



OPDENERGY HOLDING, S.A.

BOARD OF DIRECTORS

**BOARD OF DIRECTORS' REPORT ON AMENDMENTS TO THE REGULATIONS
OF THE BOARD OF DIRECTORS**

(ITEM 9 ON THE AGENDA)

1. Purpose of the report

The Board of Directors of Opdenenergy Holding, S.A. (the "**Company**" or "**Opdenenergy**") issues this report in accordance with the provisions of article 528 of the consolidated text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010 of 2 July (the "**Capital Companies Act**" or the "**LSC**") and article 3 of the Regulations of the Board of Directors of Opdenenergy (the "**Report**").

The purpose of this report is to inform the General Meeting of Shareholders that, at its meeting held on 10 May 2023, the Board of Directors resolved to approve the amendment of certain articles of the Board of Directors' Regulations.

The amendments consist of the modification of articles 14 (audit committee), 15 (appointments and remuneration committee), 16 (sustainable development committee) and 18 (conduct of meetings) of the Regulations of the Board of Directors and are aimed at:

- (i) to give the chairman of each of the committees of the Board of Directors (i.e. the Audit Committee, the Appointments and Remuneration Committee and the Audit Committee) as well as the Chairman of the Board of Directors a casting vote in order to avoid blockages in the Company's decision-making by the committees and the Board of Directors, respectively; and
- (ii) to attribute the competence to report on the statement of non-financial information to the Audit Committee of the Company, which until the date of the aforementioned amendment was attributed to the Sustainable Development Committee.

Without prejudice to the foregoing, the amendment of Article 18 of the Board of Directors' Regulations is conditional upon the Ordinary General Meeting of Shareholders of the Company in 2023, called for 19 June 2023 on first call and 20 June 2023 on second call, to decide on the amendment of Article 20 of the Articles of Association to give the Chairman of the Board of Directors a casting vote; and in this way the internal rules governing the organisation and operation of the Company can be made systematically consistent.

For ease of reference, a literal transcription of both texts is included below, in double columns, highlighting in the right-hand column the changes compared with the version prior to this amendment, which is transcribed in the left-hand column.

2. Amendments to the Regulations of the Board of Directors approved by the Board of Directors at its meeting of 10 May 2023

Previous text of the Regulations of the Board of Directors	Amendments to the Regulations of the Board of Directors approved
<p>Article 14. Audit committee.</p> <p>1. The Board of Directors shall set up a permanent audit committee, an internal informational and consultative body, without executive functions, with information, advisory and proposal-making powers within the scope of action indicated in this article. The audit committee shall be composed of a minimum of three and a maximum of five non-executive directors, the majority of whom shall be independent, appointed by the Board of Directors itself. As a whole, the members of the committee, and especially its chairman, shall be appointed taking into account their knowledge and experience in accounting, auditing and risk management, both financial and non-financial.</p> <p>2. The Board of Directors shall also appoint the chairman of the audit committee from among the independent directors forming part of the audit committee. In addition, the Board of Directors may appoint a vice-chairman if it so deems appropriate, and the provisions established in relation to the appointment of the chairman shall apply to the appointment of the vice-chairman.</p> <p>3. The office of secretary of the audit committee shall be held by a person appointed by the Board of Directors, who need not be a member of the committee or a director. The office of secretary of the audit committee may be held by the secretary of the Board of Directors or by a different person.</p> <p>4. Directors forming part of the audit committee shall hold office for as long as their appointment as directors of the Company remains in force, unless the Board of Directors resolves otherwise. The renewal, re-election and removal of directors who are members of the committee shall be governed by the resolutions of the Board of Directors.</p>	<p>Article 14. Audit committee.</p> <p>1. The Board of Directors shall set up a permanent audit committee, an internal informational and consultative body, without executive functions, with information, advisory and proposal-making powers within the scope of action indicated in this article. The audit committee shall be composed of a minimum of three and a maximum of five non-executive directors, the majority of whom shall be independent, appointed by the Board of Directors itself. As a whole, the members of the committee, and especially its chairman, shall be appointed taking into account their knowledge and experience in accounting, auditing and risk management, both financial and non-financial.</p> <p>2. The Board of Directors shall also appoint the chairman of the audit committee from among the independent directors forming part of the audit committee. In addition, the Board of Directors may appoint a vice-chairman if it so deems appropriate, and the provisions established in relation to the appointment of the chairman shall apply to the appointment of the vice-chairman.</p> <p>3. The office of secretary of the audit committee shall be held by a person appointed by the Board of Directors, who need not be a member of the committee or a director. The office of secretary of the audit committee may be held by the secretary of the Board of Directors or by a different person.</p> <p>4. Directors forming part of the audit committee shall hold office for as long as their appointment as directors of the Company remains in force, unless the Board of Directors resolves otherwise. The renewal, re-election and removal of directors who are members of the committee shall be governed by the resolutions of the Board of Directors.</p>

