

EBRO FOODS, S.A.

REGULATIONS OF THE BOARD

REGULATIONS OF THE BOARD OF DIRECTORS

OF

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JUSTIFICATION, PURPOSE, UNDERLYING PRINCIPLES AND STRUCTURE OF THE REGULATIONS

1. The Regulations are based on three concepts which are, very generally, reflected in the current state of opinion on the governance of listed companies.

Firstly, they respond to the need to improve transparency in the dealings of the company's governing bodies and in all its relations, especially with shareholders and markets.

Secondly, they also seek to promote a more efficient business management, geared towards increasing the company's net asset value in the medium and long term, for the benefit of its shareholders.

And thirdly, by laying down the guidelines for the duties and procedures of and the positions within the corporate management bodies, as well as the relationships between those bodies and the senior management, they establish the assumptions for the rendering of accounts to the shareholders by corporate bodies and their members.

2. The Regulations respond, in structure and content, to the purposes mentioned above.

In this respect, a specific section deals with the structure, composition, duties and rules of conduct of the Board of Directors, assuming that the Board commissions the day-to-day management of the company to its executive members and senior officers, focusing on supervision, although with certain general duties, including particularly approval of the main outlines of the business strategy and the promotion, oversight and assessment of the management of the company and its subsidiaries, establishing adequate coordination with the subsidiaries, within the confines laid down by law, to benefit common interests.

After defining the duties of the Board, its structure and composition are regulated, stressing in respect of the latter the different types of director and the criteria for integration of those types

of directors according to the shareholding structure of the company, establishing the same criteria of composition for the Executive Committee and other Committees of the Board, making the necessary weightings according to their respective duties and rules of composition.

With regard to positions of government, the Regulations establish, in accordance with the Articles of Association, that the Chairman of the Board shall be the highest institutional representative of the company, preside General Meetings of Shareholders and boost the company's relations with shareholders, along with all other duties inherent in the position of Chairman of the Board, including the direction Board procedures.

The company may have one or several Managing Directors, responsible for the day-to-day management of the company and, insofar as this may be permitted by law, that of the group companies, chairing the Management Committee and coordinating the actions of all the Group's core businesses to ensure maximum efficiency in the search for synergies and common organisational aspects. If no Managing Director has been appointed, these duties shall be undertaken by the Chairman, as chief executive of the company. In this case, in accordance with the Articles of Association and the latest guidelines on good corporate governance, adequate counterbalancing measures shall be put in place to avoid excessive concentration of power in the Chairman of the Board.

In this context, the Executive Committee shall act as the delegated body of the Board of Directors, paying special attention to monitoring and supervision compliance with the strategic and corporate development guidelines, execution of the annual budget and control of the business management of the company, while also ensuring adequate coordination with the group companies in the common interests of the latter and the company.

The Audit and Compliance Committee shall see that the internal audit procedures, internal control systems in general, including risk management control, and particularly the financial reporting internal control system are adequate; ensure that the External Auditor and Internal Audit Manager are selected according to objective, professional criteria, guaranteeing their independence in the performance of their respective duties; report to the Board on any related party transactions submitted to them for consideration; control any possible conflicts of interest; and, in general, make sure that all information on the company, particularly financial, meets the principle of truth and maximum transparency for shareholders and markets.

The Nomination and Remuneration Committee shall inform on proposals for the appointment and removal of directors and their assignment to different committees and shall submit to the

Board recommendations for the company's remuneration policy. It shall, in turn, have supervisory duties in respect of the senior management, overseeing appointments and removals, assessing the executive promotion, management and selection policies, remuneration systems and levels and monitoring the decisions on these issues adopted in the group companies.

The Strategy and Investment Committee, backed and promoted by the senior management, shall inform and submit proposals on growth, yield and market share, new investments, restructuring processes and agreements with other groups, drawing up strategic development plans, where appropriate, and monitoring these issues in group companies, taking such initiatives as may be required in the common interest of the company and its subsidiaries.

The possibility is also contemplated that the Board may set up Advisory Committees, including standing committees, consisting of external experts, which shall not be considered corporate bodies. These Advisory Committees may discuss, study and inform on certain issues of particular importance for the company, such as the foreseeable changes in the business scenario, sector and market forecasts, technological change or new systems of corporate organisation and intercompany relations within the context of an increasingly more globalised economy.

After establishing the above-mentioned principles regarding the structure, composition and duties of the board, the Regulations also define the Directors' Statute and the Statute of Senior Positions in the Company, specifically the Chairman and the Managing Director(s), if any.

Finally, in the Final Provisions, the Regulations contemplate the regular assessment by the Board of the implementation of these Regulations and the study of any modifications or reviews hereof that may be considered necessary in the light of any changes that may occur within the company or the markets in which it operates.

PART ONE

GENERAL PROVISIONS

Art. 1. Purpose

The purpose of these Regulations of the Board of Directors is to establish the principles of action and duties of that body and the basic rules for its organisation and functioning, paying particular attention to the impetus and control of corporate management and the code of conduct of its members, in accordance with prevailing laws and regulations and the Articles of Association.

Art. 2. Scope of application

2.1. The Regulations shall be applicable directly to the Board of Directors, as a body corporate, and the Directors as members of the Board contributing to form its will as a corporate body, and also to the Committees of the Board, without prejudice to the provisions contained herein on the Management Committee.

All directors and the above-mentioned senior officers are obliged to be familiar, comply and ensure compliance with these Regulations.

2.2. The provisions of these Regulations in respect of subsidiaries in which the company has a controlling interest denoting a group relationship as defined in section 4 of the Securities Market Act (hereinafter subsidiaries) shall at all times be considered within the legal limits and for the common interests and benefit of the Company and its subsidiaries. The principles established herein shall also be applicable to the company's representatives on the boards of associated companies not controlled by the Company, provided that they are compatible with the legal provisions, articles of association and regulations of those companies.

2.3. The company shall take such measures as may be necessary to ensure that the Regulations are distributed as widely as possible among shareholders and investors, and among the senior executives of the company and its subsidiaries.

Art. 3. Interpretation

3.1. These Regulations shall supplement and complement the provisions established in respect of the Board and other corporate bodies in the Articles of Association and other laws and regulations applicable to the company.

3.2. The Board shall be competent to resolve any doubts that may arise in connection with the application and interpretation of these Regulations, relating them with the applicable legal provisions and Articles of Association according to the principles on which they are based.

Art. 4. Modification

4.1. These Regulations may be modified at the proposal of the Chairman or at least one-third of the Board members whenever circumstances exist which, in their opinion, make such modification necessary or convenient, submitting together with the proposal a report justifying the grounds for and scope of the modification.

