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## **SIXTH ITEM OF THE AGENDA**

**Sixth.** Amendments to the Articles of Association, with the purpose to adapt certain Articles to *Ley 31/2014 del 3 de diciembre por la que se modifica la Ley de Sociedades de Capital para la mejora de Gobierno Corporativo*, the New Spanish Companies Law:

**Sixth A.** Amend article 12.3 of the Articles of Association, in order to grant to Shareholders representing at least 3% of the share capital, the right to request a call for a General Shareholders' Meeting, instead of the 5% required before.

**Sixth B.** Amend article 14.1 of the Articles of Association, with the purpose to reduce from 7 to 5 the number of days prior to the General Shareholders' Meeting until which the Shareholders are entitled to request to the Board of Directors information or clarifications in relation with the items included in the Agenda.

**Sixth C.** Amend Article 14.4 of the Articles of Association, with the purpose to set in a more detailed form, the cases in which the Directors are entitled not to disclose the information required by a Shareholder.

**Sixth D.** Amend Article 17.2 of the Articles of Association, with the purpose to include a qualified quorum at the General Shareholder's Meeting for valid approval of resolutions regarding the global assignment of assets and liabilities, the transfer of the registered office abroad and the elimination or limitation of pre-emptive rights of new shares.

**Sixth E.** Amend Article 17.4 of the Articles of Association, with the purpose to adapt it to the new reinforced majority regulation set by the New Spanish Companies Law.

**Sixth F.** Amend Article 24.1 of the Articles of Association, with the purpose to set that a Board of Directors meeting will take place at least once a quarter.

**Sixth G.** Amend article 24.7 of the Articles of Association, with the purpose to define that the representation of Non-executive Directors can only be delegated in other Non-executive Director.

**Sixth H.** Amend Article 27.2 of the Articles of Association, to include a wider list of non-delegable powers by the Board of Directors.

## **PROPOSED RESOLUTION FOR THE SIXTH ITEM OF THE AGENDA**

According to the Board of Director's Report supporting the present proposal, the amendment of the following Articles of Association is proposed:

**Sixth A.** Amend article 12.3 of the Articles of Association, in order to grant to Shareholders representing at least 3% of the share capital, the right to request a call for a General Shareholders' Meeting, instead of the 5% required before.

In accordance with the above, it is agreed that this Article will have the following wording:

**12.3** *"The Board of Directors must call the Extraordinary General Meeting in order to acknowledge matters proposed by shareholders in accordance with the law, if these represent at least three (3%) percent of the share capital; the request to call a General Meeting shall include ownership certificates of the shares proving the applicants owns such capital percentage. In this case, after submitting a notarized request to the Board of Directors, the General Shareholders' Meeting shall be called to take place within the time period legally provided".*

**Sixth B.** Amend article 14.1 of the Articles of Association, with the purpose to reduce from 7 to 5 the number of days prior to the General Shareholders' Meeting until which the Shareholders are entitled to request to the Board of Directors information or clarifications in relation with the items included in the Agenda.

In accordance with the above, it is agreed that this Article will have the following wording:

**14.1** *"Shareholders are entitled to request the Board of Directors information or explanations that they consider necessary within the items included in the Agenda, or submit in writing the questions that they consider relevant until the fifth (5<sup>th</sup>) day prior to the date on which the General Shareholders' Meeting is scheduled".*

**Sixth C.** Amend Article 14.4 of the Articles of Association, with the purpose to set in a more detailed form, the cases in which the Directors are entitled not to disclose the information required by a Shareholder.

In accordance with the above, it is agreed that this Article will have the following wording:

**14.4** *"The Directors must provide the information requested under the previous numbers, in accordance with the provisions of these Articles, of the rules regulating general shareholders' meetings and of the Spanish Corporate Law, unless this information is unnecessary in order to safeguard Shareholder's interests, or there are objective reasons to consider that it could be used for purposes other than the Company's or its disclosure may endanger the Company or its related companies".*

**Sixth D.** Amend Article 17.2 of the Articles of Association, with the purpose to include a qualified quorum at the General Shareholder's Meeting for valid approval of resolutions regarding the global assignment of assets and liabilities, the transfer of the registered office abroad and the elimination or limitation of pre-emptive rights of new shares.

