



**REPORT DRAWN UP BY THE BOARD OF DIRECTORS OF THE COMPANY**  
**DISTRIBUIDORA INTERNACIONAL DE ALIMENTACIÓN, S.A. ON**  
**JUSTIFICATION OF THE PROPOSED AMENDMENT OF THE ARTICLES OF**  
**ASSOCIATION OF THE COMPANY**

**I. Object of the Report**

This report is hereby drawn up by the Board of Directors of Distribuidora Internacional de Alimentación, S.A. (hereinafter, the “**Company**” or “**DIA**”), further to a report received from the Company’s Appointment and Remuneration Committee, in compliance with the provisions established in Article 286 of the consolidated version of the Capital Stock Companies Act approved by the Royal Legislative Decree 1/2010, of 2 July (the “**Capital Stock Companies Act**”), which requires a written report from the Company directors justifying any proposed amendments of the Articles of Association of the Company, to be subjected to approval by the General Shareholders Meeting, scheduled for 12 June 2012 at 12:00 p.m. at first call, and for 13 June at the same time at second call, under point two of the agenda.

**II. Structure of the proposal**

In order to facilitate a comparison between the current wording of the Articles of Association and the new wording proposed for the relevant articles, Annex I hereto provides a compare version of both texts, for information purposes only. Furthermore and in order to provide an overall view of the amendments proposed and information about the new texts that will be included in the Articles of Association, if eventually approved, attached as Annex II hereto is the new text of the Articles of Association of the Company that will be subject to approval by the General Shareholders Meeting, which already incorporates the amendments proposed.

**III. General justification for the proposal**

The proposed reform of the Articles of Association that the Board of Directors will present to the General Meeting is based on three essential items:

- To include the regulatory changes introduced following the entry into force on 2 October 2011 of Act 25/2011, of 1 August, partly reforming the Capital Stock Companies Act and implementing Directive 2007/36/EC, of the European Parliament and of the Council, of 11 July, on the exercise of certain rights of shareholders in listed companies (“**Act 25/2011**”); Royal Decree-Law 9/2012, of 16 March, simplifying obligations to provide information and documentation on mergers and spin-offs of capital stock companies (“**RD Law 9/2012**”), which amends the Capital Stock Companies Act, amongst others; and other legislative novelties;
- To endow the Company and its government bodies with greater flexibility in internal organisation terms; and

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- To introduce technical improvements in the drafting of the texts for which an amendment is proposed, in order to clarify their meaning and facilitate their understanding.

Please note that the background for amendment of the Articles of Association covered by this report is part of a project to reform the internal corporate governance regulations of the Company which includes, apart from an amendment of the Articles of Association of the Company, a reform of the General Meeting Regulations and Board of Directors Regulations, the object of which is to guarantee that said internal documentation is consistent as a whole.

#### **IV. Detailed justification of the proposal**

Having described the general lines of this reform, we will now comment on the amendments proposed in greater detail:

##### **1. Proposed amendment of Article 14 (“Issue of Obligations”) of the Articles of Association of the Company**

A proposal is made to include a new section, expressly contemplating the possibility of the Company issuing negotiable securities or debt instruments in any of the forms foreseen by law, as an alternative to obtain financing on the market. Furthermore, the possibility is foreseen of the General Shareholders Meeting being able to delegate this power to the Board of Directors. To this effect, it is also proposed to change the title of said article to (“Issue of obligations and other securities”).

##### **2. Proposed amendment of Article 18 (“Calling of a General Meeting”) of the Articles of Association of the Company**

The purpose of the amendment is to adjust the Articles of Association of the Company to the new wording given to Articles 168 and 515 (in relation to the timeframe in which to call an Extraordinary General Meeting, if requested by the minority), 173 and 516 (in relation to the way in which to announce the call), 174 and 517 (in relation to the content to be included in the announcement of the call), 177 (in relation to the General Meeting convened at second call) and 519 (in relation to a complement to the call) in the current Capital Stock Companies Act, as amended by Act 25/2011.

##### **3. Proposed amendment of Article 19 (“Right of information”) of the Articles of Association of the Company**

It is proposed to amend the first three sections of this article, essentially to adjust its wording to new Article 520 of the current Capital Stock Companies Act, in relation to Article 197 of said Act, both amended by Act 25/2011.

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**4. Proposed amendment of Article 36 (“Meetings of the Board of Directors”) of the Articles of the Association of the Company**

It is proposed to amend section one of this article, related to the number of meetings of the Board of Directors in order to endow this body with greater flexibility in its internal organisation, thereby allowing the Board itself to be able to determine the number of times it needs to convene in order to develop its functions correctly by yearly determining a schedule of its meetings, but with at least one meeting per quarter and without prejudice of any other meetings that may be called since the Chairperson of the Board of Directors considers them convenient. Furthermore, it is proposed to include a new section in order to include the new provision of Article 246.2 of the current Capital Stock Companies Act, as amended by Act 25/2011, whereby *any directors representing at least one third of the Board members may call a Board meeting, indicating the agenda, to be held at the place where the registered address is located if, further to the chairman’s request, the latter has not called the meeting within a one-month term without justified cause.*

**5. Proposed amendment of Article 44 (“Website”) of the Articles of Association of the Company**

In order to include in the Articles of Association of the Company the new provision gathered in Article 11.bis) of the Capital Stock Companies Act, as amended by RD Law 9/2012, which entitles the Company’s management body to agree on the removal and transfer of the Company’s website, it is proposed to include a new paragraph, as section two of this article. Furthermore and insofar as this new section alters the article’s structure, it is proposed to replace the numerical order of the section that lists the various documents and information to be included on the website with an alphabetical order. Finally, it is included in this article the corporate website of the Company ([www.diacorporate.com](http://www.diacorporate.com)) and a clarification of its wording.

**6. Proposed improvement in the wording of 16 (“Competences of the General Meeting”), 20 (“Right of attendance”), 21 (“Right of representation”), 25 (“List of attendants”), 37 (“Incorporation and majority for the adoption of resolutions”) and 41 (“Auditing and Compliance Committee”) of the Articles of Association of the Company**

In order to update, perfect, correct and clarify the wording of the Articles of Association of the Company, slight changes are proposed in the current terms of the foregoing articles.

\* \* \*

In Madrid, on 9 May 2012

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**ANNEX I**

**TEXT OF THE ARTICLES OF ASSOCIATION WITH HIGHLIGHTED  
CHANGES**

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**ARTICLES OF  
ASSOCIATION OF  
DISTRIBUIDORA  
INTERNACIONAL DE  
ALIMENTACIÓN, S.A.**



**TABLE OF CONTENTS**

<b>TITLE I.- COMPANY AND CAPITAL STOCK</b> .....	5
<b>Chapter I. General provisions</b> .....	5
<b>Article 1.- Company name</b> .....	5
<b>Article 2.- Corporate object</b> .....	5
<b>Article 3.- Registered address</b> .....	6
<b>Article 4.- Term</b> .....	6
<b>Chapter II.- Capital stock and shares</b> .....	6
<b>Article 5.- Capital stock</b> .....	6
<b>Article 6.- Representation of the shares</b> .....	6
<b>Article 7.- Share transfer</b> .....	7
<b>Article 8.- Shareholder status</b> .....	7
<b>Article 9.- Outstanding payments and defaulting shareholders</b> .....	7
<b>Chapter III.- Capital increase and decrease</b> .....	8
<b>Article 10.- Capital increase</b> .....	8
<b>Article 11.- Authorised capital stock</b> .....	8
<b>Article 12.- Creation and removal of preferential subscription rights</b> .....	8
<b>Article 13.- Capital decrease</b> .....	9
<b>Chapter IV.- Issue of obligations</b> .....	9
<b>Article 14.- Issue of obligations <u>and other securities</u></b> .....	9
<b>TITLE II.- THE COMPANY’S GOVERNMENT</b> .....	<u>9</u> <b>10</b>
<b>Chapter I.- The General Meeting</b> .....	<u>9</u> <b>10</b>
<b>Article 15.- The General Meeting</b> .....	<u>9</u> <b>10</b>
<b>Article 16.- Competences of the General Meeting</b> .....	10
<b>Article 17.- Types of meetings</b> .....	11
<b>Article 18.- Call of a General Meeting</b> .....	11
<b>Article 19.- Right of information</b> .....	12
<b>Article 20.- Right of attendance</b> .....	<del>12</del> <b>13</b>