4.2. The proposal for modification shall be submitted to the Audit and Compliance Committee and the Nomination and Remuneration Committee, which may issue a report if they so deem fit.

4.3. The Board meeting at which the proposal to modify these Regulations is to be discussed shall be called sufficiently in advance, previously providing each and all of the directors with all information available in respect of the proposal submitted.

4.4. The resolution to modify these Regulations shall be carried with the votes in favour of at least two-thirds of the Board members.

PART TWO

STRUCTURE, COMPOSITION, DUTIES AND CODE OF CONDUCT OF THE BOARD OF DIRECTORS

CHAPTER I

STRUCTURE AND COMPOSITION OF THE BOARD OF DIRECTORS

Art. 5. Structure and Composition of the Board of Directors

5.1. The General Meeting of Shareholders shall determine the exact number of Directors, between the maximum and minimum stipulated in the Articles of Association. This notwithstanding, the Board shall recommend an adequate number of members to ensure that it is duly representative and efficient.

5.2. The persons proposed by the Board for appointment or re-election as Directors shall be of recognised standing and have adequate experience and expertise to perform their duties.

These proposals shall be made taking into account the existence of three types of director:

- a) Those permanently and professionally involved in the day-to-day management of the company (Executive Directors).
- b) Those who are not permanently and professionally involved in the day-to-day management of the company (Non-Executive Directors), who fall into two classes: those who are on the Board at the request of shareholders with significant interests in the capital and those who may be considered independent according to applicable laws and regulations or the prevailing recommendations on good corporate governance.
- c) Those who do not fit into either of the above categories.

The number of directors shall at all times be distributed among the types mentioned above according to the operating requirements and real structure of the company's shareholding body, based on the ratio of capital held by controlling shareholders to capital held by institutional investors and minority shareholders.

In any case, any initiative taken by the Board in respect of its members shall be without prejudice to the sovereign power of the General Meeting of Shareholders to appoint and remove Directors and exercise by shareholders of their right to proportional representation.

Furthermore, the Board shall follow the criteria established in these Regulations and the Articles of Association when filling any vacancies by cooptation.

CHAPTER II

DUTIES OF THE BOARD OF DIRECTORS

Art. 6. General scope of action of the Board of Directors

Save in any matters reserved by law or the Articles of Association to the General Meeting, the Board of Directors is the highest body of government and administration of the company, with full powers to direct, administer and represent the company in the performance of the activities comprising its objects.

The Board of Directors shall commission the day-to-day management of the company to its executive members and the senior officers, focusing its own activities on oversight, although with certain general duties including, among others, definition of the general strategy and management guidelines of the company, promotion and supervision of the senior management, establishing the bases of corporate organisation in order to secure the utmost efficiency, monitoring of the transparency and truth of all corporate information in its relations with shareholders and the markets in general, and organisation of its own functioning, establishing, moreover, within the confines of law, adequate coordination with subsidiaries to benefit common interests of the company and its subsidiaries.

6.1. As regards the general strategy, the Board of Directors shall, as such and through its Committees:

- a) Approve the company's annual budget, establishing the financial targets and basic lines of action, and the specific plans and policies devised to reach those targets.
- b) Define the policy for reporting to and general communication with the shareholders, markets and public opinion.

- c) Supervise all long-term commercial, industrial or financial agreements of particular strategic importance for the Company and its subsidiaries.
- d) Coordinate with the subsidiaries, within the limits established in law, in all matters contemplated in this section 6.1, acting in the common interests and for the benefit of the company and its subsidiaries.

6.2. With regard to management guidelines and laying the bases for corporate organisation of the senior management, the Board shall, as such and through its different Committees:

- a) Promote and supervise the operations of the company and efficiency of the senior management in meeting the targets and objectives set, establishing an organisational structure that will guarantee the greatest efficiency of the senior management and the management team in general.
- b) Perform the duties commissioned to the Board by the General Meeting of Shareholders, which duties may not be delegated save when expressly so provided in the resolution of the general meeting.
- c) Approve the following operations: organisation and winding-up of companies, acquisition of stakes in the capital of existing companies, mergers, takeovers, demergers or business concentrations of interest to the company, whenever these operations are significant for the company, by virtue of their amount or nature.
- d) Approve acquisitions and disposals of substantial assets and any financial transactions of the company that may have a material effect on its equity or which, by virtue of whatsoever other circumstance, are especially important.
- e) Approve any investments and divestments which, by virtue of their amount or nature, may have a material effect on the equity or overall strategy of the company.
- f) Furnish guarantees and the like to secure obligations of companies in which the Company has no stake.
- g) Approve the transfer of any industrial property rights belonging to the Company that may have a material economic importance or be significant for its image on the market.

- h) Supervise any commitments deriving from the staff welfare system involving long-term financial responsibilities for the Company.
- i) Establish, where necessary, the position of the Company in respect of its subsidiaries in the matters and operations contemplated in this section 6.2.

6.3. In respect of the transparency and truth of the company's reporting, the Board shall, as such and through its different Committees:

- a) Ensure the independence and professional suitability of the External Auditor.
- b) Supervise the services of the Internal Audit Department, overseeing the financial reporting process and internal control systems.
- c) Control the financial information disclosed to the shareholders or the markets in general.

6.4. In connection with its own organisation and functioning, the Board shall:

- a) Appoint Directors, whenever necessary, by the system of cooptation and accept resignations tendered by Directors.
- b) Appoint and remove the Directors who are to sit on the Executive Committee and any other Committees contemplated herein, and delegate powers to the Chairman, Vice-Chairman, Managing Director(s), if any, Executive Committee and any other Committees contemplated herein.
- c) Appoint and remove the Chairman, Vice-Chairman, Managing Director(s), if any, and Secretary.
- d) Appoint and remove the members of the Management Committee and senior officers and establish any applicable termination benefit clauses.

6.5. The Board is also responsible for authorising transactions made by the company or other companies in its Group with directors, significant shareholders, shareholders represented on the board or other related parties, subject to a favourable report by the Audit and Compliance Committee. This authorisation is not necessary when the transactions meet all of the following three conditions:

- They are made under contracts with standard terms and conditions applied “en masse” to numerous clients.
- They are made at prices or rates established generally by the supplier of the goods or provider of the services in question.
- The amount thereof does not exceed 1% of the company’s annual revenue.

The basic duties of the Board shall include, but are by no means limited to, the powers indicated above, which shall be exercised in accordance with the Articles of Association and applicable legal provisions. This notwithstanding, the general duties contemplated in this article may not, in principle, be delegated, save for special reasons in specific cases.