<p>The office of Chairman shall be held for a maximum period of four years, at the end of which he may not be re-elected as such for a period of one year after leaving office, without prejudice to his continuation or re-election as a member of the Commission.</p> <p>5. Without prejudice to any other duties that may be assigned to it from time to time by the Board of Directors, the audit committee shall perform the following basic functions:</p> <ul style="list-style-type: none"> (i) Report to the general meeting of shareholders on matters raised by the shareholders on matters within its competence and, in particular, on the outcome of the audit, explaining how the audit has contributed to the integrity of the financial information and the role that the audit committee has played in this process. (ii) Supervise the effectiveness of the internal control of the Company and its group, the internal audit and the financial and non-financial risk management systems (including operational, technological, legal, social, environmental, political and reputational or corruption-related risks), ensuring that the policies and systems established for internal control are effectively applied in practice, and discuss with the auditor any significant weaknesses in the internal control system detected in the course of the audit, all without breaching their independence. To this end, if material weaknesses are identified, they shall submit recommendations or proposals to the management body and the corresponding deadline for their follow-up. (iii) Supervise the process of drawing up and presentation of regulated financial and non-financial information and submitting recommendations or proposals to the Board of Directors aimed at safeguarding its integrity. 	<p>The office of Chairman shall be held for a maximum period of four years, at the end of which he may not be re-elected as such for a period of one year after leaving office, without prejudice to his continuation or re-election as a member of the Commission.</p> <p>5. Without prejudice to any other duties that may be assigned to it from time to time by the Board of Directors, the audit committee shall perform the following basic functions:</p> <ul style="list-style-type: none"> (i) Report to the general meeting of shareholders on matters raised by the shareholders on matters within its competence and, in particular, on the outcome of the audit, explaining how the audit has contributed to the integrity of the financial information and the role that the audit committee has played in this process. (ii) Supervise the effectiveness of the internal control of the Company and its group, the internal audit and the financial and non-financial risk management systems (including operational, technological, legal, social, environmental, political and reputational or corruption-related risks), ensuring that the policies and systems established for internal control are effectively applied in practice, and discuss with the auditor any significant weaknesses in the internal control system detected in the course of the audit, all without breaching their independence. To this end, if material weaknesses are identified, they shall submit recommendations or proposals to the management body and the corresponding deadline for their follow-up. (iii) Supervise the process of drawing up and presentation of regulated financial and non-financial information and submitting recommendations or proposals to the Board of Directors aimed at safeguarding its integrity.
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<p>(iv) Propose to the Board of Directors, for submission to the general meeting of shareholders, the selection, appointment, re-election or replacement of the auditors, in accordance with the applicable regulations, as well as the terms and conditions of their engagement, and regularly obtain information from them on the audit plan and its execution, and preserve their independence in the performance of their duties.</p> <p>(v) Establish the appropriate relationships with the auditors to receive information on those matters that may jeopardise their independence, for examination by the audit committee, and any other matters related to the process of auditing the accounts and, where appropriate, the authorisation of services other than those prohibited, on the terms contemplated in the applicable regulations, as well as those other communications contemplated in the legislation on auditing the accounts and in the other auditing standards. In any event, the audit committee must receive annual written confirmation from the auditors of their independence vis-à-vis the Company and entities directly or indirectly related thereto, as well as detailed and individualised information on additional services of any kind rendered and the corresponding fees received from these entities by the external auditor or by persons or entities related thereto, in accordance with the provisions of legislation on auditing of accounts.</p> <p>(vi) Annually issue, prior to the statutory audit report, a report expressing an opinion on whether the independence of the auditors or audit firms is compromised. This report shall, in any case, express an opinion on the provision of the additional services referred to in the preceding paragraph, individually considered and as a whole, other than the</p>	<p>(iv) Propose to the Board of Directors, for submission to the general meeting of shareholders, the selection, appointment, re-election or replacement of the auditors, in accordance with the applicable regulations, as well as the terms and conditions of their engagement, and regularly obtain information from them on the audit plan and its execution, and preserve their independence in the performance of their duties.</p> <p>(v) Establish the appropriate relationships with the auditors to receive information on those matters that may jeopardise their independence, for examination by the audit committee, and any other matters related to the process of auditing the accounts and, where appropriate, the authorisation of services other than those prohibited, on the terms contemplated in the applicable regulations, as well as those other communications contemplated in the legislation on auditing the accounts and in the other auditing standards. In any event, the audit committee must receive annual written confirmation from the auditors of their independence vis-à-vis the Company and entities directly or indirectly related thereto, as well as detailed and individualised information on additional services of any kind rendered and the corresponding fees received from these entities by the external auditor or by persons or entities related thereto, in accordance with the provisions of legislation on auditing of accounts.</p> <p>(vi) Annually issue, prior to the statutory audit report, a report expressing an opinion on whether the independence of the auditors or audit firms is compromised. This report shall, in any case, express an opinion on the provision of the additional services referred to in the preceding paragraph, individually considered and as a whole, other than the</p>