Article 21.- Right of representation.....	13
Article 22.- Place and time of the Meeting.....	<del>13</del> 14
Article 23.- Incorporation of a General Meeting .....	<del>13</del> 14
Article 24.- Chairman, Secretary and Board of the Meeting.....	<del>14</del> 15
Article 25.- List of attendants .....	<del>14</del> 15
Article 26.- Discussion and vote.....	<del>14</del> 15
Article 27.- Adoption of resolutions .....	<del>15</del> 16
Article 28.- Issue of long-distance votes .....	<del>15</del> 16
Article 29.- Documentation of resolutions .....	<del>16</del> 17
Chapter II.- Company administration.....	<del>16</del> 17
Article 30.- The Board of Directors.....	<del>16</del> 17
Article 32.- Number of Directors.....	18
Article 33.- Classes of directors and composition of the board .....	<del>18</del> 19
Article 34.- Term.....	<del>18</del> 19
Article 35.- Designation of posts .....	19
Article 36.- Board of <del>directors</del> <u>Directors</u> ' meetings.....	<del>19</del> 20
Article 37.- Incorporation and majority for the adoption of resolutions.....	<del>20</del> 21
Article 38.- Formalisation of resolutions .....	<del>20</del> 21
Article 39.- Directors' compensation.....	<del>21</del> 22
Article 40.- Delegated bodies.....	<del>22</del> 23
Article 41.- The audit and compliance committee .....	<del>22</del> 23
Article 42.- The nominating and compensation committee .....	<del>24</del> 25
Article 43.- Annual corporate governance report.....	<del>25</del> 26
Article 44.- Website.....	<del>25</del> 26
TITLE III.- ANNUAL STATEMENTS, ALLOCATION OF PROFIT, DISSOLUTION AND LIQUIDATION .....	<del>26</del> 27
Chapter I. Annual statements.....	<del>26</del> 27

<b>Article 45.- Financial year .....</b>	<b><u>2627</u></b>
<b>Article 46.- Annual statements and management report .....</b>	<b><u>2627</u></b>
<b>Article 47.- Account auditors .....</b>	<b><u>2728</u></b>
<b>Article 48.- Approval of annual statements and allocation of results .....</b>	<b><u>2728</u></b>
<b>Article 49.- Deposit of approved annual statements .....</b>	<b><u>2829</u></b>
<b>Chapter II. Dissolution and liquidation of the Company.....</b>	<b><u>2829</u></b>
<b>Article 50.- Events of dissolution .....</b>	<b><u>2829</u></b>
<b>Article 51.- Liquidation of the Company .....</b>	<b><u>2829</u></b>



## TITLE I.- COMPANY AND CAPITAL STOCK

### Chapter I. General provisions

#### Article 1.- Company name

The Company will be called "**DISTRIBUIDORA INTERNACIONAL DE ALIMENTACIÓN S.A.**" and will be governed by these articles of association, by the Capital Companies Act ("*Ley de Sociedades de Capital*") and by any other applicable legal provisions.

#### Article 2.- Corporate object

1. The object of the Company is to execute the following activities, both in Spain and abroad:
  - (a) The wholesale and retail commercialisation in the internal and external market of food products and any other products for consumer use.
  - (b) The provision of business collaboration services of all kinds for the commercialisation of telecommunications products and services, including telephony in particular, by executing the relevant agreements with companies entitled to supply and distribute all of these products and services. This collaboration, in any case and to the extent allowed by applicable law, will include the commercialisation of said telecommunications products and services.
  - (c) The execution of activities related to the commercialisation and/or sale through the Internet or any other telematic means of all type of products and services that are legally traded, including in particular food and household products and small appliances, multimedia and computer products, photography items, telephony and image or sound products, including the provision of all types of services through the Internet or any other telematic means.
  - (d) The execution of activities inherent to wholesale and retail travel agencies, including amongst others the organisation and sale of package holidays.
  - (e) The retail distribution of oil products and the exploitation of service stations and retail trade of gasoline and fuels sold to the public.
  - (f) The purchase, holding, enjoyment, management, administration and disposal of securities representing the capital stock of Spanish resident and non-resident entities, through the necessary arrangement of material and human resources.
  - (g) The management, coordination, advice and support provided to investee companies or other collaborating companies by virtue of contractual relations, e.g. franchise agreements and others.
  - (h) The deposit and storage of all types of merchandise and products, both for the Company and other enterprises.

2. The Company may execute the activities covered by the corporate object directly or indirectly, by holding shares or participations in companies with an identical or similar object, or through any other form permitted by law.
3. If the law were to require any professional qualifications, administrative permit or registration at the Public Registries in order to execute any of the activities covered by the corporate object described in the foregoing paragraph, said activities must be carried out by duly qualified persons and may not commence until the necessary administrative requirements are met or the relevant licences obtained.
4. In any case, the corporate object will not include any activities for which the law imposes special requirements in order to be exercised, which are not met by the Company.

### **Article 3.- Registered address**

1. The Company's registered address is located in the municipality of Las Rozas (Madrid), Parque Empresarial de Las Rozas, Edificio Tripark, calle Jacinto Benavente nº 2-A.
2. The registered address may be transferred elsewhere within the same municipality further to a resolution adopted by the board of directors. In order to be transferred to another municipality the agreement of the general shareholders' meeting will be necessary.
3. The Company's board of directors may agree to create, remove or transfer branch offices, representations, agencies, representative offices, offices and other facilities, whether in Spain or abroad, in compliance with any applicable requirements and guarantees in each case.

### **Article 4.- Term**

The Company will be incorporated for an indefinite term.

## **Chapter II.- Capital stock and shares**

### **Article 5.- Capital stock**

1. The capital stock amounts to SIXTY-SEVEN MILLION NINE HUNDRED AND THIRTY-THREE THOUSAND SIX HUNDRED (67,933,600) Euros, and is fully subscribed and paid up.
2. The capital stock consists of SIX HUNDRED AND SEVENTY-NINE MILLION THREE HUNDRED AND THIRTY-SIX THOUSAND (679,336,000) shares, with a face value each of ten cents of a Euro (0.10 Euros), belonging to the same class.

### **Article 6.- Representation of the shares**

1. The shares will be represented by book entries and will be established as such by virtue of their registration in the relevant accounting records. They will be governed by securities market regulations.
2. The Company's book entry register will be held by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear) and its participating entities.
3. The Company will acknowledge shareholder status in favour of whoever appears as entitled in the entries included in the relevant book entry register.
4. Pursuant to the provisions established in applicable regulations, the Company may at any time request from the entity in charge of the book entry register the information required to identify its shareholders, including any address and contact details available, for communication purposes.

#### **Article 7.- Share transfer**

The shares and all economic rights derived from the same, including rights of preferential subscription and gratuitous allocation, may be freely transferred by all the means recognised by law.

#### **Article 8.- Shareholder status**

1. Each share will confer shareholder status to its legitimate owner and will entrust it with the rights acknowledged in the Act and in these articles of association.
2. The necessary standing to exercise any shareholder rights, including transfers, will be obtained through a registration in the accounting records, which will entail a presumption of legal ownership and will entitle the registered owner to demand that the Company recognise the latter as shareholder. This standing may be verified by presenting the relevant certificates, issued by the entity in charge of the accounting records.
3. All shares will be indivisible. The co-owners of one or several shares will designate a single person to exercise any member rights and will be jointly and severally liable vis-à-vis the Company for any obligations arising from their shareholder status.
4. In the case of a usufruct over shares, member status will rest in the bare legal owner; in any case, the usufructuary will be entitled to the dividends agreed by the Company throughout the term of the usufruct. In the case of a pledge over shares, shareholder rights may be exercised by the share owner.
5. Share ownership entails the acceptance of these articles of association and subjection to the decisions duly adopted by the Company's government and administration bodies within their remit.

#### **Article 9.- Outstanding payments and defaulting shareholders**

1. If the shares are not fully paid up, this circumstance will be recorded in the relevant entry.
2. All outstanding payments will be paid within the term determined in the articles of association or as agreed by the board of directors. In the event of default, the board of directors will adopt the relevant resolutions, as the case may be, according to the provisions of current regulations.
3. A shareholder will be in default if, upon expiration of the term determined for payment of the unpaid capital stock, the latter remains outstanding.
4. Any shareholder in default of outstanding payments may not exercise its voting rights. The value of its shares will be deducted from the capital stock when calculating the quorum. Nor will it be entitled to receive dividends or to any preferential subscription of new shares or convertible obligations.
5. Once the outstanding payments are settled, together with accrued interest, the shareholder may claim payment of any dividends not lapsed, but may not claim a preferential subscription if the term in which to exercise this right has expired.

### **Chapter III.- Capital increase and decrease**

#### **Article 10.- Capital increase**

1. The capital stock may be increased by means of a resolution adopted by the general shareholders' meeting, according to the provisions established in the Act and in these articles of association.
2. Unless otherwise expressly foreseen in the resolution, if the capital stock is not fully subscribed within the term established to this effect, the capital stock will be increased by the value of the subscriptions made.

#### **Article 11.- Authorised capital stock**

1. The general meeting may entrust the board of directors with the power to determine the effective date of the resolution already adopted to increase the capital stock, as well as to determine its conditions if not foreseen by the meeting, all within the limits established by the Act.
2. Furthermore, the general meeting may entrust the board of directors with the power to agree, once or several times, to increase the capital stock by debiting monetary contributions, up to a certain figure that may not exceed half the capital stock at the authorisation date, for a maximum term of five years, at the time and in the amount decided by the board. The general meeting may also entitle the board of directors to exclude the shareholders' preferential subscription rights in relation to any delegated issues.