Art. 7. Specific duties regarding certain matters

7.1. The Board shall see that the separate and consolidated Annual Accounts and Directors’ Reports give a true and fair view of the equity, financial position and results of the company, as stipulated in law, and each and all of the Directors shall have all the necessary information before signing the Annual Accounts.

7.2. The Board shall, as such and through its Committees, assume the following specific duties in respect of the Securities Market:

- a) Supervise the financial information published periodically.
- b) Promote and supervise the information given to the financial markets, particularly on any events, decisions and circumstances that may be important for the price of its shares.
- c) Take whatever measures may be necessary to guarantee, as far as possible, a correct determination of the prices of shares in the Company and its subsidiaries, where appropriate.
- d) Approve the Internal Code of Market Conduct and any modifications thereto as may be necessary.

7.3. The Board shall be ultimately responsible for the existence, maintenance and oversight of an adequate, effective internal control system of all financial reporting, to be designed and promoted by the Management Committee.

CHAPTER III

CODE OF CONDUCT OF THE BOARD OF DIRECTORS

Art. 8. Principles

8.1. The Board of Directors shall perform its duties in accordance with corporate interests, considering this to mean the common interest of all shareholders, which shall not preclude consideration for other legitimate public and private interests that exist in the performance of all business activity.

8.2. The day-to-day management of the Company and the monitoring of and adequate coordination with its subsidiaries shall be undertaken by the Chairman or the Managing Director(s), if any, assisted by the senior officers. The Board of Directors, as such and through its Committees, particularly the Executive Committee, shall establish the necessary mechanisms to guarantee its control over the day-to-day management and, in general, over the delegated powers and the senior management, ensuring adequate coordination with the subsidiaries in the common interests of the latter and the Company.

8.3. The Board of Directors shall be answerable as a body corporate to the General Meeting and the shareholders.

Art. 9. Board meetings

9.1. Ordinary Board meetings shall be held once a month, although occasionally or in certain circumstances, a different frequency may be established. In any case, the Board shall meet at least once each quarter. At these ordinary meetings, the Board shall discuss the overall course of business and financial results of the company and, where appropriate, its subsidiaries, the balance sheet, cash statement, implementation of approved budgets and the business contemplated in Article 6 of these Regulations, whenever appropriate; and in all cases, the items included on the agenda. During these regular meetings, the calendar of which shall be issued to the Directors every year, the Board of Directors shall receive information on the most important aspects of business management and any foreseeable risk situations for the Company and its subsidiaries, together with the actions proposed by the senior management in respect thereof. The Chairman or acting chairman may call Board meetings as and when he may deem fit through the Secretary or Vice-Secretary. A Board meeting shall necessarily be called when requested by at least one third of its members, in which case the Chairman shall call the meeting to be held within one month following the date of request. If the Chairman fails to call a Board

meeting within that time without having justified reason for not doing so, directors representing at least one-third of the Board may call the meeting, including the agenda, to be held in the same city as the company's registered office.

9.2. The Chairman or acting chairman shall draw up the agenda for all Board meetings. One-third of the Board members may, at least six days prior to the date of the meeting, request the inclusion of any items which, in their opinion, ought to be discussed.

9.3. Notwithstanding the provisions of the Articles of Association regarding notices of call to Board meetings, such notices shall be sent by letter, telex, telegram, e-mail or any other similar means to each and every Director at the addresses they have indicated, at least three days prior to the date of the meeting, specifying the place and time of the meeting and including the agenda. Extraordinary meetings may be called immediately by telephone or any other means whenever circumstances so justify, in the opinion of the Chairman or acting chairman. Any necessary information relating to the items on the agenda shall be sent to the Directors together with the notice of call.

9.4. Board meetings shall normally be held at the registered office, although they may be held wherever else the Chairman may decide and specify in the notice of call.

Board meetings may be held in several rooms simultaneously, provided that interactivity and intercommunication between them in real time and, therefore, the unity of the event, is guaranteed by audiovisual or telephonic means. In this case, the system of connection shall be indicated in the notice of call and, if appropriate, the places where the technical means are available to attend and participate in the meeting. The resolutions shall be deemed adopted at the place from which the Chairman of the meeting participates.

9.5. The Board may debate and adopt resolutions on the issues included on the agenda and any others, provided all the directors present or represented agree to their discussion.

Art. 10. Proxies and adoption of resolutions

10.1. Any Director may be represented by another Board member, to whom the former may issue specific voting instructions for any or all of the items on the agenda.

10.2. Resolutions shall be carried by the absolute majority of Directors present or represented at each meeting, without prejudice to special resolutions for which a higher majority is stipulated in the Articles of Association, these Regulations or the applicable laws. Written

resolutions, without a meeting, shall be valid provided that no Director objects to this procedure and the applicable legal requirements are met.

10.3. The Chairman or acting chairman shall direct the discussions and debates at Board meetings and countersign the corresponding minutes and certificates.

PART THREE

COMMITTEES OF THE BOARD OF DIRECTORS AND MANAGEMENT COMMITTEE

Art. 11. Creation of Committees by the Board of Directors

11.1. The Board of Directors shall appoint the members of the Executive Committee, the Audit and Compliance Committee, the Nomination and Remuneration Committee and the Strategy and Investment Committee. Any Director may sit on these Committees, subject to the restrictions stipulated in law and these Regulations.

The Executive Committee shall assume the delegated powers of the Board of Directors. The Audit and Compliance Committee, the Nomination and Remuneration Committee and the Strategy and Investment Committee shall have duties of study and proposal in their respective areas and only exceptionally shall they have any decision-making capacity in the specific matters delegated to them by the Board, notwithstanding the powers attributed by law to the Audit and Compliance Committee.

The Audit and Compliance Committee and the Nomination and Remuneration Committee shall have at least three members, who shall all be non-executive directors, and shall be chaired by independent directors.

11.2. The Board shall appoint the members of the Committees based on the knowledge, expertise and experience of the directors and the duties of each Committee. The Committees shall discuss their proposals and reports and report on their actions and activities at the first Board meeting held after each Committee meeting.

11.3. The Committees shall meet as and when called by their respective Chairmen, through their Secretaries, and may establish their own rules of procedure, in accordance with the applicable laws, the Articles of Association and the principles of these Regulations. The provisions stipulated in these Regulations for Board meetings shall be applicable if no such rules are established, and shall supplement those rules insofar as this may be compatible with the function and nature of the Committee in question.

11.4. The Committees may require management, employees or advisers of the Company to attend their meetings in order to assist them in the performance of their respective duties, and may request their Chairman to procure counselling from external experts, stating the reasons for their request.

11.5. The members of each Committee may be represented by other members of the same Committee, sending a letter of proxy to the Secretary of the Committee.