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<p>statutory audit and in relation to the independence regime or to the audit regulations.</p> <p>(vii) Report on related-party transactions that must be approved by the general meeting or the Board of Directors in accordance with the law and supervise the internal procedure established by the company for those whose approval has been delegated.</p> <p>(viii) Report, in advance, to the Board of Directors on all matters provided for by law, in the articles of association and in the regulations of the Board of Directors and, in particular, on: (i) the financial information and the Directors' report, which shall include, where appropriate, the mandatory non-financial information that the Company must periodically disclose and (ii) the creation or acquisition of interests in special purpose vehicles or entities domiciled in countries or territories considered tax havens.</p> <p>(ix) Supervise the Company's internal audit activity, supervising the internal audit plan and verifying that the main financial and non-financial risk areas of the business have been considered in this plan.</p> <p>(x) With regard to internal control and reporting systems: (a) supervise the process of preparation and the integrity of the financial information relating to the Company and, where appropriate, the group, reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria; (b) if any, ensuring the independence of the unit that assumes the internal audit function, proposing the selection, appointment, re-election and removal of the head of the internal audit service, proposing the budget for that service, approving or proposing approval to the board of the</p>	<p>statutory audit and in relation to the independence regime or to the audit regulations.</p> <p>(vii) Report on related-party transactions that must be approved by the general meeting or the Board of Directors in accordance with the law and supervise the internal procedure established by the company for those whose approval has been delegated.</p> <p>(viii) Report, in advance, to the Board of Directors on all matters provided for by law, in the articles of association and in the regulations of the Board of Directors and, in particular, on: (i) the financial information and the Directors' report, which shall include, where appropriate, the mandatory non-financial information that the Company must periodically disclose and (ii) the creation or acquisition of interests in special purpose vehicles or entities domiciled in countries or territories considered tax havens.</p> <p>(ix) Supervise the Company's internal audit activity, supervising the internal audit plan and verifying that the main financial and non-financial risk areas of the business have been considered in this plan.</p> <p>(x) With regard to internal control and reporting systems: (a) supervise the process of preparation and the integrity of the financial information relating to the Company and, where appropriate, the group, reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria; (b) if any, ensuring the independence of the unit that assumes the internal audit function, proposing the selection, appointment, re-election and removal of the head of the internal audit service, proposing the budget for that service, approving or proposing approval to the board of the</p>
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<p>internal audit orientation and annual work plan, ensuring that its activity is mainly focused on the relevant risks (including reputational risks); receive regular information on the implementation of the annual work plan, including possible occurrences and scope limitations, and an annual activity report and verify that senior management takes into account the findings and recommendations of its reports, if any; and (c) establish and supervise a mechanism whereby employees or other persons connected with the company, such as directors, shareholders, suppliers, contractors or subcontractors, may report, confidentially or anonymously, potentially significant irregularities, including financial, accounting or any other irregularities relating to the company that they become aware of within the company or its group. This mechanism must guarantee confidentiality and, in any case, provide for cases in which communications may be made anonymously, respecting the rights of the whistle-blower and the reported party.</p> <p>(xi) With respect to the external auditor: (a) in the event of resignation, examine the circumstances giving rise to it; (b) ensure that its remuneration does not compromise its quality or independence; (c) supervise that the Company notifies the CNMV of the change of auditor and accompanies it, where appropriate, with a statement on the possible existence of disagreements with the outgoing auditor and the content thereof; (d) ensure that the external auditor meets annually with the full Board of Directors to report to it on the work performed and the evolution of the Company's situation; (e) ensure that the Company and the external auditor respect the rules in force on the provision of non-audit services, the limits on the concentration of the</p>	<p>internal audit orientation and annual work plan, ensuring that its activity is mainly focused on the relevant risks (including reputational risks); receive regular information on the implementation of the annual work plan, including possible occurrences and scope limitations, and an annual activity report and verify that senior management takes into account the findings and recommendations of its reports, if any; and (c) establish and supervise a mechanism whereby employees or other persons connected with the company, such as directors, shareholders, suppliers, contractors or subcontractors, may report, confidentially or anonymously, potentially significant irregularities, including financial, accounting or any other irregularities relating to the company that they become aware of within the company or its group. This mechanism must guarantee confidentiality and, in any case, provide for cases in which communications may be made anonymously, respecting the rights of the whistle-blower and the reported party.</p> <p>(xi) With respect to the external auditor: (a) in the event of resignation, examine the circumstances giving rise to it; (b) ensure that its remuneration does not compromise its quality or independence; (c) supervise that the Company notifies the CNMV of the change of auditor and accompanies it, where appropriate, with a statement on the possible existence of disagreements with the outgoing auditor and the content thereof; (d) ensure that the external auditor meets annually with the full Board of Directors to report to it on the work performed and the evolution of the Company's situation; (e) ensure that the Company and the external auditor respect the rules in force on the provision of non-audit services, the limits on the concentration of the</p>
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<p>auditor's business and, in general, the other rules on auditor independence.</p> <p>(xii) Ensure that the financial statements submitted by the Board of Directors to the general meeting of shareholders are drawn up in accordance with accounting regulations and that in those cases in which the auditor has included a qualification in its audit report, the chairman of the audit committee clearly explains the audit committee's opinion on their content and scope at the general meeting, making a summary of said opinion available to the shareholders at the time of publication of the notice of the meeting, together with the rest of the proposals and reports of the board, a summary of said opinion.</p> <p>(xiii) Summon any employee or officer of the Company, including arranging for them to appear without the presence of any other officer.</p> <p>(xiv) Check that the financial and non-financial information published on the Company's corporate website is permanently updated and coincides with that formulated by the directors.</p> <p>(xv) Periodically assess the need for a separate area for risk control and management.</p> <p>(xvi) Define the procedure for the selection of the statutory auditor, taking into account, inter alia, factors such as the scope of the audit, the qualifications, experience and resources of the auditor or audit firm, the fees, as well as the auditor's independence and the effectiveness and quality of the audit services to be provided.</p>	<p>auditor's business and, in general, the other rules on auditor independence.</p> <p>(xii) Ensure that the financial statements submitted by the Board of Directors to the general meeting of shareholders are drawn up in accordance with accounting regulations and that in those cases in which the auditor has included a qualification in its audit report, the chairman of the audit committee clearly explains the audit committee's opinion on their content and scope at the general meeting, making a summary of said opinion available to the shareholders at the time of publication of the notice of the meeting, together with the rest of the proposals and reports of the board, a summary of said opinion.</p> <p>(xiii) Summon any employee or officer of the Company, including arranging for them to appear without the presence of any other officer.</p> <p>(xiv) Check that the financial and non-financial information published on the Company's corporate website is permanently updated and coincides with that formulated by the directors.</p> <p>(xv) Periodically assess the need for a separate area for risk control and management.</p> <p>(xvi) Define the procedure for the selection of the statutory auditor, taking into account, inter alia, factors such as the scope of the audit, the qualifications, experience and resources of the auditor or audit firm, the fees, as well as the auditor's independence and the effectiveness and quality of the audit services to be provided.</p>
