

**PROSEGUR CASH, S.A.**  
**ARTICLES OF ASSOCIATION**

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**CHAPTER I**  
**GENERAL PROVISIONS**

**Article 1.- Company name and regulations**

The company shall be called “PROSEGUR CASH, S.A.” (hereinafter, the “**Company**”) and shall be governed by these Articles of Association (hereinafter, the “**Articles of Association**”), by the rest of the regulations and guidelines that comprise its corporate governance system and by the pertinent legal provisions that are applicable to listed public limited companies as well as all other regulations that are applicable thereto, from time to time.

**Article 2.- Corporate activities**

1. The corporate activities of the Company comprise the provision of securities logistics and cash management services, including the following activities:
  - a) Services for the management and local and international transport (land, air and sea) of cash and other high value goods (jewels, art works, precious metals, electronic devices, votes, legal evidence, etc.) including services for the uplift, transport, custody and deposit of cash and other valuable goods.
  - b) Management and automation of cash (counting, processing and packaging, as well as preparation and ordering of coins) and control and traceability systems for cash flows.
  - c) Integral solutions for automated teller machines (ATMs) (planning, loading, monitoring, first and second level maintenance, balancing and other additional services).
  - d) Planning and forecasting of cash requirements of branches and vaults of financial institutions.
  - e) Integral solutions for cash self-service machines (CSSMs) (devices for deposit, recycling and distribution of notes and coins, payment of invoices, etc.).

- f) Business process outsourcing (BPO) for banking clients (outsourcing of bank tellers, multi-agencies, cheque processing and related administrative services, etc.).
2. The activities that comprise the foregoing corporate activities may be carried out both in Spain as well as abroad, and may be carried out either fully or partially by the Company, or indirectly through shareholdings in other companies or legal entities with identical or analogous corporate activities. As a result thereof, the corporate activities of the Company shall also include the management and administration of securities that represent the treasury stock of companies, whether or not resident within Spain, by means of the corresponding organisation of material and human resources.
3. All activities for which the law requires special requirements to be satisfied shall be excluded from the corporate purposes of the Company, to the extent that the Company does not comply with said requirements. Whenever the prevailing legislation requires a professional qualification, administrative authorisation or any registration in a public register, in order to perform any of the activities established in the corporate purposes, such activities must be carried out by the persons that hold the required qualifications and, where appropriate, must not be commenced prior to having fulfilled the required administrative or registry requirements.

### **Article 3.- Registered office and branch offices**

1. The registered office of the company is situated at Calle Santa Sabina número 8, Madrid, Spain.
2. The Board of Directors may relocate the registered office of the Company within Spain, as well as create, remove or relocate branch offices, agencies, administration or representation offices thereof in any other part of Spain or abroad.

### **Article 4.- Corporate web page**

1. The address of the corporate web page of the Company is: [www.prosegurcash.com](http://www.prosegurcash.com).
2. The Board of Directors may relocate the corporate web page, and shall furthermore be authorised to modify the foregoing paragraph of this article and register said modification at the Companies Register. In any event, the relocation resolution must be notified on the relocated corporate web page during the period of thirty days following the publication of the relocation resolution.

**Article 5.- Term**

The Company is incorporated in perpetuity and shall commence its operations on the date of formalisation of the public deed of incorporation.

**CHAPTER II**  
**REGARDING SHARE CAPITAL AND SHARES**

**Article 6.- Share capital**

1. The share capital amounts to the sum of THIRTY MILLION FOUR HUNDRED FIFTY EIGHT THOUSAND NINE HUNDRED THIRTY THREE EUROS AND SIXTY SIX CENTS (€ 30,458,933.66), which is represented by ONE THOUSAND FIVE HUNDRED TWENTY TWO MILLION NINE HUNDRED FORTY SIX THOUSAND SIX HUNDRED AND EIGHTY THREE (1,522,946,683) nominative shares each of a nominal value of TWO CENTS (€ 0.02), that have been totally subscribed and paid out and that constitute a single class and series of shares.
2. The General Shareholders Meeting, in compliance with the requirements and within the legal limits established for said purposes, may delegate upon the Board of Directors the power to increase the share capital.

**Article 7.- Representation regime for the shares and outstanding payments**

1. The shares shall be represented by means of book entries that shall be governed by the regulatory guidelines of the securities market and by other applicable legal provisions.
2. The Company shall recognise as shareholders all persons that are legitimately included in the book entries system of the share register, in which the successive transfers of shares and the establishment of *in rem* rights over the shares shall be recorded. Notwithstanding the foregoing, in addition, all books or registers shall be managed that, pursuant to applicable legislation in force from time to time, may be required or necessary.
3. When the shares have not been fully paid up, said situation shall be recorded in the corresponding inscription. The outstanding payments must be carried out at the time that is determined by the Board of Directors, within the period of five years as from the date of the resolution for the increase of the share capital. In relation to the form and all other particulars of said payments, the provisions of the resolution for the increase of the share capital shall be applicable, that may establish that the payments may be carried out by way of monetary or non-monetary contributions.