Art. 12. Executive Committee

12.1. In addition to the Chairman and Vice-Chairman, other Directors shall sit on the Executive Committee, up to a maximum of seven members, with the composition stipulated in the Articles of Association. All the members of this Committee shall be appointed by the Board, which shall also specify what powers are delegated to it, in accordance with the Articles of Association and these Regulations, requiring votes in favour of at least two-thirds of the Board members to carry the relevant resolutions. Save otherwise resolved by the Board, all the powers of the Board that may be delegated according to law, the Articles of Association and these Regulations shall be deemed delegated to this Committee on its creation, subject to the constraints established in the good corporate governance recommendations in place from time to time. The Chairman and Secretary of the Board shall be Chairman and Secretary also of the Executive Committee.

12.2. The Executive Committee shall generally hold one meeting a month. Its meetings may be attended by such members of the management, employees and advisers of the company as the Committee may deem fit.

Without prejudice to the autonomy of decision of the Executive Committee in respect of the delegated powers, its resolutions being fully valid and effective without ratification by the Board, whenever circumstances so require, in the opinion of the Chairman or three members of the Committee, the resolutions adopted by the Executive Committee shall be submitted to the Board for ratification. This shall also be the case in matters which the Board has delegated the Committee to study, while reserving for itself the ultimate decision, in which case the Executive Committee shall merely submit the corresponding proposal to the Board.

At the request of any Board members, the Directors shall be informed of all resolutions adopted by the Executive Committee since the previous Board meeting, and Directors shall have access to the minutes of Executive Committee meetings.

12.3. The Executive Committee shall have the following powers:

- a) Adopt resolutions corresponding to the powers delegated to it by the Board of Directors.
- b) Monitor and supervise the day-to-day management of the company, ensuring adequate coordination with subsidiaries in the common interests of the latter and the company.
- c) Study and propose to the Board of Directors the guidelines defining business strategy, supervising their implementation.
- d) Debate and inform the Board on any issues corresponding to the following matters, regardless of whether or not they have been delegated by the Board:
 - Separate and consolidated annual budget of the company, itemising the provisions corresponding to each line of business.
 - Monthly monitoring of the financial management, deviations from the budget and proposed remedial measures, if necessary.
 - Significant financial investments and investments in property, plant and equipment and the corresponding economic justification.
 - Alliances and agreements with other companies which, by virtue of their amount or nature, are important for the company.
 - Financial transactions of a material economic significance for the company.
 - Programme of medium-term actions.
 - Assessment of the achievement of objectives by the different operating units of the company.
 - Monitoring and assessment of the subsidiaries in respect of the matters contemplated in this sub-section d).
- e) Adopt resolutions corresponding to the acquisition and disposal of treasury stock by the Company, in accordance with the authorisation, if any, granted by the General Meeting. A Director may be designated to execute and formalise the decisions to

buy or sell own shares, supervising and, if appropriate, authorising any resolutions that may be adopted by subsidiaries to buy and sell their own shares or shares in the Company, whenever such authorisation is required by law.

Art. 13. Audit and Compliance Committee

13.1. The Audit and Compliance Committee shall have no fewer than three nor more than five Non-Executive Directors appointed by the Board in accordance with the Articles of Association.

The Board shall appoint one of the independent directors on the Committee to be Chairman, who shall be replaced every four years, becoming eligible for re-election one year after his retirement as such. This notwithstanding, the Chairman of the Board may attend and participate in the meetings of this Committee, although he may not vote.

In the event of absence or temporary unavailability of the chairman, he shall be provisionally substituted by a Committee member nominated by the Committee, or otherwise by the oldest Committee member.

The Secretary of the Board shall act as Secretary of this Committee, with voice but no vote, issuing minutes of the resolutions adopted.

13.2. The Audit and Compliance Committee shall meet as and when called by its Chairman, or at the request of two of its members and at least once every three months. It shall also meet whenever the Board requests the issuance of reports, submission of proposals or adoption of resolutions within the scope of its duties. Meetings shall be called by the Secretary of the Committee following instructions of the Chairman. Apart from the Committee members, any company executive may be called to meetings.

Committee meetings shall be held at the registered office or wheresoever else may be decided by the Chairman and indicated in the notice of call, and shall be quorate when attended, in person or by proxy, by the majority of its members.

Resolutions shall be carried with the votes in favour of the majority of members attending the meeting. In the event of a tie, the Chairman, or acting chairman, shall have the casting vote.

At the following Board meeting, the Chairman of the Audit and Compliance Committee shall report on all resolutions, reports or proposals made by the Committee since the previous Board

meeting. Directors shall have access to the minutes of Committee meetings, through the Secretary of the Board.

13.3. The Audit and Compliance Committee shall have the following powers, in addition to those assigned to it in the Articles of Association or by law:

- a) Supervise and promote internal control of the company and the risk management systems and submit recommendations to the Board regarding the risk management and control policy, specifying at least:
 - The types of risk (operating, technological, financial, legal and reputational) to which the company is exposed;
 - The risk level that the company considers acceptable;
 - The measures for mitigating the impact of identified risks, should they actually occur;
 - The control and reporting systems used to control and manage those risks.
- b) Supervise and promote the policies, procedures and systems used for drawing up and control of the company's financial information, checking the services performed in this regard by the Internal Audit Department, the Financial Department and the Management Committee and making sure they are correctly distributed throughout the Group.
- c) Receive the information sent regularly to the Stock Exchange Councils, issue prospectuses and any public financial information offered by the Company and, in general, all information prepared for distribution among shareholders, ensuring the existence of internal control systems that guarantee the transparency and truth of the information.
- d) Ensure that the systems used for preparing the separate and consolidated Annual Accounts and Directors' Report submitted to the Board to be officially drawn up and authorised for issue in accordance with current legislation give a true and fair view of the equity, financial position and results of the Company and make sure that any interim financial statements are drawn up according to the same accounting principles as the annual accounts, considering the possibility of asking the external auditors to make a limited audit if necessary.

In this respect, it shall also see that the internal control systems are adequate and effective in respect of the accounting practices and principles used for drawing up the company's annual accounts, supervising the policies and procedures established to ensure due compliance with applicable legal provisions and internal regulations. The Committee shall, through its Chairman, obtain information and collaboration from both the Internal Audit Manager and the External Auditors to perform these duties. Furthermore, whenever the Committee so requests its Chairman, its meetings may be attended by any member of the company management, who may speak but not vote.