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<p>(xvii) Be informed of the structural and corporate modifications that the Company plans to carry out for analysis and prior report to the Board of Directors on their economic conditions and their accounting impact and, in particular, if appropriate, on the proposed exchange ratio.</p> <p>(xviii) Any other duties assigned to it by the Board of Directors.</p> <p>6. The audit committee shall also be responsible for performing all those functions specifically attributed to it in the internal regulations of the audit committee, if any, approved by the Board of Directors.</p> <p>7. The audit committee shall meet at least quarterly in order to review the periodic financial information to be submitted to the stock exchange authorities, as well as the information to be approved by the Board of Directors and included in its annual public documentation. It shall also meet at the request of any of its members and whenever convened by its chairman, who must do so whenever the Board of Directors or its chairman requests the issuance of a report or the adoption of proposals and, in any event, whenever appropriate for the proper performance of its duties.</p> <p>8. The audit committee shall be validly constituted when a majority of its members are present in person or by proxy, and its resolutions shall be adopted by an absolute majority of those present. In the event of a tie, the chairman of the audit committee shall not have a casting vote.</p> <p>9. The audit committee shall keep minutes of its meetings, a copy of which shall be sent to all members of the Board of Directors and to the secretary of the Board of Directors.</p> <p>10. In order to better perform its duties, the audit committee may seek the advice of external experts when it deems it necessary, ensuring that any conflicts of interest do not prejudice the independence of the external advice provided to the audit committee.</p>	<p>(xvii) Be informed of the structural and corporate modifications that the Company plans to carry out for analysis and prior report to the Board of Directors on their economic conditions and their accounting impact and, in particular, if appropriate, on the proposed exchange ratio.</p> <p>(xviii) Any other duties assigned to it by the Board of Directors.</p> <p><u>(xix) Report, prior to its approval, on the non-financial information statement of the Company, requesting the necessary reports from the Appointments and Remuneration Committee and the Sustainable Development Committee in relation to the sections of said report that fall within their competencies.</u></p> <p>6. The audit committee shall also be responsible for performing all those functions specifically attributed to it in the internal regulations of the audit committee, if any, approved by the Board of Directors.</p> <p>7. The audit committee shall meet at least quarterly in order to review the periodic financial information to be submitted to the stock exchange authorities, as well as the information to be approved by the Board of Directors and included in its annual public documentation. It shall also meet at the request of any of its members and whenever convened by its chairman, who must do so whenever the Board of Directors or its chairman requests the issuance of a report or the adoption of proposals and, in any event, whenever appropriate for the proper performance of its duties.</p> <p>8. The audit committee shall be validly constituted when a majority of its members are present in person or by proxy, and its resolutions shall be adopted by an absolute majority of those present. In the event of a tie, the chairman of the audit committee shall not have a casting vote.</p>
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	<p>9. The audit committee shall keep minutes of its meetings, a copy of which shall be sent to all members of the Board of Directors and to the secretary of the Board of Directors.</p> <p>10. In order to better perform its duties, the audit committee may seek the advice of external experts when it deems it necessary, ensuring that any conflicts of interest do not prejudice the independence of the external advice provided to the audit committee.</p>
<p>Article 15. Appointments and remuneration committee.</p> <p>1. The Board of Directors shall set up a permanent appointments and remuneration committee, an internal informational and consultative body, without executive functions, with information, advisory and proposal-making powers within the scope of action indicated in this article. The appointments and remuneration committee shall be composed of a minimum of three and a maximum of five non-executive directors, the majority of whom shall be independent, appointed by the Board of Directors itself, taking into account their knowledge, skills and experience.</p> <p>2. The Board of Directors shall also appoint the chairman of the appointments and remuneration committee from among the independent directors forming part of such committee. In addition, the Board of Directors may appoint a vice-chairman if it so deems appropriate, and the provisions established in relation to the appointment of the chairman shall apply to the appointment of the vice-chairman.</p> <p>3. The office of secretary of the appointments and remuneration committee shall be held by the person appointed by the Board of Directors, who need not be a member of the committee or a director. The office of secretary of the appointments and remuneration committee may be held by the secretary of the Board of Directors or by a different person.</p>	<p>Article 15. Appointments and remuneration committee</p> <p>1. The Board of Directors shall set up a permanent appointments and remuneration committee, an internal informational and consultative body, without executive functions, with information, advisory and proposal-making powers within the scope of action indicated in this article. The appointments and remuneration committee shall be composed of a minimum of three and a maximum of five non-executive directors, the majority of whom shall be independent, appointed by the Board of Directors itself, taking into account their knowledge, skills and experience.</p> <p>2. The Board of Directors shall also appoint the chairman of the appointments and remuneration committee from among the independent directors forming part of such committee. In addition, the Board of Directors may appoint a vice-chairman if it so deems appropriate, and the provisions established in relation to the appointment of the chairman shall apply to the appointment of the vice-chairman.</p> <p>3. The office of secretary of the appointments and remuneration committee shall be held by the person appointed by the Board of Directors, who need not be a member of the committee or a director. The office of secretary of the appointments and remuneration committee may be held by the secretary of the Board of Directors or by a different person.</p>