4. The Company may access, at any time whatsoever, the necessary information for the full identification of its shareholders, including the addresses and contact channels in order to communicate with said shareholders.

**Article 8.- Rights of the shareholders and application of the Articles of Association and the corporate resolutions**

1. The shares and the economic rights inherent thereto, including the preferential share subscription rights and the free allotment rights, shall be freely transferrable in accordance with the provisions of applicable legislation.
2. Each share represents an aliquot part of the share capital, confers upon the legitimate owner thereof the status of shareholder and attributes thereto the rights recognised at law and under these Articles of Association, including, among others, the following: (i) the right to share the distribution of the corporate profits and the equity that results from the liquidation of the Company, (ii) the preferential share subscription in respect of the issue of new shares or of bonds convertible into shares, (iii) the right to challenge the corporate resolutions, (iv) the right to information and (v) the right to attend and vote at General Shareholders Meetings when the number of shares required for the exercise of this right are held, as provided for under these Articles of Association and in the conditions provided for therein. Notwithstanding the foregoing, any shareholders in a situation of payment default in respect of any outstanding payments for their shares may not exercise their voting rights.
3. The shareholders shall exercise their rights vis-à-vis the Company diligently and in accordance with the requirements of good faith.
4. The ownership of one or more shares implies the acceptance and absolute ratification of the terms of the Articles of Association of the Company and the rest of the guidelines and regulations that constitute the corporate governance system thereof that have been approved in the legally established manner, and furthermore the shareholders shall be subject to and bound by the resolutions of the governing and administrative bodies of the Company that have been legally adopted, and the foregoing without prejudice to the rights of challenge that are provided for at law.

**Article 9.- Co-ownership, usufruct and *in rem* rights over the shares**

1. The co-ownership, usufruct and the pledge of the shares shall be governed by the provisions of applicable legislation.
2. In light of the fact that the shares are indivisible, the co-proprietors of shares and the co-owners of other rights over the shares must designate a single person for the exercise of the shareholder rights and all of the co-proprietors and co-owners

shall be jointly and severally liable for all of the obligations inherent to their capacity of shareholders.

3. In the case of usufruct rights over shares, the shareholder shall be deemed to be the bare legal owner, however the usufructuary shall be entitled, in all circumstances, to the dividends established by the Company during the period of application of the usufruct right.
4. In the case of the pledge of shares, the legal owner of the shares shall be entitled to exercise the shareholder rights, and the pledgee creditor shall be required to facilitate the exercise of said rights.

### **CHAPTER III** **REGARDING THE BODIES OF THE COMPANY**

#### **Article 10.- Bodies of the Company**

The Company shall be governed, administered and controlled by the General Shareholders Meeting and by the Board of Directors, in accordance with the provisions of these Articles of Association, applicable legislation and the Regulations of the General Shareholders Meeting and of the Board of Directors of the Company, approved in accordance with applicable legal provisions.

#### **Section 1** **Regarding the General Shareholders Meeting**

#### **Article 11.- The General Shareholders Meeting**

1. The General Shareholders Meeting is the highest decision-making body of the Company at which the shareholders shall meet together, duly notified, in order to deliberate and decide upon, pursuant to the required majorities, as the case may be, the matters and aspects for this the General Shareholders Meeting is competent.
2. All of the shareholders, including the dissenting shareholders as well as those that have not participated at the meeting, shall be subject to the resolutions of the General Shareholders Meeting, without prejudice to the right to challenge the resolutions thereof, that corresponds to the shareholders in the situations and subject to the requirements provided for at law.
3. The General Shareholders Meeting shall be governed by the provisions of applicable legislation, of these Articles of Association and by the terms of the Regulations of the General Shareholders Meeting, which must be approved thereby.
4. The Company shall guarantee the equal treatment of all of the shareholders that

are in an identical position in relation to the information, involvement and the exercise of their voting rights at the General Shareholders Meeting.

**Article 12.- Powers of the General Shareholders Meeting**

1. The General Shareholders Meeting shall decide upon the matters and aspects for which it is competent, in accordance with applicable legislation, the terms of these Articles of Association and pursuant to the Regulations of the General Shareholders Meeting.
2. Moreover, the General Shareholders Meeting shall decide upon any other matter that the Board of Directors agrees to submit for the decision thereof.