- e) Establish regular contact with the External Auditors to receive information on any issues that may jeopardise their independence, and any other issues relating to the auditing of accounts, receiving information from and exchanging communications with the External Auditors in accordance with prevailing auditing standards and legislation.
- f) Be informed of the decisions adopted by the senior management according to recommendations made by the External Auditors in connection with the audit.
- g) Report to the Board prior to the adoption of any decisions on related party transactions submitted for its authorisation.
- h) Implement a confidential whistle-blowing channel accessible to all Group employees and a protocol for establishing priority, processing, investigating and solving any issues reported through that channel according to their importance and nature, paying special attention to those involving possible falsehood or misrepresentation in financial or accounting documents and possible fraud.
- i) Supervise compliance with the internal codes of conduct and rules of corporate governance. In particular, oversee the implementation of and compliance with the internal regulations and codes applicable to the risk management and control systems in general and the financial reporting process in particular.

13.4. The Audit and Compliance Committee shall, through its Chairman, propose to the Board, for submission to the General Meeting, the appointment of the External Auditors of the Company and their terms of contract, the scope of their commission and the renewal or revocation of their appointment. The Committee shall ensure the independence of the External

Auditors and the existence of a discussion procedure enabling the External Auditors, the Internal Audit Department and any other expert to inform the company of any significant weaknesses in its internal control detected while checking the annual accounts or any other processes in which they have worked. It shall also inform the Board on the proposal submitted to the Board by the Company Chairman regarding the appointment of the Internal Audit Manager, who shall report directly to the Chairman of the Board.

13.5. The Audit and Compliance Committee shall also supervise and report to the Board on intragroup and related party transactions of the company or subsidiaries and settle any conflicts of interest that may arise between the company or the group and its directors, executives, significant shareholders and listed subsidiaries, if any.

13.6. The Audit and Compliance Committee shall also, through its Chairman, report to the General Meeting on any issues raised by shareholders concerning matters within its competence.

Art. 14. Nomination and Remuneration Committee

14.1. The Nomination and Remuneration Committee shall consist of no fewer than three nor more than five Non-Executive Directors appointed by the Board in accordance with the Articles of Association. This notwithstanding, the Secretary of the Board shall act as Secretary of the Committee, with voice but no vote, issuing minutes of all resolutions adopted.

The Committee shall appoint a member that is an independent directors to be Chairman. This notwithstanding, the Chairman of the Board may attend the meetings of this Committee, with voice but no vote.

In the event of absence or temporary unavailability of the chairman, he shall be provisionally substituted by a Committee member nominated by the Committee, or otherwise by the oldest Committee member.

14.2. The Committee shall meet whenever called by its Chairman or at the request of two of its members and at least once every three months. It shall also meet whenever the Board requests the issuance of reports, submission of proposals or adoption of resolutions within the scope of its duties. Meetings shall be called by the Secretary of the Committee following instructions of the Chairman. Whenever the Committee so requests its Chairman, its meetings may be attended by any member of the company management, who may speak but not vote.

At the following Board meeting, the Chairman of the Nomination and Remuneration Committee shall report on all resolutions, reports or proposals made by the Committee since the previous Board meeting. Directors shall have access to the minutes of Committee meetings, through the Secretary of the Board.

14.3. The Committee shall study, issue reports and submit proposals for the Board on the following matters:

- a) Definition and, where appropriate, revision of the criteria to be followed for the composition and structure of the Board and selection of candidates to join the Board, informing always prior to the appointment of a Director by cooptation or the submission to the General Meeting of any proposal regarding the appointment or removal of Directors.
- b) Appointment of the Chairman and, if any, the Vice-Chairman, Managing Director(s) and Secretary of the Board; appointment of Directors to the Executive Committee, Audit and Compliance Committee and Strategy and Investment Committee; appointment of members of the Management Committee and any other advisory committees the Board may create; and appointment and possible dismissal of senior executives and their termination benefit clauses.
- c) Position of the Company regarding the appointment and removal of board members in subsidiaries.
- d) Proposal of directors' emoluments, according to the system of remuneration established in the Articles of Association and the executive directors' relationship with the Company. The Committee shall also inform in advance on any resolution or proposal of the Board on the remuneration of directors and executives indexed to the value of the shares in the Company or its subsidiaries or consisting of the delivery of shares in the Company or its subsidiaries or the granting of options thereover.
- e) Supervision of the senior management remuneration and incentives policy, obtaining information and reporting on the criteria followed by the Company's subsidiaries in this respect.
- f) Assessment of the principles of the management training, promotion and selection policy in the parent company and, where appropriate, in its subsidiaries.

- g) Examination and organisation, as deemed adequate, of the succession of the Chairman and chief executive and, if appropriate, submission of proposals to the Board to ensure that such succession is made in an orderly, well-planned manner.
- h) Preparation and proposal of the Annual Report on Directors' Remuneration in accordance with the laws and regulations in place from time to time.

Art. 15. Strategy and Investment Committee

15.1. The Strategy and Investment Committee shall consist of no fewer than three nor more than five Directors, including a Chairman, appointed by the Board of Directors in accordance with the Articles of Association. Notwithstanding this composition, the Secretary of the Board shall act as Secretary of this Committee, with voice but no vote, issuing minutes of the resolutions adopted.

In the event of absence or temporary unavailability of the chairman, he shall be provisionally substituted by a Committee member nominated by the Committee, or otherwise by the oldest Committee member.

15.2. The Committee shall meet whenever called by its Chairman or at the request of two of its members and whenever the Board requests the issuance of reports, submission of proposals or adoption of resolutions within the scope of its duties. Meetings shall be called by the Secretary of the Committee following instructions of the Chairman. Whenever the Committee so requests its Chairman, its meetings may be attended by any member of the company management, who may speak but not vote.

At the following Board meeting, the Chairman of the Strategy and Investment Committee shall report on all resolutions, reports or proposals made by the Committee since the previous Board meeting. Directors shall have access to the minutes of Committee meetings, through the Secretary of the Board.

15.3. The Strategy and Investment Committee shall study, issue reports and submit proposals for the Board on the following matters:

- a) Setting of targets for growth, yield and market share.
- b) Strategic development plans, new investments and restructuring processes.

- c) Coordination with subsidiaries in the matters contemplated in paragraphs a) and b) above, for the common interests and benefit of the Company and its subsidiaries.

In the performance of its duties, it may, where necessary, obtain information and collaboration from the members of the Company management, through the Chairman of the Committee.

Art. 16. Management Committee

16.1. The Board of Directors shall appoint a Management Committee consisting of the persons responsible for the principal management units and business areas of the Company and its subsidiaries and the executive directors proposed by the Nomination and Remuneration Committee, and presided by the Chairman of the Board or the Managing Director(s), if any. The Secretary of the Board shall be Secretary of this Committee.