#### **Article 12.- Creation and removal of preferential subscription rights**

1. In the event of a capital increase with the issue of new shares to be debited to monetary contributions, the existing shareholders, within the term granted to this effect by the board of directors, which may not be less than fifteen (15) days following publication of the offer announced to subscribe in a new issue, in the Official Gazette of the Commercial Registry, may exercise their right to subscribe a number of shares that is proportional to the face value of the shares held at the time.
2. The general meeting or board of directors, as the case may be, may totally or partly exclude this preferential subscription rights if required in the corporate interest, in the cases and with the conditions foreseen by the Act. In particular, the corporate interest may justify a removal of preferential subscription rights if this is necessary to enable (i) a placement of the shares in foreign markets, allowing access to sources of financing or to new investors; (ii) the incorporation of industrial, technological or financial partners; (iii) the implementation of loyalty programmes and the remuneration paid to Directors, executives or employees; (iv) the use of techniques to sell and place the new shares, in order to maximise their issue price; and (v) in general, any other operation that is suitable for the Company.
3. Preferential subscription rights may be transferred in the same conditions as the original shares. In a capital increase debited to reserves, the same rule will apply to the right to a gratuitous allocation of new shares.

#### **Article 13.- Capital decrease**

1. The capital stock may be decreased by virtue of a resolution adopted by the general shareholders' meeting, according to the provisions foreseen in the Act and in these articles of association.
2. A capital decrease may be carried out by decreasing the face value of the shares, through their redemption or grouping for a subsequent exchange, and may be used to return the value of any contributions, to condone an obligation to settle outstanding payments, to establish or increase voluntary reserves, or to re-establish a balance between the capital stock and the Company's net wealth, if reduced due to losses.

#### **Chapter IV.- Issue of obligations**

#### **Article 14.- Issue of obligations and other securities**

1. The Company may issue obligations in the terms and with the limits foreseen by law.
2. The general meeting may delegate to the board of directors the power to issue ordinary or convertible obligations. It may also authorise the board of directors to determine the effective date of the issue agreed and to determine any other conditions not foreseen in the Meeting's resolution.
3. In the case of convertible obligations or any other security entailing a share subscription right, the general meeting may also empower the board of directors to agree to exclude the preferential subscription right held by the shareholders in relation to any delegated issue.

4. The Company may issue promissory notes, preferential participations, warrants or other similar securities in any of the forms foreseen by law.

The General Meeting may entrust the Board of Directors with the task of issuing said securities and may authorise it to determine the moment when the issue agreed should be launched, including any other conditions not foreseen in the resolution of the General Meeting, in the terms legally foreseen.

## TITLE II.- THE COMPANY'S GOVERNMENT

### Chapter I.- The General Meeting

#### Article 15.- The General Meeting

1. The shareholders, convened at a duly called general meeting, will decide by the majority required in each case on any matters within the competence of the general meeting.
2. Any duly adopted resolutions of the general meeting will bind all the shareholders, even those that are absent, against the decision and those abstaining, without prejudice to any rights of objection they may be entitled to.
3. The general meeting will be governed by the provisions of the Act, these articles of association and its own regulation.

#### Article 16.- Competences of the General Meeting

1. The General Meeting will decide on any matters attributed thereto by the Act or these articles of association and, in particular, on the following:
  - (a) Appointment and removal of directors, as well as the ratification of directors designated through a co-option procedure.
  - (b) Appointment and removal of accounts auditors.
  - (c) Approval of the corporate management and, if applicable of the statements of the previous year, and a proposal for the allocation of results.
  - (d) Any increase or decrease in the capital stock, including a delegation to the board of directors of the power to increase the capital stock.
  - (e) Issue of obligations and other securities and delegation of the right of issue to the board of directors.
  - (f) Authorisation for the derivative acquisition of own shares.
  - (g) Approval and amendment of the regulation of the General Meeting.
  - (h) Amendments of the articles of association.
  - (i) A merger, spin-off, transformation, dissolution and global assignment of the Company's assets and liabilities.
  - (j) A transfer of the Company's registered address abroad.

- (k) Transformation of the Company into a holding company, through “subsidiarisation” or the incorporation into dependent companies of basic activities developed by the Company itself until then, even if the latter remains as the full legal owner thereof.
  - (l) The acquisition or disposal of basic operating assets, if this entails an effective change in the corporate object.
  - (m) Operations with an effect equivalent to the Company’s liquidation.
2. Furthermore, the General Meeting will resolve on any other issue for which a decision is required by the board of directors.

#### Article 17.- Types of meetings

1. A general shareholders’ meeting may be ordinary or extraordinary.
2. An ordinary general meeting will necessarily convene within the first six (6) months of each financial year in order to approve the corporate management and, if applicable, the statements of the previous year, and to resolve on the allocation of results.
3. Any other meeting not foreseen in the foregoing paragraph will be considered an extraordinary general meeting.

#### Article 18.- Call of a General Meeting

1. General Meetings ~~may~~will be called by the ~~board~~Board of ~~directors~~Directors by publishing an announcement (i) in the Official Gazette of the Commercial Registry and/or in one of Spain’s most widely distributed newspapers, (ii) on the Company’s website ([www.diacorporate.com](http://www.diacorporate.com)), and (iii) on the website of the Spanish Securities Market Commission (“CNMV”), with the notification of a material disclosure, at least one month prior to the date scheduled for the meeting. ~~This call will also be announced as a material disclosure, unless a different timeframe is established by law.~~
2. The board of directors may call ~~an extraordinary~~the general shareholders’ meeting if it considers this appropriate in the corporate interest.
3. Furthermore, the board of directors will call a general meeting if this requested by shareholders who hold, at least, five per cent (5%) of the capital stock, indicating in the request the issues to be discussed at the meeting.

In this case, the meeting will be called in order to be held within the timeframe foreseen by the Act. The board of directors will draw up the agenda, and will necessarily include the matter or matters covered by the request.

4. The call announcement will contain any references required by the Act, in each case, and will indicate the Company’s name, the date, place and time of the meeting at first call, the agenda, including all the matters to be discussed, and the post of the person or persons calling the meeting.



~~4. The call announcement will contain any references required by the Act, in each case, and will indicate the date, place and time of the meeting at first call and all the matters to be discussed.~~ The announcement may also indicate the date on which the general meeting will convene at second call, as the case may be. Between the first and second meetings at least twenty-four (24) hours must elapse.

5. Any shareholders representing, at least, five per cent (5%) of the capital stock may request that an addition be published to the call of ~~a~~ an ordinary general shareholders' meeting, including one or more points in the agenda, as long as these new points include a justification or, as the case may be, a justified proposal for a resolution.

This right will be exercised by providing a notification by authentic means, to be received at the registered address within five (5) days following publication of the call.

The addition to the call will be published at least fifteen (15) days before the date scheduled for the Meeting. The failure to publish an addition to the call within the timeframe that is legally established will render the Meeting null and void.

6. Furthermore, any shareholders representing at least five per cent (5%) of the capital stock, within this same period of five (5) days following publication of the call, may present justified proposals for a resolution on matters already included or to be included in the agenda of the called meeting. The Company will ensure that these resolution proposals are distributed amongst the remaining shareholders, as well as any documentation attached.

7. ~~6.~~ The General Meeting may not discuss or decide on any matters that are not included in the agenda, unless otherwise provided by ~~law~~ the Act.

8. ~~7.~~ In order for the courts to call a Meeting, the provisions of the Act will apply.

9. ~~8.~~ The provisions of this article will apply without prejudice to what is foreseen by law for specific situations.

#### **Article 19.- Right of information**

1. As of the very publication date of the call of a General Meeting and until the seventh day preceding the date scheduled for the meeting at first call, inclusive, the shareholders may request in writing any information or clarification they deem appropriate, or present in writing the questions they deem relevant, on the issues included in the agenda. Furthermore, with the same prior notice and in the same manner, the shareholders may request information or clarifications or present questions in writing on any information accessible to the public that the Company may have provided to the Spanish Securities Market Commission (CNMV) since the last General Meeting was held and in relation to the auditor's report.
2. During the General Meeting, the shareholders may verbally request any information or clarification they deem appropriate on the matters included in the agenda, ~~as well as on~~ any information accessible to the public that the Company may have provided the CNMV since the last General Meeting was held and in relation to the auditor's report. If

the relevant shareholder's right cannot be settled at that time, the Board of Directors will provide this information in writing within seven (7) days following the end of the General Meeting.

3. The board of directors will be obliged to provide the information requested according to the two preceding sections, in the manner and within the timeframes foreseen in these articles of association, the regulation of the General Meeting and the Act, except for those cases ~~where this is not legally possible including, in particular, those cases in which, in which:~~

a) in the chairman's opinion, the publicity of this information would be detrimental to the corporate interest. ~~This last;~~

b) the request for information or clarification requested does not refer to matters included in the agenda or to information accessible to the public, provided by the Company to the CNMV since the last general meeting was held;

c) before the question was made, the information requested by clear and directly available to all shareholders on the Company's website, as FAQ; or

d) this is foreseen in legal or regulatory provisions or judicial resolutions.

Notwithstanding the foregoing, the exception indicated in point (a) above will not apply if the request in those cases where a request for information is backed up by shareholders who represent, at least, a fourth representing, at least, twenty-five per cent (25%) of the capital stock.