<p>4. Directors who are members of the appointments and remuneration committee shall hold office for as long as their appointment as directors of the Company remains in force, unless the Board of Directors resolves otherwise. The renewal, re-election and removal of directors who are members of the committee shall be governed by the resolutions of the Board of Directors.</p> <p>5. Without prejudice to any other duties that may be assigned to it from time to time by the Board of Directors, the appointments and remuneration committee shall independently perform the following basic functions:</p> <ul style="list-style-type: none"> (i) Assess the skills, knowledge and experience required on the Board of Directors. To this end, it shall define the functions and skills required of the candidates to fill each vacancy and assess the time and dedication necessary for them to perform their duties effectively, taking into account a previously prepared skills matrix defining the most appropriate functions, skills, knowledge and experience for the job. (ii) Analysing the other occupations of each director of the Company, ensuring that directors devote sufficient time to this in practice and, if this is not the case, proposing appropriate measures. (iii) Establish a representation target for the under-represented gender on the Board of Directors and develop guidance on how to achieve this target. (iv) Submit to the Board of Directors proposals for the appointment of independent Directors for appointment by co-option or for submission to the decision of the General Meeting of Shareholders, as well as proposals for the re-election or removal of such Directors by the General Meeting of Shareholders. 	<p>4. Directors who are members of the appointments and remuneration committee shall hold office for as long as their appointment as directors of the Company remains in force, unless the Board of Directors resolves otherwise. The renewal, re-election and removal of directors who are members of the committee shall be governed by the resolutions of the Board of Directors.</p> <p>5. Without prejudice to any other duties that may be assigned to it from time to time by the Board of Directors, the appointments and remuneration committee shall independently perform the following basic functions:</p> <ul style="list-style-type: none"> (i) Assess the skills, knowledge and experience required on the Board of Directors. To this end, it shall define the functions and skills required of the candidates to fill each vacancy and assess the time and dedication necessary for them to perform their duties effectively, taking into account a previously prepared skills matrix defining the most appropriate functions, skills, knowledge and experience for the job. (ii) Analysing the other occupations of each director of the Company, ensuring that directors devote sufficient time to this in practice and, if this is not the case, proposing appropriate measures. (iii) Establish a representation target for the under-represented gender on the Board of Directors and develop guidance on how to achieve this target. (iv) Submit to the Board of Directors proposals for the appointment of independent Directors for appointment by co-option or for submission to the decision of the General Meeting of Shareholders, as well as proposals for the re-election or removal of such Directors by the General Meeting of Shareholders.
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<p>(v) Report on the proposals for Directors' appointment through co-option or, if applicable, for the General Shareholders' Meeting consideration, together with the proposals made by the General Meeting for Directors' re-election or removal.</p> <p>(vi) Report on the proposals for the appointment, reappointment and dismissal of senior management and the basic conditions of their contracts.</p> <p>(vii) Examine and organise the succession of the chairman of the Board of Directors and the chief executive of the Company and, if appropriate, make proposals to the Board of Directors for such succession to take place in an orderly and planned manner, in consultation with the chairman of the Company, and involving the lead director, if any, provided that he is not a member of the appointments and remuneration committee.</p> <p>(viii) Propose to the Board of Directors the remuneration policy for directors and general managers or those who perform their duties as executive personnel reporting directly to the Board of Directors, executive committees or managing directors, as well as the individual remuneration and other contractual conditions of executive directors, checking and ensuring compliance therewith.</p> <p>(ix) Verify compliance with the Company's remuneration policy.</p> <p>(x) Periodically review the remuneration policy applied to directors and senior management, including share-based remuneration schemes and their implementation, and ensure that their individual remuneration is proportionate to that paid to other directors and senior management.</p> <p>(xi) Propose to the Board of Directors a policy for the selection of directors and, where appropriate, senior management, which should include measures to encourage the</p>	<p>(v) Report on the proposals for Directors' appointment through co-option or, if applicable, for the General Shareholders' Meeting consideration, together with the proposals made by the General Meeting for Directors' re-election or removal.</p> <p>(vi) Report on the proposals for the appointment, reappointment and dismissal of senior management and the basic conditions of their contracts.</p> <p>(vii) Examine and organise the succession of the chairman of the Board of Directors and the chief executive of the Company and, if appropriate, make proposals to the Board of Directors for such succession to take place in an orderly and planned manner, in consultation with the chairman of the Company, and involving the lead director, if any, provided that he is not a member of the appointments and remuneration committee.</p> <p>(viii) Propose to the Board of Directors the remuneration policy for directors and general managers or those who perform their duties as executive personnel reporting directly to the Board of Directors, executive committees or managing directors, as well as the individual remuneration and other contractual conditions of executive directors, checking and ensuring compliance therewith.</p> <p>(ix) Verify compliance with the Company's remuneration policy.</p> <p>(x) Periodically review the remuneration policy applied to directors and senior management, including share-based remuneration schemes and their implementation, and ensure that their individual remuneration is proportionate to that paid to other directors and senior management.</p> <p>(xi) Propose to the Board of Directors a policy for the selection of directors and, where appropriate, senior management, which should include measures to encourage the</p>