16.2. The Management Committee shall prepare and follow up decisions in the management of the Company, regarding strategy, budget, finance and personnel, and shall draw up business plans and oversee their implementation, defining the Company's position in respect of its subsidiaries on these matters. It shall also design and implement an adequate, effective financial reporting internal control system, which will be submitted to the Board for approval, subject to a favourable report by the Audit and Compliance Committee.

16.3. The Committee shall meet whenever called by its Chairman and in any case whenever the Board or Committees request the issuance of reports, submission of proposals or adoption of resolutions within the scope of their duties. Meetings shall be called by the Secretary following instructions from the Chairman.

Art. 17. Advisory Committees

The Board of Directors may, upon recommendation by the Chairman, set up Advisory Committees without the status of corporate bodies to study and inform on business of interest to the Board in the performance of its duties. These Committees may, if necessary, be set up as standing committees.

The Board shall, upon recommendation by the Chairman, appoint the members of Advisory Committees, who shall be persons of recognised professional standing who are neither Board members nor company employees.

The Board shall also, upon recommendation by the Chairman, decide what matters are to be studied by the Advisory Committees and, in particular, those designed to achieve a better

knowledge of the Company's environment and the prospects of change on the domestic and international markets, the evolution of applied technologies or business organisation.

The Board shall, upon recommendation by the Chairman and following a report by the Nomination and Remuneration Committee, define the rules of procedure and the remuneration of members of the Advisory Committees.

PART FOUR

RELATIONS OF THE BOARD OF DIRECTORS WITH THE SHAREHOLDERS AND MARKETS, THE GENERAL MEETING OF SHAREHOLDERS, THE AUDITORS AND THE SENIOR MANAGEMENT

Art. 18. Relations with shareholders and markets

18.1. The Board of Directors shall take such measures as may be necessary or convenient to enable the General Meeting of Shareholders to perform its duties in accordance with the law and the Articles of Association.

In particular, the Board shall take the following measures:

- a) Make available to the shareholders in the form stipulated in law, on calling a general meeting and, therefore, before the date of the general meeting, such information as may be required by law or the Articles of Association, putting it also on the Company's web site.
- b) Diligently and as stipulated in law meet any requests for information submitted by shareholders in writing prior to the general meeting or by asking questions during the meeting, referring to the different items on the agenda, acting at all times in accordance with the Regulations of the General Meeting.
- c) Where necessary, pass on as appropriate the requests made by shareholders during a general meeting for information which could not be supplied immediately, so that this information can be provided by the corresponding services of the Company within seven days after the meeting.
- d) The Board shall issue the Annual Corporate Governance Report, to be made available to the shareholders at the Annual General Meeting.
- e) Whenever the Chairman of the General Meeting considers this convenient in view of the agenda and the issues raised by the shareholders, the General Meeting may be attended by the Chairmen of the Board Committees and any other persons whose

attendance may be convenient owing to their status in or relationship with the Company.

18.2. Public requests for delegation of votes made by any member of the Board on the occasion of a General Meeting shall indicate how the proxy is to vote if the shareholder does not issue precise instructions and reveal the existence, if any, of conflicts of interest.

18.3. Following instructions from the Chairman, meetings may be organised to inform shareholders resident in the most important financial markets of Spain and overseas on the development of the company and its subsidiaries, where appropriate.

The Audit and Compliance Committee shall supervise and periodically assess these informative meetings, ensuring particularly that all the shareholders and the markets in general have the same information on the progress of the company and its subsidiaries.

18.4. Similarly, following instructions from the Chairman, regular meetings may be held with any investors, particularly institutional investors, who, although having a significant interest in the Company and its subsidiaries, are nevertheless not represented on the Board, to inform them on the progress of the Company.

The Audit and Compliance Committee shall supervise and periodically assess these informative meetings, ensuring particularly that all the shareholders and the markets in general have the same information on the progress of the company and its subsidiaries, such that none of these relations with the shareholders mentioned violate the principle of equal treatment of shareholders by putting them in a situation of privilege or advantage over other shareholders.

18.5. The Board of Directors shall inform the markets forthwith of any significant event for the determination of its share prices, material changes in its shareholding structure of which it may become aware and any substantial modifications in the rules of governance of the Company.

The Board shall also, essentially through the Audit and Compliance Committee, take such measures as may be necessary to see that the financial information regularly put at the disposal of the markets is prepared according to the same principles, criteria and professional practices as the Annual Accounts and, therefore, is just as reliable.

Art. 19. Relations with Auditors

19.1. The Board shall establish an objective, professional, continuous relationship with the External Auditors of the Company appointed by the General Meeting, guaranteeing their independence and putting at their disposal all the information they may require in order to perform their duties.

The aforesaid relationship with the External Auditors of the Company and the relationship with the Internal Audit Manager shall be exercised through the Audit and Compliance Committee.

19.2. The Board shall endeavour to draw up the Annual Accounts in such a way as to avoid any qualification by the Auditors.

Art. 20. Relations with the senior management

The Board may request information on any actions taken by the senior management of the Company in respect of the company or its subsidiaries.

PART FIVE

DIRECTORS' STATUTE

Art. 21. Appointment of Directors

Without prejudice to the competence of the General Meeting and, where appropriate, the Board to appoint Directors, all proposals in this regard shall be submitted by the Chairman, in the case of cooptation, and the Board in respect of the General Meeting. A report shall previously be issued by the Nomination and Remuneration Committee.

The Chairman, Board and aforesaid Committee shall bear in mind the principles established in the Articles of Association and these Regulations regarding the composition and structure of the Board.

Art. 22. Incompatibilities: No Competition Obligation, Conflicts of Interest and Related Party Transactions

22.1. Notwithstanding the prohibitions and constraints established in law, regulations and the Articles of Association, the Directors shall be subject to the following disqualifications and prohibitions:

- a) They may not hold positions or discharge of duties of representation, management, counselling or provision of services in rival companies or hold or discharge the same positions, duties or services in companies owning or controlling rival companies.
- b) They may not attend or participate in debates of any of the corporate bodies affecting businesses in which they have a personal interest, directly or through a member of their families or a company in which they hold a managerial position or significant stake.
- c) They may not directly or indirectly effect related party transactions with the Company or any other companies in its group unless they previously inform the Board and the latter approves the transaction, except in the cases contemplated in Article 6.5 above.

22.2. The above notwithstanding, no member of the Board may, directly or through a nominee, hold positions or be representatives or in any way related with companies that are habitual clients or suppliers of goods and services of the Company, wherever this might cause a conflict or clash of interests with those of the Company or its subsidiaries; in such cases the Chairman shall be informed of the situation and request a report from the Audit and Compliance Committee. Financial institutions providing financial services for the company are excepted from the foregoing.

