of the Chairman, of the attendance quorum to the General Meeting.
  - b) Read or inform briefly the agreement proposals text.
  - c) Resolve, next to the Chairman, the doubts, clarifications or reclamations that appear in relation with the attendants, delegations or representations list.
  - d) Write the General Meeting minutes.
  - e) And, generally, exercise by indication of the General Meeting Chairman, the necessary faculties of organisation, order and discipline that will be required for the correct development of the meeting and the adoption and formalisation of the agreements.
6. If, for any reason, during the General Meeting holding, the Chairman or the Secretary should leave during the exercise of their functions, the meeting will proceed in accordance with what has been stipulated in the former sections 2 and 4.



## **Artículo 16. Constitution of the General Meeting of Shareholders**

1. In the place, date and time indicated in the General Meeting call and from two (2) hours before the beginning of the meeting, the shareholders or the valid proxies can present to the staff in charge of the registration the accreditation documents of their right to assist and represent. The right of assistance will be accredited through the presentation of the legitimation certification issued by the entities in charge of the Company's countable share registration, in which the registration in the name of the shareholder appears, at least five (5) days before the Meeting hosting date or by presenting the attendance card issued by the Company or by the participating entities in the Sociedad de Gestión de Sistemas de Registro, Compensación y Liquidación de Valores S.A. (Iberclear) that, to this effect, have been authorised by the Company.

The shareholders that wish to vote through electronic means or other distant communication means will accredit their identity and shareholder condition in accordance with what has been stipulated in the article 22 of the current Regulation.

2. The shareholders or their representatives that access the General Meeting holding place after the General Meeting has started the examination and discussion of the Agenda, will not be included in the attendants list.
3. Before starting the Agenda, the list of attendants will be confirmed, expressing the nature or representation of all of them and the number of shares (proper or someone else's) that they concur.

At the end of the list the number of present shareholders will be indicated (including the ones that have attended distantly) or represented, as well as the share capital amount of which they are owners, specifying the one that corresponds to the shareholders with voting rights.

The list of attendants will be at the beginning of the minutes or will be attached to it with an annex signed by the Secretary, with the agreement of the Chairman.

4. The shareholders that cast their absentee ballots, in accordance with what has been stipulated in the article 22 of the current Regulation, will have to be taken into account as present in the General Meeting constitution.
5. Once enough quorum is noticed, the General Board will be constituted, initiating in the place, day and hour fixed for its holding, upon first or second call.
6. The Chairman, or by its delegation, the Secretary will read the call, and if no shareholder puts any opposition, it can be considered read, and will inform about the global data that the attendants list brings up, detailing the number of shareholders with voting rights present and represented that concur in the meeting, the number of corresponding shares to the ones and others and the capital percentage that they represent.

The declaration of the Chairman or the Secretary about the attendants list can be done provisionally, informing during the Meeting the definitive attendants list



global data after concluding the shareholders intervention section and before submitting to voting the agreement proposals corresponding to the different items of the General Meeting Agenda.

7. Once these data are publicly informed by the Chairman or the Secretary, the Chairmen will declare if the requested requirements are being complied for the valid constitution of the Meeting. The Attorney, if present, will ask the Assembly if there are reservations or protests to the *Chairman's* manifestations in relation with the number of partners concurring and the present capital. The doubts or reclamations expressed to the Attorney and if absent, to the Secretary that can succeed from these items will be reflected in the Minutes and will be resolved by the Chairmen Board.

Immediately, if needed, the Chairmen Board will declare the valid constitution of the Meeting.

8. The General Meetings, both Ordinary and Extraordinary, will be validly constituted:
  - With general nature, upon first call, when the present or represented shareholders have, at least, fifty per cent (50%) of the subscribed capital with voting right. Upon second call, the Meeting constitution will be valid when the present or represented shareholders have, at least, forty-five per cent (45%) of the subscribed capital with voting right. The situations in which, in accordance with the items included in the Agenda, it is not legally possible to require the valid constitution of the General Meeting of a percentage capital higher than the one established by the applicable regulation will be excluded from the former article.
  - The percentages mentioned in the former paragraph, will also be the ones applied so that the Board can validly agree on bond issue, the global ceasing of assets and liabilities, the removal or limitation of the pre-emptive acquisition right of new shares, the transfer of the registered office abroad and, in general, any modification of the By-Laws.
9. If for any reason it is needed to hold the meeting in separate rooms, there will be audio-visual means that will allow the interaction and intercommunication among them in live and, therefore, the united act.