**Article 13.- Classes of General Shareholders Meetings**

1. The General Shareholders Meetings may be either ordinary or extraordinary meetings.
2. The Ordinary General Shareholders Meeting, previously called for said purposes, must necessarily be held once a year within the first six months of each financial year in order to, as the case may be, approve the corporate management of the Company, the annual accounts of the previous financial year and to make resolutions regarding the application of the year's results. The Ordinary General Shareholders Meeting may also adopt resolutions regarding any other matter for which it is competent, provided that said matters are included in the agenda to the meeting or alternatively when it is legally authorised to adopt said resolutions and provided that the meeting has been validly established with the required share capital.
3. The Ordinary General Shareholders Meeting shall be valid although it has been called or held outside the stipulated period.
4. All other General Shareholders Meetings, which are not provided for in the preceding paragraphs, shall be considered to be Extraordinary General Shareholders Meetings and shall be held, at any time of the year, provided that the Board of Directors deems necessary in the interests of the Company or when requested, in writing, by shareholders that hold, at least, 3% of the share capital, by which the request must set out the matters and aspects to be discussed at the meeting. In this case, the General Shareholders Meeting must be called to meet within the legally established period. The Board of Directors shall draft the agenda, which must necessarily include, at least, the matters the subject of the request.
5. Both the Ordinary as well as the Extraordinary General Shareholders Meetings that are duly called, shall be validly established with the minimum quorum provided for at law, in light of the matters that are included in the agenda.

#### **Article 14.- Notification of the General Shareholders Meeting**

1. The General Shareholders Meeting must be formally notified by the Board of Directors by means of an announcement that must be published subject to the notice period provided for at law.
2. The dissemination of the announcement for the calling of the meeting shall be carried out, at least, through the following channels:
  - a) The Official Companies Register Gazette or one of the newspapers with the largest readership within Spain.
  - b) The web page of the Spanish Securities and Exchange Commission.
  - c) The corporate web page of the Company. The announcement published on the corporate web page of the Company must be permanently and uninterruptedly accessible until the date of the General Shareholders Meeting.
3. The General Shareholders Meeting may be held (a) in person only, (b) in person with the possibility of attending remotely, by electronic or telematic channels, or (c) under the conditions laid down in the law, exclusively telematically.
4. The announcement must set out the date of the meeting, by way of first call, and all of the matters that are to be addressed thereat, as well as any other mentions or information required either at law or pursuant to the Articles of Association. Furthermore, the announcement may also include the date on which, if applicable, the General Shareholders Meeting shall meet by way of second call. Between the first and the second calls, the period of at least 24 hours must have elapsed.
5. The shareholders that represent, at least, 3% of the share capital may:
  - a) Request that a complementary notification be published in relation to the announcement for the calling of an Ordinary General Shareholders Meeting thereby including one or more points in the agenda thereto, provided that the new points to be incorporated are accompanied by a justification or, as the case may be, a justified and reasoned resolution proposal in respect thereof.
  - b) Present reasoned resolution proposals in relation to the matters already included or that shall be included in the agenda to the announced General Shareholders Meeting.
6. The exercise of the rights set out under the foregoing paragraphs must be effected by means of formal notification which must be received at the registered office of the Company within the period of five (5) days following the publication of the announcement for the General Shareholders Meeting.

7. The complementary notification and the resolution proposals must be published and disseminated subject to the requirements and the notice periods established at law.

#### **Article 15.- Right to information**

1. As from the publication of the announcement for the calling of the General Shareholders Meeting, all of the legally required information shall be made available to the shareholders at the registered office and furthermore shall be kept available at all times by the Company on the corporate web page thereof, for shareholders and investors in general.
2. Until the fifth day prior to the holding of the General Shareholders Meeting, the shareholders may request from the directors all information or clarifications that they deem necessary or may formulate the questions, in writing, that they deem pertinent, in relation to the matters included within the agenda to the meeting, in relation to the information available to the public that has been provided by the Company to the Spanish Securities and Exchange Commission as from the date of the immediately preceding General Shareholders Meeting and in relation to the audit report.
3. During the General Shareholders Meeting, the shareholders may verbally request all pertinent information or clarifications in relation to the matters included within the foregoing paragraph.
4. The Board of Directors must provide the information requested by shareholders, in accordance with the foregoing two paragraphs, in the manner and within the time periods provided for at law, in these Articles of Association and in the Regulations of the General Shareholders Meeting, except in the following cases: (i) when the request does not comply with the requirements regarding the period and ambit for the exercise thereof, as provided for at law, in these Articles of Association and in the Regulations of the General Shareholders Meeting, (ii) when, prior to the filing of the request, the requested information is clearly and directly available for all of the shareholders on the corporate web page of the Company under the FAQ format or (iii) when the information is unnecessary for the exercise of the rights of the shareholder or when objective reasons exist to consider that the information may be used for purposes other than for Company purposes or when the publication thereof would prejudice the Company or any related-party companies. In the foregoing situation, the refusal to provide the information shall not be valid when the request is supported by shareholders that represent at least 25% of the share capital.
5. In respect of all other matters not provided for under these Articles of Association in relation to the exercise by the shareholders of the right to information, the provisions of applicable law and of the Regulations of the General Shareholders



Meeting shall be applicable thereto.