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<p>company to have a significant number of senior managers.</p> <p>(xii) Ensure that potential conflicts of interest do not prejudice the independence of the external advice provided to the Commission.</p> <p>(xiii) Verify the information on directors' and senior management remuneration contained in the various corporate documents, including the annual remuneration report.</p> <p>(xiv) Participate in possible updates of these regulations in relation to matters within its competence.</p> <p>6. The Appointments and Remuneration Committee shall also be responsible for all those functions included in the internal regulations of the Appointments and Remuneration Committee, if any, approved by the Board of Directors.</p> <p>7. The appointments and remuneration committee shall meet at the request of any of its members and whenever convened by its chairman, who must do so whenever the Board of Directors or its chairman requests the issuance of a report or the adoption of proposals and, in any case, whenever it is advisable for the proper performance of its duties.</p> <p>8. The appointments and remuneration committee shall be validly constituted when a majority of its members are present in person or by proxy, and its resolutions shall be adopted by an absolute majority of those present. In the event of a tie, the chairman of the appointments and remuneration committee shall not have a casting vote.</p> <p>9. The appointments and remuneration committee shall draw up minutes of its meetings, a copy of which shall be sent to all members of the Board of Directors.</p> <p>10. The appointments and remuneration committee should consult the chairman and chief executive of the company, especially on matters relating to executive directors and senior management.</p> <p>11. In order to better perform its duties, the appointments and remuneration committee may seek the advice of external experts when it deems it necessary, ensuring that any possible conflicts of</p>	<p>company to have a significant number of senior managers.</p> <p>(xii) Ensure that potential conflicts of interest do not prejudice the independence of the external advice provided to the Commission.</p> <p>(xiii) Verify the information on directors' and senior management remuneration contained in the various corporate documents, including the annual remuneration report.</p> <p>(xiv) Participate in possible updates of these regulations in relation to matters within its competence.</p> <p>6. The Appointments and Remuneration Committee shall also be responsible for all those functions included in the internal regulations of the Appointments and Remuneration Committee, if any, approved by the Board of Directors.</p> <p>7. The appointments and remuneration committee shall meet at the request of any of its members and whenever convened by its chairman, who must do so whenever the Board of Directors or its chairman requests the issuance of a report or the adoption of proposals and, in any case, whenever it is advisable for the proper performance of its duties.</p> <p>8. The appointments and remuneration committee shall be validly constituted when a majority of its members are present in person or by proxy, and its resolutions shall be adopted by an absolute majority of those present. In the event of a tie, the chairman of the appointments and remuneration committee shall not have a casting vote.</p> <p>9. The appointments and remuneration committee shall draw up minutes of its meetings, a copy of which shall be sent to all members of the Board of Directors.</p> <p>10. The appointments and remuneration committee should consult the chairman and chief executive of the company, especially on matters relating to executive directors and senior management.</p> <p>11. In order to better perform its duties, the appointments and remuneration committee may seek the advice of external experts when it deems it necessary, ensuring that any possible conflicts of</p>
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<p>interest do not prejudice the independence of the external advice provided to the appointments and remuneration committee.</p>	<p>interest do not prejudice the independence of the external advice provided to the appointments and remuneration committee.</p>
<p>Article 16. Sustainable development committee</p> <ol style="list-style-type: none"> 1. The Board of Directors shall set up a permanent sustainable development committee, an internal informational and consultative body, without executive functions, with information, advisory and proposal-making powers within its sphere of action. 2. The sustainable development committee shall be composed of a minimum of three and a maximum of five non-executive directors, the majority of whom shall be independent, appointed by the Board of Directors itself. 3. The Board of Directors shall appoint the chairman of the sustainable development committee from among the directors forming part thereof, and its secretary, who need not be a member of the committee or a director. The office of secretary of the sustainable development committee may be held by the secretary of the Board of Directors or by a different person. 4. The Board of Directors shall ensure that the members of the sustainable development committee have the knowledge, skills and experience appropriate to the functions they are called upon to perform. 5. Directors who are members of the sustainable development committee shall hold office for as long as their appointment as directors of the Company remains in force, unless otherwise agreed by the Board of Directors. The renewal, re-election and removal of directors who are members of the committee shall be governed by the resolutions of the Board of Directors. 	<p>Article 16. Sustainable development committee</p> <ol style="list-style-type: none"> 1. The Board of Directors shall set up a permanent sustainable development committee, an internal informational and consultative body, without executive functions, with information, advisory and proposal-making powers within its sphere of action. 2. The sustainable development committee shall be composed of a minimum of three and a maximum of five non-executive directors, the majority of whom shall be independent, appointed by the Board of Directors itself. 3. The Board of Directors shall appoint the chairman of the sustainable development committee from among the directors forming part thereof, and its secretary, who need not be a member of the committee or a director. The office of secretary of the sustainable development committee may be held by the secretary of the Board of Directors or by a different person. 4. The Board of Directors shall ensure that the members of the sustainable development committee have the knowledge, skills and experience appropriate to the functions they are called upon to perform. 5. Directors who are members of the sustainable development committee shall hold office for as long as their appointment as directors of the Company remains in force, unless otherwise agreed by the Board of Directors. The renewal, re-election and removal of directors who are members of the committee shall be governed by the resolutions of the Board of Directors.