4. The call of an Ordinary General Meeting will indicate the means through which a shareholder may obtain from the Company, immediately and cost-free, any documents to be presented for approval by the Meeting.
5. If the General Meeting has to discuss an amendment of the articles of association, the announcement of the call, apart from the references required by the Act in each case, will indicate the right to which all shareholders are entitled to examine at the registered address the full text of the amendment proposed and the relevant report, and to request that said documents be handed over or delivered at no cost.
6. In all those cases foreseen by the Act, the shareholders will be provided with any additional information and documentation that may be necessary, including any other that the board of directors deems appropriate in order to constitute the Company's wish. This information and documentation will be made available to the shareholders through the web site, without the shareholders' right to request this information in printed form.

#### **Article 20.- Right of attendance**

1. A General Meeting may be attended by all the shareholders, regardless of the number of shares they own.

2. In order to exercise their right of attendance, all shareholders must have recorded ~~the~~their shares ~~representing the capital stock~~ in the relevant book entry register, at least five (5) days before the date scheduled for the Meeting.

#### **Article 21.- Right of representation**

1. Any shareholder entitled to attend may be represented at a General Meeting through another person, even if not a shareholder, meeting the requirements and formalities imposed by the articles of association, the regulation of the General Meeting and the Act.
2. A proxy will be conferred in writing or by post or electronic mail, in which case the provisions foreseen in Article ~~29~~28 herein will apply for the issue of votes through these means, to the extent that this is not incompatible with the nature of the proxy.
3. The Chairman and Secretary of the General Meeting will enjoy the broadest powers to recognise the validity of the document or means to accredit the proxy.
4. A proxy may always be revoked. Attendance at the General Meeting by the represented shareholder, either in person or by issuing a long-distance vote, will be deemed to revoke the proxy granted, regardless of its date.

#### **Article 22.- Place and time of the Meeting**

1. A General Meeting will be held at the place indicated in the call, which may be within the municipality where the Company has its registered address or in any other municipality of the province of Madrid. If the call does not indicate the place of the meeting, it will be deemed as convened at the registered address.
2. If proposed by the directors or at the request of shareholders representing, at least, a fourth of the capital stock present at the General Meeting, the attendants may agree to extend the meeting for one or more consecutive days. Regardless of the number of meetings, only one General Meeting will be deemed as convened and a single minute will be issued for all meetings.

#### **Article 23.- Incorporation of a General Meeting**

1. A General Meeting will be validly convened, at first call, whenever the shareholders present or represented hold, at least, 25% of the voting capital stock subscribed. At second call, a meeting may be incorporated irrespective of the capital stock in attendance.
2. Pursuant to ~~Article~~article 194 of the Capital Companies Act, in order for an Ordinary or Extraordinary General Meeting to validly agree to increase or decrease the capital stock or any other amendment of the articles of association, the issue of obligations, the removal or limitation of a preferential subscription right over new shares or convertible obligations, as well as a transformation, merger, spin-off or global assignment of assets and liabilities and a transfer of the registered address abroad, it will be necessary, at first call, for shareholders to attend, in person or represented, holding at least 50% of the

voting capital stock subscribed. At second call, it will suffice for 25% of said capital stock to attend. However, if shareholders attend who represent less than 50% of the voting capital stock subscribed, the resolutions referred to in this paragraph may only be validly adopted with the favourable vote of two thirds (2/3) of the capital stock present or represented at the Meeting.

3. If, in order to validly adopt a resolution on any or several points of the agenda of the General Meeting, it were necessary, according to law or applicable provisions in the articles of association, for a certain percentage of the capital stock to be present, and this percentage is not reached or the consent of certain interested shareholders is required and the latter are not present or represented, the General Meeting will only discuss those issues of the agenda which, in order to be approved, do not require the attendance of said percentage of the capital stock or these shareholders.
4. Any absences that may arise once the General Meeting has convened will not affect its validity.

#### **Article 24.- Chairman, Secretary and Board of the Meeting**

1. The board of the General Meeting will consist of the Chairman and Secretary of the General Meeting and those members of the board of directors in attendance at the meeting.
2. The General Meeting will be chaired by the Chairman of the Board of Directors and, otherwise, by the Vice Chairman designated in order of priority. In the absence of both and without any delegation being made, the director in attendance with the lowest seniority in the post will act as chairman and, in the event of a draw, the oldest director.
3. The Secretary will be the person holding this post on the Board of Directors or, otherwise, the Vice Secretary, if any, and, in his absence, the attending director who has most recently held the post, and, if there is a tie, the youngest director.

#### **Article 25.- List of attendants**

1. The list of attendants will include, as shareholders present: (i) those individual shareholders who attend in person; (ii) shareholder legal entities that attend through representatives who are legally empowered to do so; (iii) the Company, in relation to the shares it still owns in the capital stock; and (iv) those shareholders who have exercised their right to a long-distance vote, pursuant to the provisions established in Article ~~29~~28 of the articles of association and the regulation of the General Meeting.
2. At the end of the list the total number of shareholders present or represented will be indicated, as well as the amount of capital stock represented, specifying which part is held by shareholders with voting rights.
3. Any issues that may arise in relation to the attendance, representation and drawing up of the list of attendants will be resolved by the Chairman, and this task may be entrusted to the Secretary.

4. The list of attendants may also be drawn up in a file or attached in electronic support. In these cases, the minute itself will indicate the means used and the necessary official identification, signed by the Secretary with the approval of the Chairman, will be issued on the sealed cover of the file or support.

#### **Article 26.- Discussion and vote**

1. The Chairman will be in charge of directing the meeting in such a way that discussions are held according to the agenda; he may accept or reject new proposals in relation to the matters included in the agenda; direct the discussions and grant the floor to any shareholders who so request, withdrawing or not granting it if he considers that a certain issue has been sufficiently discussed, is not included in the agenda or hinders progress of the meeting; arrange the time for voting; carry out, together with the Secretary of the General Meeting, a calculation of the votes; announcing the voting results; provisionally suspend the General Meeting, declare it as ended and, in general, any duties, including those of order and discipline, required for adequate progress of the General Meeting.
2. The Chairman, even if present at the meeting, may entrust the directing of discussions to the director he deems appropriate or to the Secretary, who will carry out these duties on behalf of the Chairman.
3. All votes on resolutions adopted by the General Meeting will be held according to the provisions established in the articles below and in the regulation of the General Meeting.

#### **Article 27.- Adoption of resolutions**

1. Each share with a right to vote, in person or represented at a General Meeting, will confer the right to one vote.
2. All resolutions of the Meeting will be adopted by ordinary majority of the votes of the capital stock present or represented. The foregoing will not include any cases for which the Act or these articles of association require a higher majority.

#### **Article 28.- Issue of long-distance votes**

1. Shareholders with a right to attend may issue their vote on any proposals related to the points included in the agenda of any General Meeting, by post or by electronic means, as long as the identity of the shareholder exercising its right to vote is duly guaranteed.
2. Votes cast by post will be sent to the Company in writing, stating whether the vote is favourable or unfavourable, and meeting the formalities determined by the Board of Directors in a resolution and subsequent communication in the announced call of the meeting in question.
3. Votes sent by electronic means will be issued under a recognised electronic signature or other type of guarantee, which the Board of Directors deems appropriate to assure the authenticity and identification of the shareholder exercising its right to vote, as

determined in a resolution and subsequent communication in the announced call of the meeting in question.

4. In order to be deemed valid, a vote issued by either of the long-distance means referred to in the foregoing sections must be received by the Company at least twenty-four (24) hours before the date scheduled for the Meeting at first call.
5. The Board of Directors may implement and complement any regulations regarding votes and long-distance delegation, foreseen in these articles of association, establishing the instructions, means, rules and procedures deemed appropriate to instrument the issue of a vote and the granting of a proxy through long-distance means of communication. Any implementing rules adopted by the Board of Directors pursuant to the provisions of this section will be published on the Company's website.
6. Any shareholders issuing a long-distance vote pursuant to what is foreseen in this article will be deemed as present for the purposes of convening the General Meeting in question. Consequently, any future proxies made prior to the issue of this vote will be deemed as revoked and those subsequently conferred will be deemed as not made.
7. A vote issued through long-distance means of communication will be invalidated by the attendance in person at the meeting of the voting shareholder, or by a disposal of its shares, of which the Company becomes aware at least five (5) days before the date scheduled for the Meeting at first call.

#### **Article 29.- Documentation of resolutions**

1. Documentation of any resolutions adopted by the General Meeting, their formalisation in a public deed and registration at the Commercial Registry, will be carried out as foreseen in the Act and Commercial Registry Regulations.
2. Any total or partial certifications that are necessary to accredit resolutions adopted by the General Meeting will be issued and signed by the Secretary of the Board of Directors or by the Vice Secretary, if appointed, with the approval of the Chairman or Vice Chairman or Vice Chairmen, if several have been appointed.

### **Chapter II.- Company administration**

#### **Section 1.- The Board of Directors**

##### **Article 30.- The Board of Directors**

1. The Company will be administered and governed by a Board of Directors.
2. The Board of Directors will be governed by applicable legal rules, by these articles of association and by the Board of Directors Regulation.