**Article 16.- Right of attendance and representation**

1. The shareholders that hold at least 1,000 shares may attend the General Shareholders Meetings, provided that said shares are registered in their name in the corresponding book entry register at least five days prior to the date on which the General Shareholders Meeting is to be held and provided that said shareholders substantiate the foregoing by means of the corresponding attendance, delegation and voting card or by a certificate issued by any of the partner companies of the company that manages said book entry register or directly by the Company or in any other manner provided for at law.
2. The shareholders that hold a fewer number of shares may delegate their representation upon a shareholder that has the right to attend, and moreover may group together with other shareholders that are subject to the same situation until the necessary shares are grouped together, and the shareholders that group together must delegate their representation on one of said shareholders. The foregoing grouping together of shares must be specific to each General Shareholders Meeting and must be formalised in writing.
3. The directors of the Company must attend the General Shareholders Meetings, except in the case of a duly justified reason that prevents them from attending the meeting. The failure of any of the directors to attend the meeting shall not affect the valid establishment of the General Shareholders Meeting.
4. Moreover, the directors, technical staff, experts and any other persons that, in the judgement of the Chairman of the General Shareholders Meeting, are related to the Company may attend the General Shareholders Meeting. The Chairman of the General Shareholders Meeting may also authorise the attendance of any other person that is deemed necessary, including press media, analysts, etc., although the General Shareholders Meeting may revoke said authorisation.
5. Any shareholder that has the right to attend the meeting may be represented at the General Shareholders Meeting by means of another person, whether or not a shareholder, in accordance with the requirements and formalities provided for at law, these Articles of Association and under the Regulations of the General Shareholders Meeting. The proxy representation must be specifically conferred for each General Shareholders Meeting, in writing, or by any other electronic or means of remote communication in accordance with the terms of the Regulations of the General Shareholders Meeting, provided that they ensure the authenticity and identification of the shareholder that confers the proxy representation by said channels, without prejudice to the provisions of the Corporate Enterprises Act for the cases of family representation and the granting of general powers of attorney.

**Article 17.- Remote attendance via electronic or telematic channels**

1. The shareholders with rights of attendance may attend the General Shareholders Meeting using remote electronic or telematic channels, provided that said methods have been agreed to by the Board of Directors, that shall state in the announcement of the General Shareholders Meeting the channels that may be used for said purposes, by reason that they satisfy the required security conditions in order to guarantee the identity of the shareholders, the exercise of their rights and the correct management of the meeting. In any event, the voting and information rights of the shareholders that attend the General Shareholders Meeting using the foregoing electronic channels must be exercised through the electronic or telematic remote communication channels considered suitable, in accordance with the terms of Article 20 of these Articles of Association.
2. In the case that attendance is effectively provided for by electronic or telematic channels, or on an exclusively telematic basis, the announcement of the General Shareholders Meeting shall set out the periods, forms and methods for the exercise of the rights of the shareholders pursuant to the provisions of the Regulations of the General Shareholders Meeting and in accordance with any other implementing rules that have been established by the Board of Directors in order to ensure the correct management of the meeting. For said purposes, the Board of Directors may determine that the addresses and resolution proposals that, pursuant to applicable law, are to be formulated by the shareholders that are to attend the meeting by electronic or telematic channels, be provided to the Company prior to the time at which the General Shareholders Meeting is established.
3. In any event, the attendance of the shareholders at the General Shareholders Meeting by electronic or telematic channels shall comply with the provisions of the Regulations of the General Shareholders Meeting, which shall establish the conditions that shall determine the validity of the attendance and exercise of the voting rights through said channels.
4. If, for any unforeseeable and unexpected technical circumstances or for security reasons, any interruption or suspension of the communication was to take place, the foregoing situation or reason may not be argued to constitute any illegitimate limitation of the rights of the shareholder, or as grounds for the challenge of the resolutions adopted by the General Shareholders Meeting.

**Article 18.- Deliberation and voting**

1. The Chairman of the General Shareholders Meeting shall preside the meeting in order that the deliberations are carried out in accordance with the agenda to the meeting and furthermore shall resolve any doubts in relation to the terms thereof. The Chairman shall grant speaking rights, as and when deemed opportune, to the shareholders that request to address the meeting and the Chairman may limit or

remove said speaking rights when the Chairman considers that a specific matter has been sufficiently debated, or hinders the progress of the meeting or when said aspects are not included in the agenda to the meeting.

2. The Chairman of the General Shareholders Meeting shall state when the voting of the resolutions is to be carried out and shall state the results of the voting procedures.
3. For the voting of the resolution proposals, the vote calculation system provided for under the Regulations of the General Shareholders Meeting shall be applicable.