22.3. If a Director is prosecuted or an order is passed to commence trial against him for any offences contemplated in the applicable laws and regulations, the Board shall study the case as soon as possible and, in view of the specific circumstances, decide whether or not that Director should remain in office, reporting on that decision and the underlying reasons in the Annual Corporate Governance Report.

Art. 23. Term of office

Directors shall be appointed for a term of four years, after which they shall be eligible for re-election for terms of an equal duration. This term of four years shall be counted from the date of the General Meeting at which their appointment is made, or ratified in the case of prior appointment by the Board by cooptation.

The Nomination and Remuneration Committee shall previously inform on any proposal for re-election of Directors that the Board may submit to the General Meeting.

Art. 24. Retirement of Directors

24.1. Directors shall retire from office at the end of the period for which they were appointed and in all other cases when this is required, in accordance with the law, the Articles of Association and these Regulations.

24.2. Directors shall step down and tender their resignation in the following cases:

- a) When they are affected by one of the cases of incompatibility or disqualification established in law, the Articles of Association or these Regulations.
- b) When they step down from the executive post to which their appointment as director was linked, when the shareholder they represent sells all its shares or reduces its interest to a level requiring a reduction in the number of proprietary directors and, in general, whenever the reasons for their appointment disappear.

- c) When the Board, following a report by the Nomination and Remuneration Committee, considers that the Director has seriously defaulted his obligations or that there are reasons of corporate interest for demanding his resignation.

The Board of Directors shall propose to the General Meeting of Shareholders that a Director be removed if one of the circumstances described above occurs and the Director fails to tender his resignation.

24.3. If a Director leaves the Board before the end of his term, through resignation or on whatsoever other grounds, he shall explain the reasons to the other Board members and the Company shall inform on the circumstance and reasons in the Annual Corporate Governance Report, as well as reporting the cessation in a regulatory announcement.

If a Director opts to resign when the Board adopts decisions on issues on which that Director has expressed qualifications or reservations in the sense contemplated in Article 25.4 below, he shall explain the reasons as per the preceding paragraph.

The duties expressed in the preceding two paragraphs shall also be applicable to the Secretary of the Board, even though he is not a director.

Art. 25. General duties of Directors

25.1. Directors have a duty to assist the Board in promoting and supervising the day-to-day management of the company and, insofar as this is legally permitted, that of the subsidiaries. In the performance of their duties, they shall act with due diligence, as of an orderly entrepreneur and a loyal representative. They shall also act in accordance with the corporate interest, defending the interests of all the shareholders.

Directors shall dedicate to the Company such time and attention as may be necessary to secure the efficient, loyal fulfilment of each and all of the duties corresponding to their office, hence the number of other directorships that they may hold shall be limited as necessary to enable them to meet each and all of their obligations within the Company.

25.2. In particular, Directors shall be obliged to:

- a) Request the necessary information and adequately prepare the meetings of the Board and any Committees they are on.

- b) Attend meetings of the corporate bodies they belong to and participate actively in the debates thereof, contributing effectively to the process of forming the corporate will and making decisions. Whenever they are unable, on just grounds, to attend any meetings to which they have been called, they shall duly instruct the Director who will represent them, if any.

Directors shall also request meetings of the corporate bodies to which they belong whenever they consider this necessary in the interests of the Company, proposing whatever items they think should be included on the agenda.

- c) Perform the specific duties commissioned to the Committee they are on, otherwise stating the reasons why they are unable to perform the duties in question.

25.3. Any Directors affected by proposed appointments, re-election or removals shall abstain from participating in the corresponding debates and votes. The ballots by the Board or relevant Committee on these matters may be secret if so requested by any of their members.

25.4. Directors shall clearly state their opposition whenever they consider that some of the decisions proposed to the Board may go against the corporate interests and/or those of the shareholders not represented on the Board.

25.5. Directors shall keep secret any confidential information they may receive in the course of their duties, even after retiring as Director. Such information may not be used until they become common knowledge.

Art. 26. Use of information

Directors may not use for private purposes any information on the Company or its subsidiaries that is not generally available, save when there is no possible detriment to such companies and when the information in question is irrelevant for the Stock Market. In any case, the rules of conduct established in law and the company's Internal Code of Market Conduct, if any, shall be heeded.

Art. 27. Use of corporate assets

No Director may make any personal use of assets belonging to the Company or its subsidiaries, or use his position in those companies to obtain a financial advantage, unless an adequate consideration is paid. A prior report from the Audit and Compliance Committee shall be required for dispensation.

If the advantage is obtained by virtue of the Director's condition of shareholder, the principle of equal treatment of shareholders must be respected.

The Board of Directors shall include in the Annual Corporate Governance Report a summary of the operations or transactions made by the Company with its Directors and significant shareholders, specifying the overall volume and nature of the operations.

Art. 28. Business opportunities

Directors may not take advantage, for their own benefit or that of any third person, of any opportunity to make an investment or commercial or other transaction that may have come to their knowledge in the course of their duties, using the means of information of the Company or its subsidiaries or in circumstances in which the third-party action might actually be presumed directed at the Company. This prohibition shall not be applicable when the Director has previously offered the business opportunity to the Company or has been authorised by the Board, after receiving a report from the Audit and Compliance Committee.

Art. 29. Duty to inform

Directors shall inform the Company of all and any shares they may hold in the Company or any of its shareholders, directly or through a nominee company or person or a company in which the Director has a controlling interest. Directors shall also be obliged to inform on any other shares in the Company or its subsidiaries held, directly or indirectly, by their closest relatives.

Directors shall also inform the Company of all positions they may hold as director or executive in other companies or institutions, and in general any fact or situation that could be important in respect of their actions as director of the company.

Art. 30. Right to counselling and information

30.1. Directors shall, whenever so required in the performance of their duties, have the fullest powers to obtain information on any matter whatsoever, obtaining such documents, records, background information or other elements as they may require in this respect. This right to information is extended to subsidiaries.

All requests for information shall be addressed to the Chairman and met by the Secretary of the Board, who shall supply the information directly or indicate who is to be contacted within the Company and, in general, establish the necessary measures to fully meet the Director's right to information.

30.2. Any Director may, in the course of any specific duties commissioned to him on an individual level or within the framework of any of the Committees of the Board, request the Chairman to engage, at the Company's expense, such legal advisers, accountants, technical, financial or commercial experts or others as he may consider necessary, in order to assist him in the performance of his duties, provided such counselling is justified is to resolve specific problems that are particularly complex and important.

Considering the circumstances of the specific case, the Chairman may deny or authorise the proposal in a communication sent through the Secretary of the Board, who shall, provided the proposal is authorised, contract the expert in question.