##### **Article 31.- Authority of the Board of Directors**

1. The board of directors has authority to adopt resolutions regarding all kinds of matters not attributed by the Act or the articles of association to the general meeting.

2. The board of directors has the broadest power and authority to manage, direct, and represent the Company. As a general rule it entrusts ordinary management of the Company to the delegated administrative bodies, and concentrates its actions on the general function of supervision and on consideration of those matters that are of particular importance to the Company.
3. Judicial and other representation of the Company will correspond to the board of directors, its chairman, the managing director and, if applicable, the executive committee.
4. In any event, the board will assume, without delegation, such authority as is legally reserved directly to it, and such other authority as may be necessary for effective exercise of the general supervision function. In particular, by way of illustration and not limitation, the following are non-delegable powers of the board:
  - (a) call of the general meeting of shareholders;
  - (b) appointment of directors by way of co-option and referring proposals to the general meeting regarding appointment, ratification, re-election and removal of directors, as well as acceptance of director resignations;
  - (c) appointment and renewal of those in the internal positions within the board of directors, and the members of and positions on committees constituted within the board;
  - (d) preparation of the financial statements, management report and proposal for application of profits of the Company, as well as the consolidated financial statements and management report, if applicable;
  - (e) preparation of the annual corporate governance report to be presented to the general meeting and the other reports and documents that must be submitted to it;
  - (f) determination and specification of the policy applied by the Company to its own shares, further to the authorisations granted by the general meeting;
  - (g) delegation of powers to any of its members, in the terms established in the Act and articles of association, including any revocation;
  - (h) approval and amendment of the board of directors regulation;
  - (i) approval of the Company's general strategy and the necessary organisation for its implementation, supervising and ensuring that the delegate bodies and executives meet the targets established and uphold the company's object and corporate interest;
  - (j) approval of the remuneration policy applied to directors and executives; and
  - (k) any other matter reserved by the regulation to an examination of the plenary meeting of the board.

5. The board of directors at all times will exercise its authority in the interest of the Company, that being understood to be the common interest of the shareholders, albeit at the same time considering the other legitimate interests, public or private, involved in the conduct of any business activity, particularly those of workers, among other stakeholders. In this regard, the actions of the board of directors and its delegated bodies at all times will be aimed at maximising the economic value of the Company on a sustained basis.



### **Article 32.- Number of Directors**

1. The board of directors will consist of a minimum of five (5) and a maximum of fifteen (15) members.
2. The general shareholders meeting determines the number of directors. The general meeting may fix that number by express resolution or, indirectly, by resolutions filling vacancies and appointing new directors adopted within the aforesaid maximum and minimum.
3. The board will propose to the general meeting such number of directors as, based on the circumstances existing from time to time, is most appropriate to ensure proper representation and effective functioning of the board.

### **Article 33.- Classes of directors and composition of the board**

1. Deemed to be
  - (a) inside directors are those directors who are senior managers or employees of the company or its group. For these purposes, those treated as inside directors are the chairman, if he has delegated management functions, the managing director, if any, and those that in any other way have management responsibilities within the Company or any of its subsidiaries;
  - (b) proprietary outside directors are the directors who hold a shareholding interest not less than the legally determined threshold for significant holdings, or are otherwise appointed due to their status as shareholders, and the persons the appointment of which is proposed by such shareholders;
  - (c) independent outside directors are those directors appointed for their personal or professional qualities who are in a position to perform their duties without being influenced by any connection with the Company, its significant shareholders or its management;
  - (d) other outside directors are the outside directors that cannot be classified as proprietary or independent.
2. The board of directors, in the exercise of its authority to propose to the general meeting and its co-option authority to fill vacancies, will see to it that in this body outside directors represent a broad majority of the board and, in particular, the number of independent directors represents at least one third of the total number of directors.
3. The board will also see to it that, among outside directors, the ratio of proprietary directors to independent directors reflects the ratio of the capital of the Company represented by proprietary directors and the remainder of capital.

### **Article 34.- Term**

1. Directors will hold their post for a three (3) year term, unless they resign or are removed, and may be re-elected once or several times for periods of equal duration, except as regards independent directors, who may only hold their post for a maximum of four (4) mandates.
2. The appointment of directors will expire when, after the term has elapsed, the next general meeting is held or the legal timeframe has elapsed in which to hold a meeting to resolve on the approval of the statements of the previous financial year.

#### **Article 35.- Designation of posts**

1. The board will select from amongst its members a chairman and vice chairman, who will replace the chairman in the event of impossibility or absence.
2. The board may also appoint more vice chairmen, in which case the tasks described will be entrusted to the first vice chairman who, in turn, will be replaced if necessary by the second vice chairman, and so on.
3. The board will appoint a secretary and may appoint a vice secretary, who need not be directors. The secretary will attend the board meetings with a right to speak but not to vote, unless he holds director status. The vice secretary, if any, will replace the secretary if the latter is not present at the meeting for any reason and, unless otherwise decided by the board, may attend the board meetings to assist the secretary in his task.

#### **Article 36.- Board of directors' meetings**

1. The board of directors will meet, ~~on an ordinary basis, a minimum of ten (10) times per year, and as often as deemed to be appropriate by the chairman for the proper functioning of the Company~~ when previously called by the chairman, with the necessary frequency to adequately perform its tasks and, in any case, at least once a quarter.
2. In any event, the board must necessarily meet within a maximum term of three (3) months after the close of the financial year, to prepare the financial statements, management report and proposal for application of profits.
3. The call of meetings will be made on each director by letter, fax, telegram or e-mail, and will be authorised by the signature of the chairman or, if applicable, by the secretary or assistant secretary by order of the chairman. The call will be sent a minimum of five (5) days in advance, except as regards urgent matters, for which the call will be by the chairman forty-eight (48) hours in advance. Also, the call always will include the place, date and time for the holding of the meeting, and the agenda for the meeting, if applicable attaching such information as is deemed to be necessary.
4. The board of directors also will meet when so requested by at least one third (1/3) of its members or two (2) of the independent directors, in which case it must be called by order of the chairman. The same directors will be entitled to require the president to include certain matters in the call for any meeting of the board.

5. ~~Furthermore, any directors representing at least one third (1/3) of the members of the Board of Directors may call a board meeting, indicating the agenda, to be held in the city where the registered address is located if, further to the Chairman's request, the latter is unable to call the meeting within a term of one month, without justified cause.~~
6. ~~5.~~-If the chairman is at the same time the managing director of the Company, the board of directors will authorise one of the independent directors to request a call of the board of directors or include points on the agenda, in order to coordinate and voice the concerns of outside directors and direct the examination conducted by the board.
7. ~~6.~~-Without prejudice to the foregoing, the board will be deemed to have been validly constituted, without need of call, when all directors are present or represented and unanimously accept the holding of the meeting on a universal basis, and the matters to be dealt with at the meeting.
8. ~~7.~~-If no director objects, the board also may adopt written resolutions without need of holding a meeting, in accordance with the provisions of the Capital Companies Act, the Commercial Registry Regulation and the articles of association, in which case the vote may be issued in writing or by e-mail, provided that the identity of the director issuing the vote is assured.
9. ~~8.~~-The meetings of the board and its committees will be held at the registered office of the Company or at the place, within Spain or abroad, indicated in the call.
10. ~~9.~~-Notwithstanding the foregoing, meetings of the board and its committees may be held using remote means of communication if any of the members cannot attend the place fixed for the meeting in the call, provided that in the judgment of the Chairman there are no circumstances making that inadvisable.
11. ~~10.~~-Directors not physically attending the meeting that use means of communication allowing it to be held on a simultaneous and reciprocal basis with the place of the meeting and with the other members using remote means of communication will be considered to be in attendance for all purposes and may issue their votes by way of the means of communication used.

### **Article 37.- Incorporation and majority for the adoption of resolutions**

1. In order for resolutions within the authority of the board of directors to be valid, it will be necessary for at least ~~one half plus one~~ the majority of the ~~directors~~ board members to ~~be attend, either~~ present or represented, at the meetings at which they are adopted.
2. All directors may issue their vote and confer a proxy to another director. Such proxy will be specifically granted for the board of directors' meeting it refers to and will include instructions, to the extent possible.
3. The chairman will organise the discussion, ensuring and encouraging the participation of all directors in the deliberations of the body.

4. Except in cases in which the Act or articles specifically establish other voting majorities, resolutions will be adopted by absolute majority of the directors present at the meeting in person or by proxy. In the event of a tie, the chairman will not have a casting vote.

#### **Article 38.- Formalisation of resolutions**

1. The secretary will prepare minutes of meetings of the board of directors, which will be signed at least by the chairman or vice chairmen, if applicable, and the secretary or assistant secretary, if applicable. Minutes will be transcribed or inserted, as provided by law, in a special book of board minutes.
2. The minutes will be approved by the board of directors itself, at the end of the meeting or at the next following meeting, unless the immediacy of scheduling of the meetings does not so allow, in which case they will be approved at a later meeting.