## **Chapter II**

### **Shareholders intervention turn**

#### **Artículo 17. Intervention requests**

1. Once the General Meeting is constituted, the shareholders that, during their rights exercise, wish to intervene in the Meeting in the discussions section, will be identified in front of the Secretary or, in its case, in front of the Attorney (or in front of the individuals that assist them), by showing the National Identity Card, or



equivalent identifying document if they are foreigners, and the attendance card, delegation and absentee ballot in which the number of shares that they own and the shares that they represent appears. Both documents will be given back once their intervention ends.

If they wish that their interventions appears literally in the Meeting Minutes, they will have to present it in written, at that moment, to the Secretary or, in any case, the Attorney (or the individuals that assist them), in order to check it when the shareholder's intervention starts.

2. The Board can establish in the call that the interventions and agreement proposals that, in accordance with the Law, the individuals that will be assisting by telematic means have the intention of formulating, if this possibility has been contemplated in the Meeting call, be submitted to the Company before the constitution of the Meeting. In this call the delays, methods and modes of exercise of the shareholders rights planned by the Board to allow the ordered development of the Meeting, will be described.
3. Once the Board has the shareholders that wish to intervene list and before the voting of the matters included in the Agenda, an intervention section will be opened.

#### **Artículo 18. Interventions**

1. The shareholders interventions will take place in the order in which they are called to the Board.
2. The Chairman, considering the circumstances, will determined the initial maximum time for each intervention that will be the same for all and never less than five (5) minutes.
3. The Chairman, when exercising its ordering faculties of the Meeting development, and without prejudice of other actions:
  - (i) can extend, when considered correct, the initial time assigned to each shareholder;
  - (ii) can request that the speakers clarify matters that have not been understood or haven't been explained enough during the intervention;
  - (iii) can call to order the speaker shareholders so that they direct their intervention to the matters of the Meeting and abstain from making out of order manifestations or exercising his/her right in an abusive and obstructive way;
  - (iv) can announce to the speakers that their intervention period is nearly concluding so that they can adjust their speech and, once the time has elapsed, or if they are persistent in the conducts described in the former epigraph (iii), can withdraw their floor; and



- (v) if he/she considers that the intervention can interfere with the normal and ordered development of the meeting, can invite them to leave the room and, if needed, to adopt the necessary means for the completion of this plan.
4. The shareholders may, during the interventions turn, formulate agreement proposals about the affairs in relation with which the General Meeting can legally debate and adopt agreements without them being included in the Agenda.

#### **Artículo 19. Right to information during the Meeting**

1. During the interventions turn, the shareholders, their correctly accredited proxies can orally request the information or clarifications that they deem necessary about the matters included in the call Agenda, the information accessible to the public that has been provided by the Company to the National Commission of Market Values from the last holding of the General Meeting of Shareholders *and about the auditor report*.
2. The Administration Board will be obliged to provide the information requested by the shareholders, unless one of the circumstances planned in the article 10.4 of the current Regulation happens or if the requested information is not available during the Meeting. In this case, the information will be provided in writing during the seven (7) days after the ending of the Meeting, and the shareholder will have to provide the address where to send the information.
3. Additionally, when prior to asking a concrete question, the requested information is available, clearly, expressly and directly for all the shareholder in the Company's website under the question-response format, the Administration Board can limit its answer to consult the information provided in that section.
4. The requested information or clarification will be provided by the Chairman or if he wished by the Chief Executive Officer, or by any of the present Counsellors. If the requested information or clarifications refer to matters related to the Audit and Control Commission, they will be provided by any of the members or assessors of that Commission present in the meeting. The Chairman can also empower any other person that he/she considers appropriate so that, in the Company's name and representation, he/she answers the information requests of the shareholders.