The Chairman may also put the proposal to the Board, which may refuse to finance the counselling if this is considered unnecessary for discharging the duties commissioned, or if the amount of finance required is considered out of proportion with the importance of the matter, or if the Board considers that the technical assistance requested could be adequately provided by company employees.

Art. 31. Directors' emoluments

31.1. Directors shall be entitled to the remuneration established by the Board in accordance with the applicable provisions of the Articles of Association and following a report by the Nomination and Remuneration Committee.

In this respect, both the Board and the aforesaid Committee shall weigh up the yield of the Company and, in respect of each Director, the positions held, time effectively dedicated to his duties as Director, attendance of meetings of the corporate bodies and the type of Director, endeavouring that Directors whose relationship with the Company is limited exclusively to their status as member of the Board receive a remuneration that will motivate dedication to the company without implying an obstacle to their independence; Directors of this type receive no further remuneration, save possible benefits under group insurance and third-party liability insurance corresponding to their actions as Directors.

31.2. The office of Director shall be compatible with any other executive duty or position in the Company, which shall be remunerated apart from any emoluments received as Director. The Nomination and Remuneration Committee shall be fully informed of any such other duties and the corresponding remuneration, thus guaranteeing the principle of transparency in respect of the remuneration of Directors for all items.

31.3. The Nomination and Remuneration Committee shall publish an annual report on the remuneration of Directors, which shall include itemised details of the remuneration received by each one.

PART SIX

STATUTE OF SENIOR POSITIONS IN THE COMPANY

Art. 32. Specific duties

In addition to the powers attributed to them by law and in the Articles of Association, the senior positions in the Company shall have the specific duties established in these Regulations.

Art. 33. Chairman of the Board

33.1. The appointment, removal, substitution and duties of the Chairman shall be as stipulated in law and the Articles of Association.

Notwithstanding his executive duties, if any, the Chairman of the Board shall have the highest institutional representation of the company and shall watch over the powers of the Board in respect of relations with shareholders and markets.

If the Chairman of the Board is also chief executive of the company, one of the non-executive directors shall necessarily be appointed Vice-Chairman, with the power to request the calling of Board meetings or the inclusion of new items on the agenda, organise meetings to coordinate non-executive directors and direct the regular assessment of the Chairman. If no Vice-Chairman is appointed, the Board shall authorise an independent director to perform these duties.

33.2. The Chairman of the Board shall also be Chairman of the Executive Committee. In addition, the Chairman shall permanently represent the Board and the Executive Committee and shall have the casting vote in all ballots within those bodies.

33.3. The Chairman of the Board, who shall, to all effects and purposes, be considered Chairman of the Company, shall:

- a) Chair General Meetings, directing the discussions and debates of the shareholders, establishing a systematic order of contributions and determining their duration, with a view to enabling and expediting their participation and, in general, ensure compliance with the Regulations of the General Meeting.
- b) Chair and draw up the agendas for meetings of the Board of Directors, Executive Committee and such other Committees as he may preside, directing the discussions and debates.

- c) Ensure compliance with the Articles of Association and resolutions adopted by the corporate bodies, countersigning minutes and certificates thereof.
- d) Represent the Company in and out of court.
- e) In emergencies when there is no time to hold a General Meeting or a meeting of the Board or Executive Committee, take such measures as may be absolutely essential to protect the corporate interests, calling a meeting of the aforesaid bodies immediately afterwards to report.
- f) Any other power attributed to him by law or the Articles of Association.

33.4. If there is no Managing Director(s), the Chairman of the Board, as chief executive of the company, shall also have the duties indicated in the following article.

33.5. When the Chairman is absent or sick and, in general, whenever he is unable to perform his duties for a period of time that may seriously affect them, although his duties may temporarily be assumed by the Vice-Chairman, if any, and otherwise by the oldest director, the Secretary shall call an urgent Board meeting to assess the situation and, if necessary, decide who is to temporarily stand in as Chairman or permanently take over this position.

Art. 34. Managing Director

If the Chairman is not the chief executive of the Company, the Board of Director may appoint one or several of its members Managing Director(s) of the company.

The Managing Director(s) shall promote and direct the day-to-day management of the company and, insofar as this may be permitted by law, coordinate the day-to-day management of the subsidiaries.

The Managing Director, if any, shall chair the Management Committee of the Group and coordinate the actions of all the Group's core businesses to ensure maximum efficiency in the search for synergies and common organisational aspects.

Article 35. Secretary of the Board

35.1. The Secretary of the Board, who may or may not be a Director, shall also be Secretary of the Board Committees and the Management Committee.

35.2. Apart from the duties assigned by law and the Articles of Association, he shall have the following duties:

- a) Ensure that the Board's actions:
 - Conform to the provisions and spirit of the applicable laws and regulations, including those approved by the regulatory bodies.
 - Conform to the company's Articles of Association, the Regulations of the General Meeting, the Regulations of the Board and any others that the company may have.
 - Take account of any good governance recommendations that the company has accepted.
- b) Keep all company documents, duly record the procedures of meetings in the corresponding minute books and certify the resolutions of those corporate bodies of which he is Secretary.
- c) Channel, generally, the Company's relations with Directors in all matters concerning the functioning of the Board and the Committees to which he belongs, following the instructions of the respective Chairmen.
- d) Implement and facilitate exercise by the Directors of their right to information on the terms stipulated in these Regulations.

35.3. He shall exercise his office according to the decisions and criteria laid down by the Board, reporting directly to the Chairman, with the following duties:

- a) Direct the legal services of the company and its subsidiaries.
- b) Foster and channel coordination between the Board of Directors, the Executive Committee, the Nomination and Remuneration Committee, the Audit and Compliance Committee, the Strategy and Investment Committee and the Management Committee.
- c) As Secretary of the Board Committees on which he holds this position, he shall keep the documents of those committees, duly recording the procedures of the meetings in the corresponding minute books and certifying their resolutions.
- d) Coordinate the Human Resources Department.

- e) Coordinate relations between the Board of Directors and the directors of subsidiaries.

36.4. The Board shall appoint a Vice-Secretary, who may or may not be a Director, to substitute the Secretary and take on his duties on the Board, Board Committees and Management Committee in the event of vacancy, absence or illness.

FINAL PROVISIONS

One

The Directors shall each sign an individual, written declaration of acceptance of these Regulations, in which they shall indicate that they are not affected by any of the disqualifications or incompatibilities established in Law, the Articles of Association or these Regulations.

Two

The Board of Directors shall periodically assess the effectiveness of and compliance with these Regulations, requesting reports from its Committees on the matter and, if considered necessary, it shall propose the appropriate modifications to secure the best possible achievement of their goals.