#### **Article 39.- Directors' compensation**

1. The compensation of directors will consist of a fixed monthly stipend and per diems for attending meetings of the board of directors and its committees. The maximum amount of compensation to be paid by the Company to its directors in these categories will be the amount determined for that purpose by the general shareholders meeting, which will remain in effect until an amending resolution is adopted.
2. The board of directors, within the maximum set by the general shareholders meeting, each financial year will fix the specific amount to be received by each of the directors, it being permissible for it to vary the amount to be received by each of them based on:
  - (a) the director's membership or lack of membership on a delegated body of the board;
  - (b) the positions the director occupies therein or, in general,
  - (c) the director's dedication to administration tasks or service to the Company.
3. The compensation foreseen in the preceding sections, deriving from membership on the board of directors, will be compatible with and independent of such other professional or employment compensation as may correspond to the directors for the performance of management work or for advice other than the group supervision and decision-making inherent in their capacities as directors, which will be subject to the applicable legal scheme.
4. Inside directors may be compensated by delivery of shares of the Company or another group company to which they belong, options thereon or instruments indexed to their price.

All other directors may be compensated with a delivery of shares, as long as they undertake to hold the shares until expiration of their office.

When dealing with shares of the Company or instruments indexed to the price thereof, the compensation must be resolved by the general shareholders meeting. The resolution,

if applicable, will state the number of shares to be delivered, the price of exercise of the option rights, the value of the shares taken as a reference and the term of this form of compensation.

5. The compensation of directors will be stated in the Report, broken down by each director.
6. Together with the annual corporate governance report, the board of directors must prepare and disseminate an annual report on compensation of directors, which is to include complete, clear and comprehensible information regarding the Company's compensation policy, approved by the board for the year in course and, if applicable, the policy contemplated for future years. It also will include an overall summary of how the compensation policy was applied during the financial year, and details of the individual compensation earned by each of the directors. This report is to be disseminated and submitted to vote on a consultative basis, as a separate point of the agenda, by the ordinary general shareholders meeting.
7. The Company will encourage all shareholders and, in particular, institutional shareholders to attend general meetings and prudently exercise their votes therein when dealing with compensation of the Directors.

## **Section 2.- Delegated bodies of the board of directors**

### **Article 40.- Delegated bodies**

1. The board of directors will appoint an audit and compliance committee and a nominating and compensation committee from among its members, to which may be delegated, in whole or in part, on a provisional or permanent basis, the rights deemed advisable and that are able to be delegated according to the Act.
2. The board of directors may appoint a delegate committee and one or several managing directors from among its members, determining the persons who will hold said posts and their activity, to whom may be delegated, in whole or in part, on a provisional or permanent basis, all the rights that are able to be delegated according to the Act. If a delegate committee is established, the board will appoint its members and ensure that the participation structure of the various categories of directors is similar to that of the board.
3. Furthermore, the board of directors may establish other committees consisting of directors entrusted with the relevant powers.
4. The foregoing committees will be governed by the provisions of the Act, these articles of association and the regulation of the Company's board of directors.

### **Article 41.- The audit and compliance committee**

1. The board of directors will establish an audit and compliance committee, of a permanent nature, which will be comprised of a minimum of three (3) directors and a maximum of five (5), appointed by the board of directors itself from among its outside directors. In

this regard, at least one (1) of the members of the audit and compliance committee will be independent and will be appointed based on his knowledge and experience in accounting or auditing matters, or both.

2. Without prejudice to such other tasks as may be assigned to it from time to time by the board of directors, the audit and compliance committee in any event will have the following authority:
  - (a) reporting to the general shareholders meeting in answer to questions raised by shareholders that fall within the scope of its responsibilities;
  - (b) supervising and reviewing the process of preparation and presentation of regulated financial information;
  - (c) supervising the effectiveness of the Company's internal control procedures, internal audit and risk management systems; and discussing with the Company's auditors such significant weaknesses in the internal control system as may be discovered in the conduct of the audit;
  - (d) proposing to the board of directors, for submission to the general shareholders meeting, the appointment of the outside auditors, as well as the conditions for hiring them, the scope of their professional assignment and, if applicable, revocation or non-renewal of the appointment;
  - (e) establishing the appropriate relationships with auditors or audit companies to receive information regarding such questions as may compromise their independence, for examination by the committee, and those of anyone else involved in the process of auditing accounts, and such other communications as may be contemplated in the legislation regarding auditing and audit standards.

In any event, annually they must receive from the auditors or audit companies written confirmation of their independence as regards the entity or directly or indirectly related entities, and information on additional services of any kind provided to these entities by the aforesaid auditors or companies, or by the persons or entities related thereto, in accordance with the provisions of the Audit Act.
  - (f) annually, prior to the issue of the audit report, issuing a report stating an opinion regarding the independence of the auditors or audit companies. This report in any event must opine on the provision of additional services referred to in section e) above.
  - (g) supervising compliance with the rules regarding related party transactions with directors or major shareholders or shareholders represented on the board; in particular, it will report to the board regarding such related party transactions and, in general, regarding transactions that imply or may imply conflicts of interest, for purposes of their approval, and will see to it that information in respect thereof is communicated to the market as required by law;

- (h) supervising compliance with internal codes of conduct, in particular the code of conduct for the securities market;
  - (i) any such others as may be attributed to it by the Act and other regulations applicable to the Company.
3. The chairman of the audit and compliance committee will be appointed from among the outside directors or members that have no management functions within the Company, and have no contractual relationship other than the status on the basis of which they are appointed.
  4. The chairman must be replaced every four (4) years, and may be re-elected after a term of one (1) year elapses since he left office.
  5. Also, the committee will appoint a secretary and may appoint an assistant secretary, neither being required to be a member thereof. If these appointments are not made, those holding those positions on the board will act as such.
  6. When exercising its tasks, the committee may request the assistance of executive directors and senior managers of the Company. Also, if it deems this appropriate, it may hire the services of external advisors.
  - ~~7. The foregoing committees will be governed by the provisions of the Act, these articles of association and the regulation of the Company's board of directors.~~

#### **Article 42.- The nominating and compensation committee**

1. The board of directors will establish a nominating and compensation committee, on a permanent basis, which will be comprised of outside directors, the majority independent, in a number determined by the board of directors, with a minimum of three (3) and a maximum of five (5). The members of the nominating and compensation committee will be appointed by the board of directors.
2. At least one of the members of the nominating and compensation committee must have knowledge and experience regarding compensation policies.
3. Without prejudice to such other tasks as may be assigned to it from time to time by the board of directors, the nominating and compensation committee in any event will have the following authority:
  - (a) evaluating the competence, knowledge, experience and level of dedication required of members of the board of directors;
  - (b) making proposals to the board of directors of independent directors to be appointed by co-option or, if applicable, for submission to decision by the general meeting, and proposals for re-election and dismissal of those directors by the Company;
  - (c) reporting on proposals of the board of directors for appointment of other directors to be appointed by co-option or, if applicable, for submission to

- decision by the general shareholders meeting, and proposals for re-election and dismissal of those directors by the general meeting;
- (d) reporting on the senior management appointments and removals that the chief executive of the Company proposes to the board;
  - (e) reporting to the board on matters of gender diversity and, in particular, seeing to it that procedures for selection of directors and senior managers do not suffer from implicit bias preventing selection of women;
  - (f) proposing to the board of directors (i) the system for and amount of annual compensation of directors, (ii) the individual compensation of inside directors and senior managers and the other terms of their contracts and (iii) the basic terms of contracts of senior managers;
  - (g) overseeing compliance with the compensation policy set by the Company;
  - (h) generally supervising compliance with the Company's applicable corporate governance rules.
4. The nominating and compensation committee will designate a chairman from amongst its members, who must be an independent director.
5. When exercising its tasks, the committee may request the assistance of executive directors and senior managers of the Company. Also, if it deems this appropriate, it may hire the services of external advisors.

### **Section 3.- Annual corporate governance report and website**

#### **Article 43.- Annual corporate governance report**

1. The board of directors annually will approve an annual corporate governance report of the Company, referring to the matters contemplated by law, together with those, if applicable, it deems to be appropriate. The report must offer a detailed explanation of the structure of the company's governance scheme and its functioning in practice, in particular including a description of the principal characteristics of the internal risk control and management systems related to the process of issuance of financial information.
2. The annual corporate governance report will be approved prior to publication of the notice of call of the ordinary general meeting of the Company for the financial year in question, and will be made available to the shareholders together with the other documentation of the general meeting.
3. In addition, the annual corporate governance report will be included in the management report, in a separate section, and will also be publicised as contemplated in the securities market regulations. In particular, the report will be published as a material disclosure.