### **Chapter III**

#### **Votes and agreements documentation**

#### **Artículo 20. Agreement proposals voting**

1. Once the shareholders interventions end and the answers are provided in accordance with what has been stipulated in the Regulation, all the agreement proposals will be submitted to voting about the matters included in the Agenda or about those others that because of the legal format do not appear in it.





2. The Secretary will briefly read the agreement proposals, which texts appear in the Company's website. If required by any shareholder or, even if it is not required and the Chairman considers it appropriate, the Secretary will read completely everything. In any case, the Agenda item will be indicated to the attendants and the agreement proposal that will be submitted to voting.
3. The voting process of the agreement proposals will be developed following the Agenda planned in the call. First of all, the agreement proposals that the Administration Board has submitted to voting will be taken care of and afterwards, if needed, the proposals of other sources and relative to the matters that the General Meeting can resolve without them being included in the Agenda, the Chairman of the General Meeting being the once deciding in which order they will be submitted to voting. In any case, if an agreement proposal is approved, all the other ones that are not compatible with this one will automatically fall out, and therefore they will not need to be submitted to voting.
4. Without prejudice that other alternative systems might be employed, the agreement proposals voting to which the former paragraph refers to will be undertaken, under the Chairman's initiative, in accordance with the following procedure:
  - a) The agreement proposals related to matters included in the Agenda voting will be done through a negative deduction system. To this effect, for each proposal, the votes in favour will be considered those for all the present and represented shares, with the removal of those votes for shares which owner or proxy manifests that he/she votes against or abstains and the votes corresponding to those actions whose owners or proxies have abandoned the meeting before the voting of the agreement proposal and have informed the Secretary about them leaving, or the Attorney, to which they will add ones corresponding to the received delegations by the Administrative Board, indicating the votes against, or the abstention, for that proposal. The negative votes and abstentions will be calculated separately.
  - b) The agreement proposals relative to matters not included in the Agenda voting will be done by positive deduction, when these proposals are legally possible. To this effects, the contrary votes will be the ones corresponding to all the present and represented shares, deducing the votes corresponding to shares which owners and representative manifest that the will vote in favour or abstain and the ones corresponding to the shares which owners and representatives have abandoned the meeting before the voting of the agreement proposal and have informed about the leaving of the Meeting.
5. When technically possible, if the observation of all the legal conditions can be guaranteed, the Administration Board can establish electronic voting calculation systems.

6. The matters that are substantially independent will have to be voted separately, so that the shareholders can exercise separately their voting preferences and in any case even if they are in the same item of the Agenda, they will have to be voted separately: (i) *the appointment, ratification, re-election or separation of each Counsellor, that will have to be voted individually*; and (ii) in the case of By-Laws amendments, each article or group of articles that have self-autonomy.
7. The entities that appear legitimised as shareholders in virtue of the book-entry countable registry but act in representation of different individuals, can fraction their vote and cast it in divergent direction in accordance with the instructions received.
8. The manifestations containing the direction of the vote realised by the Secretary or the Attorney (or the individuals that assist them) planned in the former paragraph 4, can be performed individually in relation with each proposal or commonly for some or all of them, expressing to the Secretary or Attorney the identity and condition of the shareholder or representative of who is casting them, the number of shares to which they refer and the direction of the vote or the abstention.

#### **Artículo 21. Conflict of interests**

1. The shareholder cannot exercise his/her right to vote corresponding to his/her actions when the agreement is in relation with:
  - a) excluding him/her from the company;
  - b) free him/her from an obligation or conferring him/her a right;
  - c) facilitating any type of financial assistance, including the guarantee provision in his/her favour; or
  - d) releasing him/her from his/her obligations from the loyalty duty of the counsellors, in accordance with what has been legally established.
2. The shares of the shareholder that is to be found in any of these conflict of interest situations contemplated in the former section will be deduced from the share capital for the calculation of the majority of the votes that in each case will be needed.
3. In conflict of interest cases different from the ones mentioned in the section 1, the shareholders will not be forbidden from their voting right.