**Article 19.- Quorum for establishment of the meeting and majorities**

1. The General Shareholders Meeting shall be validly established with the minimum quorum required at law, taking into account the matters that are included in the agenda thereto.
2. The General Shareholders Meeting shall adopt its resolutions subject to the majorities provided for at law and under these Articles of Association.
3. Each share, whether present or represented at the General Shareholders Meeting, shall provide for one vote, except in the case of shares without voting rights, in accordance with legal provisions.

**Article 20.- Remote casting of votes prior to the General Shareholders Meeting**

1. Without prejudice to the provisions of article 17, and regardless, therefore, of the possibility of attendance by telematic or electronic channels, the shareholders may, prior to the General Shareholders Meeting, cast their votes in relation to the proposals of the points of the agenda of any General Shareholders Meeting, by means of postal delivery or correspondence or by means of electronic communication channels. In both cases the shareholders shall be considered to be present at the meeting for the purposes of the establishment of the General Shareholders Meeting.
2. For the casting of the vote by means of postal delivery or correspondence, the shareholder must send or deliver to the Company, duly completed and signed, the attendance, delegation and voting card issued by the company responsible for the management of the book entry register.
3. The vote by means of electronic communication channels shall be cast pursuant to a certified digital signature or in any other manner that the Board of Directors deems adequate in order to ensure the authenticity and the identity of the

shareholder that exercises said voting rights, and an electronic copy of the attendance, delegation and voting card must be attached thereto, duly completed.

4. The Board of Directors, based upon the technical and legal specifications that are applicable and that ensure the identity of the shareholder that exercises the voting rights, shall be authorised to develop, implement and complement the regulations that are provided for under the Regulations of the General Shareholders Meeting, and shall establish, depending upon the state of technology and the security provided by the technical resources available, the moment in time from which the shareholders may cast their vote by remote communication channels.

**Article 21.- Chairman and Secretary of the General Shareholders Meeting**

1. The General Shareholders Meeting shall be presided by the Chairman of the Board of Directors, who shall be substituted, in the case of absence, illness or impossibility, by the Deputy Chairman of the Board of Directors. If several Deputy Chairmen were in attendance at the meeting, the General Shareholders Meeting shall be presided by the corresponding Deputy Chairman depending upon the order of priority established at the time of the appointment thereof. In default thereof, the General Shareholders Meeting shall be presided by the Board Member that has held office for the longest period of time and, if several Board Members exist that satisfy the foregoing requirement, then the General Shareholders Meeting shall be presided by the oldest Board Member. In default of all of the foregoing, the shareholder that is elected, for said purposes, by the shareholders in attendance at the meeting shall act as the Chairman of the General Shareholders Meeting.
2. The Chairman of the General Shareholders Meeting shall be assisted by the Secretary. The Secretary of the General Shareholders Meeting shall be the Secretary of the Board of Directors or, in the case of absence, illness or impossibility, the Deputy Secretary. In default thereof, the Secretary of the General Shareholders Meeting shall be the Board Member that has held office for the shortest period of time and, if several Board Members exist that satisfy the foregoing requirement, then the Secretary shall be the youngest Board Member. In default of all of the foregoing, the shareholder that is elected, for said purposes, by the shareholders in attendance at the meeting shall act as the Secretary of the General Shareholders Meeting.

**Article 22.- Minutes of the General Shareholders Meeting and documentation of the resolutions**

1. The deliberations and resolutions of the General Shareholders Meeting shall be formalised by way of Minutes that shall include, at least, all of the information required at law. After the Minutes have been approved in the manner provided for at law, the Minutes shall be certified and transcribed in the Minutes Book and

shall be signed by the Secretary, with the approval of the Chairman, or by the persons that had acted in said capacities at the General Shareholders Meeting.

2. The Minutes approved in any of the manners provided for at law shall be enforceable as from the date of approval thereof. If the General Shareholders Meeting is held by exclusively telematic channels, the Notary who is to draw up the minutes may attend the General Shareholders Meeting remotely, using means of remote communication in real time that properly ensure that the notarial function is fulfilled.
3. The Board of Directors may require the involvement of a Notary Public in order to notarise the Minutes of the General Shareholders Meeting and furthermore shall be obliged to do so whenever, at least five days prior to the General Shareholders Meeting, said involvement of the Notary Public has been requested by shareholders that represent, at least, 1% of the share capital. The professional fees of the Notary Public shall be for the cost and account of the Company. The notary certificate shall constitute the Minutes of the General Shareholders Meeting, shall not be subject to approval and shall be enforceable as from the date of the formalisation thereof.
4. Any shareholder may obtain, at any time whatsoever, a certificate of the resolutions and of the Minutes of the General Shareholders Meetings.