#### **Article 44.- Website**



1. The Company will maintain a website ([www.diacorporate.com](http://www.diacorporate.com)) to respond to exercise to the shareholders' right of information and to disseminate the material information of the Company to investors. The website will include the documents and information contemplated by the Act, otherwise required by CNMV and any others determined by the board of directors, at least the following, in the terms foreseen by law:
  - a) ~~1.~~ the articles of association;
  - b) ~~2.~~ the general meeting regulation;
  - c) ~~3.~~ the board of directors regulation;
  - d) ~~4.~~ the internal code of conduct on securities markets;
  - e) ~~5.~~ the annual corporate governance report for the most recent closed financial year and prior financial years;
  - f) ~~6.~~ the composition of the board of directors and its committees, identifying their members, positions, status and possible relationships with significant shareholders of the Company;
  - g) ~~7.~~ the financial statements, together with the management report, and the periodic public information sent to the National Securities Market Commission;
  - h) ~~8.~~ information regarding the call, agenda and proposed resolutions of any ordinary or extraordinary general meeting, as well as any material information that may be required by shareholders in order to cast their votes;
  - i) ~~9.~~ information regarding the development of general shareholders meetings already held, in particular regarding the agenda, attendance at the general meeting at the time it was held, resolutions adopted stating the number of votes cast and the sense thereof for each of the proposals included on the agenda;
  - j) ~~10.~~ the communications channels existing between the Company and the shareholders, in particular the pertinent explanations regarding exercise of the shareholders' information right, indicating the postal and e-mail addresses to which they may be sent;
  - k) ~~11.~~ the resources and procedures for granting proxies for the general meeting;
  - l) ~~12.~~ the resources and procedures for exercise of remote voting at the general meeting, if applicable including forms to show ~~remote~~ attendance and voting; by proxy and by remote means, through telematic procedures; and
  - m) ~~13.~~ the material disclosures notified to the National Securities Market Commission during the current financial year and the last closed financial year.
2. The board of directors may agree to modify, remove or transfer the website. This resolution will be recorded at the Commercial Registry or will be notified to all the shareholders and, in any case, will be published in the Official Gazette of the

Commercial Registry and the website itself will announce a resolution to modify, remove or transfer within thirty (30) days following the insertion of the resolution.

### **TITLE III.- ANNUAL STATEMENTS, ALLOCATION OF PROFIT, DISSOLUTION AND LIQUIDATION**

#### **Chapter I. Annual statements**

##### **Article 45.- Financial year**

The financial year will begin on 1 January each year and will end on 31 December.

##### **Article 46.- Annual statements and management report**

1. The annual statements will include the balance sheet, profit and loss account, statement reflecting changes in net wealth over the financial year, a cash flow statement and an annual report.

These documents, as a single unit, will be drawn up in clear terms and will provide an accurate image of the Company's wealth, financial position and results, according to applicable law.

2. The management report will contain, at least, an accurate description of business performance and the Company's position, as well as a description of the main risks and uncertainties it is facing and, if applicable, information on significant events for the Company occurring since closure of the financial year, the Company's expected performance, R&D activities and the purchase of own shares, in the terms established by the Act.
3. The board of directors, during the first three (3) months of the year, will draw up the annual statements, management report and proposed allocation of results and, if applicable, the consolidated statements and management report. The annual statements and management report will be signed by all the directors.

##### **Article 47.- Account auditors**

1. The annual statements and management report will be audited by account auditors.
2. The persons who will audit the annual statements will be appointed by the general meeting before the end of the financial year to be audited, for a specific period of time, which must be at least three (3) years and no longer than nine (9), as of the date of commencement of the first financial year to be audited; these persons may be re-elected by the general meeting for maximum periods of three years upon expiration of the initial period.
3. The general meeting may not revoke the auditors before expiration of the term to which they were appointed, except in the event of justified cause.

##### **Article 48.- Approval of annual statements and allocation of results**

1. The Company's annual statements and consolidated annual statements, if applicable, will be presented to the general shareholders' meeting for its approval.
2. The general meeting will resolve on the allocation of the year results according to the approved balance sheet.
3. After meeting the requirements foreseen in the Act, dividends may only be distributed by debiting the year profit or unrestricted reserves, if the net book value of the Company's equity is not, or is not eventually, as a result of the distribution, lower than the capital stock. If there are losses from previous years that reduce the net book value of the Company's wealth below the capital stock figure, the profit will be used to offset losses.
4. If the general meeting agrees to distribute dividends, it will determine the time and method of payment. Determination of these issues may be delegated to the board of directors, including any other that may be necessary or appropriate to render the resolution effective.
5. The board of directors and general meeting may agree to distribute amounts on account of dividends, with the limitation and fulfilling the requirements foreseen in the Act.
6. Distribution of dividends to the shareholder will be carried out in proportion to the capital stock paid up.

**Article 49.- Deposit of approved annual statements**

The board of directors will proceed with a deposit of the Company's annual statements and management report including, if necessary, the consolidated statements and management report, together with the relevant reports issued by the account auditors and other documentation required, in the terms and timeframes foreseen in the Act.

**Chapter II. Dissolution and liquidation of the Company**

**Article 50.- Events of dissolution**

The Company will be dissolved:

1. by means of a resolution adopted by the general shareholders' meeting, expressly called for this purpose, pursuant to the provisions of these articles of association; and
2. in any other event foreseen by law.

**Article 51.- Liquidation of the Company**

1. Dissolution of the Company will begin the liquidation period.
2. As soon as the Company is declared to be involved in liquidation proceedings, the board of directors will cease its activity and the directors will become the Company's receivers. They will represent a collegiate body, which must have an uneven number of members. To this effect, if necessary, the director holding the least seniority will be removed and, if there are several, the youngest director.
3. If the dissolution is a consequence of commencement of the liquidation stage of the Company in bankruptcy proceedings, the appointment of receivers indicated in the foregoing paragraph will not apply.
4. In order to conduct the liquidation, divide the company's credits and cancel the relevant registrations, the provisions foreseen in the Capital Companies Act and Commercial Registry Regulations will apply.



**ANNEX II**

**NEW VERSION OF THE ARTICLES OF ASSOCIATION OF THE COMPANY  
WITH THE AMENDMENTS PROPOSED TO THE GENERAL MEETING**

This document is a translation of an original text in Spanish and it is provided for information purposes only. In the event of any discrepancy between both texts, the original text in Spanish will prevail.

**ARTICLES OF  
ASSOCIATION OF  
DISTRIBUIDORA  
INTERNACIONAL DE  
ALIMENTACIÓN, S.A.**

**TABLE OF CONTENTS**

<b>TITLE I.- COMPANY AND CAPITAL STOCK</b> .....	5
<b>Chapter I. General provisions</b> .....	5
<b>Article 1.- Company name</b> .....	5
<b>Article 2.- Corporate object</b> .....	5
<b>Article 3.- Registered address</b> .....	6
<b>Article 4.- Term</b> .....	6
<b>Chapter II.- Capital stock and shares</b> .....	6
<b>Article 5.- Capital stock</b> .....	6
<b>Article 6.- Representation of the shares</b> .....	6
<b>Article 7.- Share transfer</b> .....	7
<b>Article 8.- Shareholder status</b> .....	7
<b>Article 9.- Outstanding payments and defaulting shareholders</b> .....	7
<b>Chapter III.- Capital increase and decrease</b> .....	8
<b>Article 10.- Capital increase</b> .....	8
<b>Article 11.- Authorised capital stock</b> .....	8
<b>Article 12.- Creation and removal of preferential subscription rights</b> .....	8
<b>Article 13.- Capital decrease</b> .....	9
<b>Chapter IV.- Issue of obligations</b> .....	9
<b>Article 14.- Issue of obligations and other securities</b> .....	9
<b>TITLE II.- THE COMPANY’S GOVERNMENT</b> .....	10
<b>Chapter I.- The General Meeting</b> .....	10
<b>Article 15.- The General Meeting</b> .....	10
<b>Article 16.- Competences of the General Meeting</b> .....	10
<b>Article 17.- Types of meetings</b> .....	11
<b>Article 18.- Call of a General Meeting</b> .....	11
<b>Article 19.- Right of information</b> .....	12
<b>Article 20.- Right of attendance</b> .....	13
<b>Article 21.- Right of representation</b> .....	13

<b>Article 22.- Place and time of the Meeting</b> .....	14
<b>Article 23.- Incorporation of a General Meeting</b> .....	14
<b>Article 24.- Chairman, Secretary and Board of the Meeting</b> .....	15
<b>Article 25.- List of attendants</b> .....	15
<b>Article 26.- Discussion and vote</b> .....	15
<b>Article 27.- Adoption of resolutions</b> .....	16
<b>Article 28.- Issue of long-distance votes</b> .....	16
<b>Article 29.- Documentation of resolutions</b> .....	17
<b>Chapter II.- Company administration</b> .....	17
<b>Article 30.- The Board of Directors</b> .....	17
<b>Article 32.- Number of Directors</b> .....	18
<b>Article 33.- Classes of directors and composition of the board</b> .....	19
<b>Article 34.- Term</b> .....	19
<b>Article 35.- Designation of posts</b> .....	19
<b>Article 36.- Board of Directors’ meetings</b> .....	20
<b>Article 37.- Incorporation and majority for the adoption of resolutions</b> .....	21
<b>Article 38.- Formalisation of resolutions</b> .....	21
<b>Article 39.- Directors’ compensation</b> .....	21
<b>Article 40.- Delegated bodies</b> .....	23
<b>Article 41.- The audit and compliance committee</b> .....	23
<b>Article 42.- The nominating and compensation committee</b> .....	24
<b>Article 43.- Annual corporate governance report</b> .....	25
<b>Article 44.- Website</b> .....	26
<b>TITLE III.- ANNUAL STATEMENTS, ALLOCATION OF PROFIT, DISSOLUTION AND LIQUIDATION</b> .....	27
<b>Chapter I. Annual statements</b> .....	27
<b>Article 45.- Financial year</b> .....	27
<b>Article 46.- Annual statements and management report</b> .....	27



<b>Article 47.- Account auditors .....</b>	<b>28</b>
<b>Article 48.- Approval of annual statements and allocation of results .....</b>	<b>28</b>
<b>Article 49.- Deposit of approved annual statements .....</b>	<b>28</b>
<b>Chapter II. Dissolution and liquidation of the Company .....</b>	<b>28</b>
<b>Article 50.- Events of dissolution .....</b>	<b>28</b>
<b>Article 51.- Liquidation of the Company .....</b>	<b>29</b>

## **TITLE I.- COMPANY AND CAPITAL STOCK**

### **Chapter I. General provisions**

#### **Article 1.- Company name**

The Company will be called "**DISTRIBUIDORA INTERNACIONAL DE ALIMENTACIÓN S.A.**" and will be governed by these articles of association, by the Capital Companies Act ("*Ley de Sociedades de Capital*") and by any other applicable legal provisions.