However, when the shareholder or shareholders incurred in conflict vote has been decisive to adopt the agreement, it will correspond to the Company, in the case of imputation, and to the affected by the conflict shareholder or shareholders, the charge of the agreement conformity proof to the social interest. To the imputing shareholder or shareholders it will correspond to accredit the conflict of interest. From this regulation are excluded the agreements relative to the responsibility appointment, ceasing, revocation and exigency of the Counsellors and any other of similar signification in which the conflict of interest refers exclusively to the position that the shareholder occupies in the Company. In these cases, it will correspond to the imputing individuals to accredit the social interest prejudice.



## **Artículo 22. Cast of absentee ballot**

1. The voting of the proposals on items included in the Agenda can be performed by the shareholders through postal, electronic correspondence and any other distant communication means that guarantees correctly the identity of the shareholder and, in the case, the safety of the electronic communications, in accordance with the legislation in force at every moment.
2. For the cast of the vote by postal correspondence, the shareholder can submit to the Company in writing a document in which his voting direction or abstention is accompanied by the attendance card, delegation and distant vote issued in his/her favour by the Company or entity or entities in charge of the book-entry account registry. However, the attendance card, delegation and absentee ballot, correctly filled and signed, might be sufficient when the delegation might need to be used through postal correspondence.
3. Voting through electronic communication will be issued under recognised electronic signature or other type of guarantee that the Administration Board considers correct to ensure the authenticity and identification of the shareholder that is exercising his voting right, to which he/she will accompany a copy in electronic format of the attendance card, delegation and absentee ballot.

Without prejudice of the former condition, the Company may create in its website a computer application specific to the distant voting right, in which case, it will not be needed to submit a copy in electronic format of the documents referred to in the former paragraph.

4. The cast vote by any of the means provided in the former sections will have to be received by the Company twenty-four (24) hours before the day of the holding of the General Meeting upon first call. If not, the vote will not be considered.
5. The cast of absentee ballot mentioned in the article will not be valid:
  - c) If there is posterior cancellation expressed by the same means used for the cast in the established period for this matter.
  - d) By physical assistance of the shareholder that has cast it to the meeting.
6. The Administration Board can develop the former plans, establish rules, means and procedures adequate to the technique status to tool the proxy appointment by electronic means, adjusting, in this case, to the related regulations and the By-Laws.

In particular, the Administration Board can: i) *regulate the use of alternative guarantees to the electronic signature for the cast of the electronic vote in accordance with what has been stipulated in the previous third section, and (ii) reduce the formed delay established in the previous fourth section for the reception by the Company of the cast votes sent by postal or electronic correspondence.*



In any case, the Administration Board will adopt precise measures to avoid duplications and ensure that whoever has appointed a proxy by postal or electronic correspondence is correctly legitimised by it in relation with what has been stipulated in the By-Laws and this Regulation.

7. The development rules that the Administration Board may adopt to protect what has been stipulated in the current article will be published in the Company website.

### **Artículo 23. Agreement adoption and result proclamation**

1. The agreements will be adopted by simple majority of the present and represented shares in the General Meeting, and an agreement is adopted when it obtains more votes in favour than against of the capital present and represented, except for cases in which the Law or By-Laws require a qualified majority.

In particular, they will be adopted with the vote in favour of present or represented shares in the Meeting they represent, at least, fifty per cent (50%) of the share capital subscribed with voting right, the following agreements:

- (i) Modification of corporate purpose.
  - (ii) Transfer of registered office abroad.
  - (iii) The shares or bonds or other assets issue in shares with exclusion of the preemptive subscription in favour of shareholders of the Company.
  - (iv) The issuance or creation of new share types or series different from the ones that are in circulation.
  - (v) Establishment and/or amendment in any direction of any remuneration system and/or concession of incentives to counsellors or senior managers consisting in the delivery of shares, options on shares or being referenced in any way with the share value.
  - (vi) The dissolution, liquidation, fusion, excision, global ceasing of assets and liabilities, transformation or tender request.
  - (vii) Modification of the articles of the current By-Laws that regulate the former subjects.
2. Each action with present or represented voting right in the meeting will give the right to one vote.
  3. The Chairman will declare approved the agreements when he has proof that the existing votes in favour are sufficient, without prejudice of the manifestation that the attendant shareholders make in front of the Attorney or Secretary about this matter.
  4. For each agreement submitted to voting in the General Meeting, the minimum number of shares will be determined in relation with the valid votes, the proportion of the share capital representing these votes, the total number of valid votes, the number of votes in favour and against each agreement and the number of abstentions.