## **Section 2**

### **Regarding the governing body**

#### **Article 23.- Board of Directors**

1. The Board of Directors shall be responsible for the administration, management and representation of the Company, with the exception of the functions and powers that are reserved for the General Shareholders Meeting.
2. The Board of Directors, subject to the corresponding report provided to the General Shareholders Meeting, shall approve internal rules and regulations regarding the functioning of the Board of Directors, that shall determine, in accordance with applicable law and these Articles of Association, the internal rules for the activities of the Board, the basic rules for the organisation and functioning thereof and the rules of conduct of the members thereof.
3. The Board of Directors shall be comprised of a minimum of five and a maximum of fifteen Board Members. The General Shareholders Meeting shall be responsible for the determination of the specific number of Board Members, within the aforementioned limits.
4. No person that is subject to any of the situations of disqualification or prohibition, as provided for at law, may be designated as a Board Member of the Company.

5. The Board of Directors shall designate from among its members and subject to a prior report from the Sustainability, Corporate Governance, Appointments and Remuneration Committee, a Chairman and may also designate one or more Deputy Chairmen in which case the Board shall determine the order of priority among said Deputy Chairmen. In the case of any vacancy, absence, illness or impossibility of the Chairman, the Board of Directors shall be presided by one of the Deputy Chairmen, subject to the determined order of priority and, in default of all of the Deputy Chairmen, by the oldest Board Member.
6. In the case that the Chairman is an executive director, the Board of Directors, with the abstention of the executive directors, shall designate one of the independent Board Members as the Lead or Senior Independent Director. The Lead or Senior Independent Director shall have the powers that are conferred by the Board of Directors, as well as the powers established at law and pursuant to the Regulations of the Board of Directors.
7. The Board of Directors shall appoint, at the proposal of the Chairman of the Board of Directors and subject to a prior report from the Sustainability, Corporate Governance, Appointments and Remuneration Committee, a Secretary of the Board of Directors that may or may not be a Board Member and that shall be responsible for formally recording, in a Minutes Book, the discussions and all of the resolutions that are adopted by the Board of Directors, and the Minutes must be signed by the Secretary with the approval of the Chairman or, as the case may be, of one of the Deputy Chairmen.
8. The Board of Directors may also appoint, at the proposal of the Chairman and subject to a prior report from the Sustainability, Corporate Governance, Appointments and Remuneration Committee, a Deputy Secretary, at may or may not be a Board Member and that shall carry out the functions of the Secretary in the case of the absence, illness or impossibility thereof.
9. The Board of Directors, subject to a prior report from the Audit Committee and from the Sustainability, Corporate Governance, Appointments and Remuneration Committee, shall annually approve a corporate governance report of the Company with the legally required information, that shall be provided to shareholders together with the documentation regarding the Ordinary General Shareholders Meeting.
10. The Board of Directors shall carry out an annual evaluation of the functioning thereof and of its Committees and shall propose an action plan that shall correct the detected deficiencies. The result of the evaluation shall be recorded in the Minutes of the meeting session or shall be attached as an annex thereto.

**Article 24.- Representation of the Company**

1. The Board of Directors, the Chairman thereof and the Managing Director (if the Board of Directors had appointed a Managing Director) shall represent the Company at hearings and outside of legal hearings.
2. The Board of Directors shall exercise the powers of representation of the Company and shall act jointly. The resolutions of the Board of Directors shall be executed by the Chairman, by the Secretary, by a Board Member or by any third party that has been designated for said purposes in the resolution, acting either jointly or individually.
3. The Chairman of the Board of Directors and the Managing Director shall be able to individually exercise powers of representation of the Company.

**Article 25.- General obligations of the Board Members**

5. The Board Members must exercise their functions and comply with the duties imposed at law, under these Articles of Association, the Regulations of the Board of Directors and any other applicable provisions with the diligence of an ordered businessman, taking into account the nature of their position and the powers attributed to each one of them. Moreover, the Board Members must exercise their functions with the loyalty expected of a diligent representative, acting in good faith and in the best interests of the Company.
6. The Regulations of the Board of Directors shall set out the specific obligations of the Board Members in relation to the duties of diligence and loyalty, and shall specifically set out guidelines in relation to situations of conflict of interest.
7. The Company may contract a civil liability insurance policy for any Board Member or past Board Member of the Company or of any related-party company in standard and reasonable conditions, taking into account the circumstances of the Company itself.

**Article 26.- Term of the position**

1. The Board Members shall hold office for the period of three years. Notwithstanding the foregoing, the Board Members may be re-elected one or more times for terms of equal maximum duration.
2. If vacancies exist, during the term for which the Board Members have been appointed, the Board of Directors may designate the persons that are to occupy said position until the first General Shareholders Meeting is held.