<p>6. Without prejudice to any other duties that may be assigned to it from time to time by the Board of Directors, the sustainable development committee shall independently perform the following basic functions:</p> <ul style="list-style-type: none"> (i) Supervising compliance with the Company's corporate governance rules and internal codes of conduct, and ensuring that the corporate culture is aligned with its purpose and values. (ii) Oversee the implementation of the general policy regarding the communication of economic-financial, non-financial and corporate information, as well as communication with shareholders and investors, proxy advisors and other stakeholders. The way in which the Company communicates and relates to small and medium-sized shareholders will also be monitored. (iii) The evaluation and periodic review of the corporate governance system and of the company's environmental and social policy, so that they fulfil their mission of promoting the corporate interest and take into account, as appropriate, the legitimate interests of other stakeholders. (iv) Supervise that the company's practices in environmental and social matters are in line with the strategy and policy established. (v) Supervise and evaluate the stakeholder engagement processes. (vi) Monitor the Company's performance in the area of corporate reputation and report thereon to the Board of Directors when appropriate. (vii) Reporting, prior to its approval, on the annual corporate governance report and the statement of non-financial information of the Company, obtaining for this purpose the necessary reports from the audit committee and the appointments and remuneration committee in relation to the sections of said report that fall within their competencies. 	<p>6. Without prejudice to any other duties that may be assigned to it from time to time by the Board of Directors, the sustainable development committee shall independently perform the following basic functions:</p> <ul style="list-style-type: none"> (i) Supervising compliance with the Company's corporate governance rules and internal codes of conduct, and ensuring that the corporate culture is aligned with its purpose and values. (ii) Oversee the implementation of the general policy regarding the communication of economic-financial, non-financial and corporate information, as well as communication with shareholders and investors, proxy advisors and other stakeholders. The way in which the Company communicates and relates to small and medium-sized shareholders will also be monitored. (iii) The evaluation and periodic review of the corporate governance system and of the company's environmental and social policy, so that they fulfil their mission of promoting the corporate interest and take into account, as appropriate, the legitimate interests of other stakeholders. (iv) Supervise that the company's practices in environmental and social matters are in line with the strategy and policy established. (v) Supervise and evaluate the stakeholder engagement processes. (vi) Monitor the Company's performance in the area of corporate reputation and report thereon to the Board of Directors when appropriate. (vii) Reporting, prior to its approval, on the annual corporate governance report and the statement of non-financial information of the Company, obtaining for this purpose the necessary reports from the audit committee and the appointments and remuneration committee in relation to the sections of said report that fall within their competencies.
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<p>(viii) Reporting on proposals to amend the regulations of the Board of Directors and the code of ethics.</p> <p>(ix) Issuing the reports and carrying out the actions which, within its sphere of competence, may additionally correspond to it, in accordance with the corporate governance system, or which may be requested by the Board of Directors or its chairman.</p> <p>(x) Assuming the functions attributed to it in the code of ethics.</p> <p>7. The sustainable development committee shall meet at the request of any of its members and whenever convened by its chairman or the compliance officer, who shall do so whenever the Board of Directors or its chairman requests the issuance of a report or the adoption of proposals and, in any event, whenever it is appropriate for the proper performance of its duties.</p> <p>8. The sustainable development committee shall be validly constituted when the majority of its members are present or represented, and its resolutions shall be adopted by an absolute majority of those present or represented. In the event of a tie, the chairman of the sustainable development committee shall not have a casting vote.</p> <p>9. The sustainable development committee shall keep minutes of its meetings, a copy of which shall be sent to all members of the board.</p> <p>10. In order to better fulfil its functions, the sustainable development committee may seek the advice of external experts when it deems it necessary, ensuring that possible conflicts of interest do not prejudice the independence of the external advice provided to the committee.