In accordance with the above, it is agreed that this Article will have the following wording:

**17.2** *"To validly approve the issuance of bonds, the increase or reduction of capital, the transformation, global assignment of assets and liabilities, merger or spin-off of the Company, the transfer of the Registered Office abroad, the elimination or limitation of preemptive rights*

*of new shares and in general, any necessary amendment to the Articles of Association, the Ordinary or Extraordinary Shareholders' Meeting will need:*

- a. On the first call, that the Shareholders, either present or represented by proxy, represent at least fifty percent (50%) subscribed voting capital.*
- b. On the second call, that the Shareholders, either present or represented by proxy, represent at least twenty five percent (25%) of the subscribed voting capital”.*

**Sixth E.** Amend Article 17.4 of the Articles of Association, with the purpose to adapt it to the new reinforced majority regulation set by the New Spanish Companies Law.

In accordance with the above, it is agreed that this Article will have the following wording:

**17.4** *“Resolutions at Ordinary or Extraordinary General Meetings shall be adopted with the simple majority of the votes corresponding to the Shares entitled to vote which are present or represented. As an exception, for the adoption of agreements referred in article 17.2:*

- a. If the share capital either present or represented, exceeds fifty percent (50%) of the subscribed voting capital, it will be sufficient the adoption of the resolution by absolute majority.*
- b. If on second call, the Shareholders attending represent twenty-five percent (25%) or more of the subscribed voting capital but without reaching the fifty percent (50%), a favourable vote of two-thirds (2/3) of the present or represented Shareholders would be required”.*

**Sixth F.** Amend Article 24.1 of the Articles of Association, with the purpose to set that a Board of Directors meeting will take place at least once a quarter.

In accordance with the above, it is agreed that this Article will have the following wording:

**24.1** *“The Board of Directors shall meet at least once every quarter”.*

**Sixth G.** Amend article 24.7 of the Articles of Association, with the purpose to define that the representation of Non-executive Directors can only be delegated in other Non-executive Director.

In accordance with the above, it is agreed that this Article will have the following wording:

**24.7** *“Directors may be represented in each meeting by another Member of the Board. The representation shall be granted by letter addressed to the Chairman. In case of Non-executive Directors, it only can be carried out by other Non-executive Director”.*

**Sixth H.** Amend Article 27.2 of the Articles of Association, to include a wider list of non-delegable powers by the Board of Directors.

In accordance with the above, it is agreed that this Article will have the following wording:

**27.2** *“Without prejudice of that provided in the application rule, under no circumstance will the following powers be delegated by the Board of Directors to the Executive Committee:*

- a. *Election of the Chairman of the Board*
- b. *of Directors;*
- c. *Appointment of the Directors by co-option;*
- d. *Requesting to call or calling General Meetings and the preparation of the agenda and proposals of resolutions;*
- e. *Preparation of the Annual Reports and of the Management Reports and their presentation to the General Shareholders' Meeting;*
- f. *Alteration of the Headquarters;*
- g. *Preparation and approval of merger, spin-off or transformation projects of the Company;*
- h. *Monitoring the effective functioning of its committees and the performance of delegated bodies and appointed directors;*
- i. *Definition of the Company's general policies and strategies;*
- j. *Authorization or waiver of the obligations arising from duty of loyalty;*
- j. *Its own organization and functioning;*
- k. *Preparation of any report required by the law to the management body, provided that the operation referred in the report cannot be delegated;*
- l. *Appointment and dismissal of the Chief Executive Officer, as well as set up their contractual conditions;*
- m. *Appointment and dismissal of top management directly depending from the Board of Directors or any of its members, as well as their general contractual conditions including remuneration;*
- n. *Decisions concerning director's remuneration, within the Articles of Association's frame and, if any, the remuneration policy approved by the General Meeting;*
- o. *Policy concerning own shares;*
- p. *The faculties that the General Meeting may have delegated on the Board of directors, unless on the cases expressly authorized by the first to subdelegate them".*