## **Article 27.- Remuneration of the Board Members**

1. The position of Board Member is a remunerated position. Notwithstanding the foregoing, the Proprietary Directors that, in turn, are directors of the parent company of the Company shall not receive remuneration in their capacities of Board Members of the Company.
2. Subject to the exceptions provided for under the foregoing paragraph, the remuneration of the Board Members, in their capacity of Board Members of the Company, shall consist of a fixed annual amount and daily allowance payments for their attendance at each session of the Board of Directors and of the Committees thereof. The remuneration that is paid by the Company to all of the Board Members, in their capacity of Board Members of the Company, may not exceed the maximum amount that has been established by the General Shareholders Meeting, that shall remain in force and effect until said amount has been modified thereby. The determination of the specific amount to be paid within this limit and the distribution thereof among the different Board Members shall correspond to the Board of Directors, at the proposal of the Sustainability, Corporate Governance, Appointments and Remuneration Committee.
3. Irrespective of the provisions of the foregoing paragraph, it shall be possible to establish remuneration systems that are referenced to the listed share price of the shares or that include the provision of shares or option rights over shares, for Board Members. The application of said remuneration systems must be ratified by the General Shareholders Meeting in the terms provided for at law.
4. Moreover, the Board Members that perform executive functions, irrespective of the nature of their relationship with the Company, shall be entitled to receive the remunerations that have been established for the performance of said functions, including, as the case may be, the participation thereof in the incentive systems that, as the case may be, are generally established for the senior management staff of the Company, that may include the provision of shares or option rights over shares, or remuneration referenced to the value of the shares, and in any case subject to the requirements that are provided for under applicable legislation from time to time, and the participation in the corresponding pension and insurance systems. In the case of their removal from office, the Board Members may be entitled, subject to the terms and conditions that are approved by the Board of Directors, to adequate economic compensation. The corresponding remunerations for the aforementioned concepts and all other terms and conditions of the relationship shall be included within the pertinent senior management contract, that must be approved by the Board of Directors with the favourable vote of, at least, two thirds of the members thereof. The Board Member in question must abstain from attending the deliberation session and must abstain from participating in the voting procedure.



5. The remuneration policy of the Board Members shall comply, in all relevant aspects, to the remuneration system provided for in this article and shall be approved by the General Shareholders Meeting at least every three years as a separate point of the agenda to the meeting.

**Article 28.-      Functioning of the Board of Directors**

1. The Board of Directors shall meet, after the meeting has been formally called by the Chairman or, in default thereof by the Deputy Chairman, with the frequency that is required in the interests of the Company and, at least, eight times a year with a minimum of once every quarter, and in any event a meeting of the Board of Directors must be held within the first three months of each financial year for the required drafting of the annual accounts and of the management report that corresponding to the preceding financial year.
2. The announcement of the ordinary meetings of the Board of Directors must be issued at least three days beforehand and may be carried out by letter with confirmation receipt, or by fax, telegram, e-mail or by any other valid and legal communication channel that substantiates the date of the remittance thereof. The extraordinary meetings may be called by telephone subject to a minimum notice period of at least 24 hours, when, in the judgement of the Chairman, the urgency of the case or the special circumstances justify the calling of said extraordinary meeting.
3. The Board of Directors shall be validly established when more than half of the members thereof, either present or duly represented, are in attendance at the meeting.
4. The Board Members, in the case of absence, may be represented at the meetings of the Board of Directors by another Board Member by means of written proxy representation, that shall, to the extent possible, contain voting instructions for said representative. In any event, the Non-Executive Board Members may only delegate their representation upon another Non-Executive Board Member.
5. The resolutions of the Board of Directors shall be adopted by way of the absolute majority of the present or duly represented Board Members, except in the cases in which applicable legislation, these Articles of Association or the Regulations of the Board of Directors requires, for the validity of certain resolutions, the favourable vote of a higher number of Board Members. In the case of a draw, the Chairman of the Board of Directors shall have a casting vote.
6. Written voting procedures, without any meeting session, shall only be valid when none of the Board Members oppose said procedure.
7. The meeting of the Board of Directors may be held in several different rooms, simultaneously, provided that the interactivity and intercommunication between

said rooms in real time is ensured by way of audio-visual or telephonic means which, accordingly, provide for a single meeting session to be simultaneously carried out. In said situations, the meeting notification shall set out the connection system to be used and, if applicable, the places in which the necessary technical resources shall be available in order to attend and participate at the meeting. The resolutions shall be deemed to be adopted at the place where the Chairman is physically present.

8. The resolutions of the Board of Directors shall be recorded by way of Minutes that shall be issued or transcribed in the corresponding Minutes Book, and which shall set out the circumstances as provided for at law. The Minutes, after approved in accordance with the following paragraph, shall be signed by the Secretary of the meeting session with the approval of the person that had acted as the Chairman thereat.
9. The Minutes shall be approved, by the Board of Directors itself, at the end of the meeting or at a subsequent meeting. The Minutes shall also be deemed to be approved when, within the period of five days following the receipt of the draft Minutes issued by the Secretary, none of the Board Members have voiced any opposition to the terms thereof. The Board of Directors may empower the Chairman and an Independent Director to, jointly, approve the Minutes of the meeting.