</p>	<p>(viii) Reporting on proposals to amend the regulations of the Board of Directors and the code of ethics.</p> <p>(ix) Issuing the reports and carrying out the actions which, within its sphere of competence, may additionally correspond to it, in accordance with the corporate governance system, or which may be requested by the Board of Directors or its chairman.</p> <p>(x) Assuming the functions attributed to it in the code of ethics.</p> <p>7. The sustainable development committee shall meet at the request of any of its members and whenever convened by its chairman or the compliance officer, who shall do so whenever the Board of Directors or its chairman requests the issuance of a report or the adoption of proposals and, in any event, whenever it is appropriate for the proper performance of its duties.</p> <p>8. The sustainable development committee shall be validly constituted when the majority of its members are present or represented, and its resolutions shall be adopted by an absolute majority of those present or represented. In the event of a tie, the chairman of the sustainable development committee shall not have a casting vote.</p> <p>9. The sustainable development committee shall keep minutes of its meetings, a copy of which shall be sent to all members of the board.</p> <p>10. In order to better fulfil its functions, the sustainable development committee may seek the advice of external experts when it deems it necessary, ensuring that possible conflicts of interest do not prejudice the independence of the external advice provided to the committee.</p>
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<p>Article 18. Meeting procedures</p> <ol style="list-style-type: none"> 1. The Board of Directors shall be validly constituted when half plus one of the number of members of the Board of Directors at any given time are present or represented at the meeting. 2. Directors shall make every effort to attend meetings of the Board of Directors and, if they are unable to do so in person, shall grant their proxy in writing and on an ad hoc basis for each meeting to another member of the Board of Directors, giving appropriate instructions and notifying the chairman of the Board of Directors thereof. In the case of non-executive directors, they may only be represented by another member of the Board of Directors in the same capacity. Directors' absences from board meetings shall be quantified in the annual corporate governance report. 3. The chairman shall organise and stimulate debate by seeking and promoting the active participation of all directors during board meetings, safeguarding their freedom of position and expression of opinion. 4. Except in cases where the law or the articles of association specifically establish other voting quorums, resolutions shall be adopted by an absolute majority of the directors attending the meeting. In the event of a tie, the chairman shall not have the casting vote. 5. Minutes of the meetings of the Board of Directors shall be drawn up and signed by at least the chairman (or vice-chairman, as the case may be) and the secretary or deputy secretary, and shall be transcribed or recorded, in accordance with legal regulations, in a special book of minutes of the Board of Directors. 6. The minutes shall be approved by the Board itself at the end of the meeting or at a subsequent meeting. 	<p>Article 18. Meeting procedures</p> <ol style="list-style-type: none"> 1. The Board of Directors shall be validly constituted when half plus one of the number of members of the Board of Directors at any given time are present or represented at the meeting. 2. Directors shall make every effort to attend meetings of the Board of Directors and, if they are unable to do so in person, shall grant their proxy in writing and on an ad hoc basis for each meeting to another member of the Board of Directors, giving appropriate instructions and notifying the chairman of the Board of Directors thereof. In the case of non-executive directors, they may only be represented by another member of the Board of Directors in the same capacity. Directors' absences from board meetings shall be quantified in the annual corporate governance report. 3. The chairman shall organise and stimulate debate by seeking and promoting the active participation of all directors during board meetings, safeguarding their freedom of position and expression of opinion. 4. Except in cases where the law or the articles of association specifically establish other voting quorums, resolutions shall be adopted by an absolute majority of the directors attending the meeting. In the event of a tie, the chairman shall not have the casting vote. 5. Minutes of the meetings of the Board of Directors shall be drawn up and signed by at least the chairman (or vice-chairman, as the case may be) and the secretary or deputy secretary, and shall be transcribed or recorded, in accordance with legal regulations, in a special book of minutes of the Board of Directors. 6. The minutes shall be approved by the Board itself at the end of the meeting or at a subsequent meeting.
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