5. In any case, if an agreement proposal is approved, all the other ones that are not compatible with this one will automatically fall out, and therefore they will not need to be submitted to voting
6. If there are proposals related to matters that the General Meeting can resolve without them being in the agenda, the Chairman will decide the order in which they will be submitted to voting
7. For the adoption of any of the agreements that the article 526 of the Spanish Corporation Law refers to, those shares that do not have voting right because of what has been established in this precept, will not be considered represented nor present, with the exception that the sub-delegation or alternate delegation has sent an individual that can exercise the voting right

#### **Artículo 24. Provisional suspension and extension**

1. Exceptionally, if any extraordinary circumstance happens that avoids the normal development of the General Meeting, the Chairman of the Meeting, may agree to the suspension of the session during the time that he/she considers appropriate, in order to re-establish the necessary conditions for its continuation. The General Meeting Chairman can adopt additional measures that he considers appropriate to guarantee the safety of the attendants and avoid the repetition of the circumstances that could again modify the good order of the meeting.  
If, once the session is restarted, the situation that has provoked the suspension continues, the Chairman can agree to the extension of the session to the next day or directly cancel the session.
2. Without prejudice of the former items, under proposal of the General Meeting Chairman, of the majority of Counsellors assisting in the meeting or under request of shareholders that represent, at least, the fourth part (1/4) of the present capital in the General Meeting, the attendants can agree to the extension of the sessions during one or more consecutive days. No matter how many sessions are contemplated, the General meeting will be considered unique, and only one minutes will be prepared for all the sessions.

#### **Artículo 25. End of the Meeting**

Once the voting of the agreement proposals finished and the results proclaimed, it corresponds to the Chairman to end the General Meeting and declare the end of the session.

#### **Artículo 26. Meeting minutes**

1. The Secretary of the Meeting will end the Minutes of the session that will be included in the Minutes Book, and it can be approved by the Board at the end of the meeting, or in the following fifteen (15) days, by the Meeting Chairman and two (2) Speakers, one in representation of the majority and another one of the



minority, the Minutes being approved in any of these executive forms from the day of approval.

2. The meeting's minutes will include the list of attendants to which the article 192 of the Spanish Corporate Law refers, and will contain a summary of the discussions, literal expression of adopted agreements and the result of the votes.
3. The Administration Board can request the presence of an Attorney so that the Meeting ends and it will be always obliged to do so, five (5) days prior to the Meeting holding, if the shareholders that represent at least one per cent (1%) of the share capital request it. The Attorney minutes will not be submitted to approval, it will be consider a Meeting minute and the agreements that appear in it can be executed from the date of its end. The attorney fees will be paid by the Company.

#### **Artículo 27. Publication of agreements**

1. Without prejudice of the inscription in the Commercial Registry of those agreements registerable and the legal provisions that can apply in matters of publication of social agreements, the Company will submit the approved agreements text to the National Commission of Market Values, in the established period.
2. The complete text of the adopted agreements and the result of the votes will be integrated in the Company's website in the five (5) days following the end of the General Meeting.

#### **Artículo 28. Electronic Forum of Shareholders**

1. In the occasion of the holding of each General Meeting of shareholder in the Company's website an electronic forum of shareholders will be put in place to which both the Company shareholders and the correctly constituted voluntary shareholders partnerships and subscribed in the special Registry put in place in the National Commission of Market Values, in order to facilitate the communication among shareholders of the Company because of the call and until the holding of the corresponding General Meeting. In the Forum, proposals that wish to be presented as complement to the agenda noticed in the call, adhesion requests to those proposals, initiatives to reach enough percentage to exercise a right of minority planned in the Law, as well as offers or demands of voluntary representation can be published.
2. The Administration Board will approve the working rules of this Forum that will be available in the Company's website.

#### **FINAL DISPOSITION**



The current Regulation will be applied from the call of the General Meeting of Shareholders immediately posterior to the one that has been approved.