#### **Article 29.- Delegation of powers**

1. The Board of Directors may permanently delegate either the totality or any part of its powers, with the exception of the powers that are unable to be delegated at law or pursuant to these Articles of Association or the Regulations of the Board of Directors, upon an Executive Committee and upon one or more Managing Directors.
2. The permanent delegation of any powers of the Board of Directors upon the Executive Committee or upon the Managing Director(s) and the designation of the Board Members that are to perform said functions, shall require the favourable vote of two thirds of the members of the Board.

#### **Article 30.- Advisory Committees**

1. The Board of Directors, for the better exercise of its functions, may create the Advisory Committees that it considers necessary in order to assist the Board in relation to any questions for which the Board is competent and with the composition and functions that, in accordance with legal provisions and the terms of the Regulations of the Board of Directors, may be determined by the Board in respect thereof.
2. Without prejudice to the foregoing, the Board of Directors shall, necessarily,

establish the following Advisory Committees:

- a) The Audit Committee.
  - b) The Sustainability, Corporate Governance, Appointments and Remuneration Committee (or several (two or three) separate committees, an Appointments Committee, a Remuneration Committee and a Sustainability and Corporate Governance Committee).
3. The Advisory Committees of the Board of Directors shall be governed by the provisions of applicable law, these Articles of Association and of the Regulations of the Board of Directors.
  4. In particular, the Advisory Committees of the Board of Directors shall have the name, composition and functions established in the Regulations of the Board of Directors, which must, in all cases, comply with the provisions of applicable law and of these Articles of Association.
  5. In the absence of specific provisions, the Advisory Committees of the Board of Directors shall be subject to the rules and regulations regarding the functioning thereof as provided for under these Articles of Association and in the Regulations of the Board of Directors in relation to the Board, provided that they are compatible with the nature and function of the Advisory Committees.

#### **CHAPTER IV** **REGARDING THE ANNUAL ACCOUNTS**

##### **Article 31.- Financial year and annual accounts**

1. The financial year shall run from 1 January to 31 December of each year.
2. Within the period of three months following the close of the financial year, the Board of Directors shall formulate, in the form provided for at law, the annual accounts, the management report and the proposal for the application of the year's results.
3. The annual accounts and, where applicable, the management report shall be subject to the legally established verifications, and shall subsequently be subject to ratification and approval by the General Shareholders Meeting that shall also adopt resolutions in relation to the application of the year's results.
4. The provisions of this article shall be applicable, in all pertinent aspects and as the case may be, to the consolidated annual accounts and management report.

**Article 32.- Application of the year's results and distributions**

1. The General Shareholders Meeting shall adopt resolutions regarding the application of the year's results in accordance with the approved balance sheet.
2. After the reserves and other requirements as provided for at law and pursuant to these Articles of Association have been complied with, dividends may only be distributed against the profits of the year, or against the unrestricted reserves, if the value of the net book value of the Company is not, either before or as a result of the distribution, lower than the share capital thereof.
3. The distribution of dividends to the shareholders shall be carried out in proportion to the capital that they have paid up.
4. The General Shareholders Meeting may agree to the distribution of dividends or the distribution of the unrestricted reserves, including the share issue premium, in kind, provided that the goods and securities the subject to the distribution are homogeneous and liquid amounts. The foregoing requirement shall be deemed to be satisfied with when the securities are listed for trading in a regulated market, a multilateral trading system or any other organised market at the time of the execution of the distribution agreement, or are going to be included therein within the subsequent year, or when the Company provides the necessary liquidity guarantees. The regulation included in this paragraph shall also be applicable for the reimbursement of shareholder contributions in the cases of the reduction of the share capital.

**CHAPTER V**  
**REGARDING WINDING-UP AND LIQUIDATION**

**Article 33.- Winding-up and liquidation of the Company**

1. The Company shall be wound-up for the reasons and with the effects provided for at law.
2. As from the moment in which the Company is declared to be in liquidation, the Board of Directors shall cease in its functions and the Board Members shall be transformed into trustees-in-bankruptcy of the Company. The trustees-in-bankruptcy shall constitute a joint body the number of members of which must be uneven. Accordingly, if necessary, the Board Member that has held office for the shortest period of time shall be removed from office and, in the case of identical service histories, then the youngest Board Member shall be removed from office. The foregoing is without prejudice to the situation in which the General Shareholders Meeting had designated other trustees-in-bankruptcy in the resolution for the winding-up of the Company.

3. The trustees-in-bankruptcy shall have, in addition to the powers that are expressly conferred upon them pursuant to applicable law, all other powers that the General Shareholders Meeting has conferred upon them, and the General Shareholders Meeting shall establish the rules that shall be applicable thereto for the division of the Company's assets and the approval of the liquidation accounts until the distribution and settlement thereof.
4. Until all of the Company's obligations have been settled or cancelled, the Company's assets may not be distributed to the shareholders, unless the company has reserved and deposited, in favour of the creditors, an amount that represents the amount of the outstanding obligations thereof.

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