#### **Article 2.- Corporate object**

1. The object of the Company is to execute the following activities, both in Spain and abroad:
  - (a) The wholesale and retail commercialisation in the internal and external market of food products and any other products for consumer use.
  - (b) The provision of business collaboration services of all kinds for the commercialisation of telecommunications products and services, including telephony in particular, by executing the relevant agreements with companies entitled to supply and distribute all of these products and services. This collaboration, in any case and to the extent allowed by applicable law, will include the commercialisation of said telecommunications products and services.
  - (c) The execution of activities related to the commercialisation and/or sale through the Internet or any other telematic means of all type of products and services that are legally traded, including in particular food and household products and small appliances, multimedia and computer products, photography items, telephony and image or sound products, including the provision of all types of services through the Internet or any other telematic means.
  - (d) The execution of activities inherent to wholesale and retail travel agencies, including amongst others the organisation and sale of package holidays.
  - (e) The retail distribution of oil products and the exploitation of service stations and retail trade of gasoline and fuels sold to the public.
  - (f) The purchase, holding, enjoyment, management, administration and disposal of securities representing the capital stock of Spanish resident and non-resident entities, through the necessary arrangement of material and human resources.
  - (g) The management, coordination, advice and support provided to investee companies or other collaborating companies by virtue of contractual relations, e.g. franchise agreements and others.
  - (h) The deposit and storage of all types of merchandise and products, both for the Company and other enterprises.

2. The Company may execute the activities covered by the corporate object directly or indirectly, by holding shares or participations in companies with an identical or similar object, or through any other form permitted by law.
3. If the law were to require any professional qualifications, administrative permit or registration at the Public Registries in order to execute any of the activities covered by the corporate object described in the foregoing paragraph, said activities must be carried out by duly qualified persons and may not commence until the necessary administrative requirements are met or the relevant licences obtained.
4. In any case, the corporate object will not include any activities for which the law imposes special requirements in order to be exercised, which are not met by the Company.

### **Article 3.- Registered address**

1. The Company's registered address is located in the municipality of Las Rozas (Madrid), Parque Empresarial de Las Rozas, Edificio Tripark, calle Jacinto Benavente nº 2-A.
2. The registered address may be transferred elsewhere within the same municipality further to a resolution adopted by the board of directors. In order to be transferred to another municipality the agreement of the general shareholders' meeting will be necessary.
3. The Company's board of directors may agree to create, remove or transfer branch offices, representations, agencies, representative offices, offices and other facilities, whether in Spain or abroad, in compliance with any applicable requirements and guarantees in each case.

### **Article 4.- Term**

The Company will be incorporated for an indefinite term.

## **Chapter II.- Capital stock and shares**

### **Article 5.- Capital stock**

1. The capital stock amounts to SIXTY-SEVEN MILLION NINE HUNDRED AND THIRTY-THREE THOUSAND SIX HUNDRED (67,933,600) Euros, and is fully subscribed and paid up.
2. The capital stock consists of SIX HUNDRED AND SEVENTY-NINE MILLION THREE HUNDRED AND THIRTY-SIX THOUSAND (679,336,000) shares, with a face value each of ten cents of a Euro (0.10 Euros), belonging to the same class.

### **Article 6.- Representation of the shares**

1. The shares will be represented by book entries and will be established as such by virtue of their registration in the relevant accounting records. They will be governed by securities market regulations.

2. The Company's book entry register will be held by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear) and its participating entities.
3. The Company will acknowledge shareholder status in favour of whoever appears as entitled in the entries included in the relevant book entry register.
4. Pursuant to the provisions established in applicable regulations, the Company may at any time request from the entity in charge of the book entry register the information required to identify its shareholders, including any address and contact details available, for communication purposes.

#### **Article 7.- Share transfer**

The shares and all economic rights derived from the same, including rights of preferential subscription and gratuitous allocation, may be freely transferred by all the means recognised by law.

#### **Article 8.- Shareholder status**

1. Each share will confer shareholder status to its legitimate owner and will entrust it with the rights acknowledged in the Act and in these articles of association.
2. The necessary standing to exercise any shareholder rights, including transfers, will be obtained through a registration in the accounting records, which will entail a presumption of legal ownership and will entitle the registered owner to demand that the Company recognise the latter as shareholder. This standing may be verified by presenting the relevant certificates, issued by the entity in charge of the accounting records.
3. All shares will be indivisible. The co-owners of one or several shares will designate a single person to exercise any member rights and will be jointly and severally liable vis-à-vis the Company for any obligations arising from their shareholder status.
4. In the case of a usufruct over shares, member status will rest in the bare legal owner; in any case, the usufructuary will be entitled to the dividends agreed by the Company throughout the term of the usufruct. In the case of a pledge over shares, shareholder rights may be exercised by the share owner.
5. Share ownership entails the acceptance of these articles of association and subjection to the decisions duly adopted by the Company's government and administration bodies within their remit.

#### **Article 9.- Outstanding payments and defaulting shareholders**

1. If the shares are not fully paid up, this circumstance will be recorded in the relevant entry.
2. All outstanding payments will be paid within the term determined in the articles of association or as agreed by the board of directors. In the event of default, the board of directors will adopt the relevant resolutions, as the case may be, according to the provisions of current regulations.

3. A shareholder will be in default if, upon expiration of the term determined for payment of the unpaid capital stock, the latter remains outstanding.
4. Any shareholder in default of outstanding payments may not exercise its voting rights. The value of its shares will be deducted from the capital stock when calculating the quorum. Nor will it be entitled to receive dividends or to any preferential subscription of new shares or convertible obligations.
5. Once the outstanding payments are settled, together with accrued interest, the shareholder may claim payment of any dividends not lapsed, but may not claim a preferential subscription if the term in which to exercise this right has expired.

### **Chapter III.- Capital increase and decrease**

#### **Article 10.- Capital increase**

1. The capital stock may be increased by means of a resolution adopted by the general shareholders' meeting, according to the provisions established in the Act and in these articles of association.
2. Unless otherwise expressly foreseen in the resolution, if the capital stock is not fully subscribed within the term established to this effect, the capital stock will be increased by the value of the subscriptions made.

#### **Article 11.- Authorised capital stock**

1. The general meeting may entrust the board of directors with the power to determine the effective date of the resolution already adopted to increase the capital stock, as well as to determine its conditions if not foreseen by the meeting, all within the limits established by the Act.
2. Furthermore, the general meeting may entrust the board of directors with the power to agree, once or several times, to increase the capital stock by debiting monetary contributions, up to a certain figure that may not exceed half the capital stock at the authorisation date, for a maximum term of five years, at the time and in the amount decided by the board. The general meeting may also entitle the board of directors to exclude the shareholders' preferential subscription rights in relation to any delegated issues.

#### **Article 12.- Creation and removal of preferential subscription rights**

1. In the event of a capital increase with the issue of new shares to be debited to monetary contributions, the existing shareholders, within the term granted to this effect by the board of directors, which may not be less than fifteen (15) days following publication of the offer announced to subscribe in a new issue, in the Official Gazette of the Commercial Registry, may exercise their right to subscribe a number of shares that is proportional to the face value of the shares held at the time.
2. The general meeting or board of directors, as the case may be, may totally or partly exclude this preferential subscription rights if required in the corporate interest, in the cases and with the conditions foreseen by the Act. In particular, the corporate interest may justify a removal of preferential subscription rights if this is necessary to enable

(i) a placement of the shares in foreign markets, allowing access to sources of financing or to new investors; (ii) the incorporation of industrial, technological or financial partners; (iii) the implementation of loyalty programmes and the remuneration paid to Directors, executives or employees; (iv) the use of techniques to sell and place the new shares, in order to maximise their issue price; and (v) in general, any other operation that is suitable for the Company.

3. Preferential subscription rights may be transferred in the same conditions as the original shares. In a capital increase debited to reserves, the same rule will apply to the right to a gratuitous allocation of new shares.

### **Article 13.- Capital decrease**

1. The capital stock may be decreased by virtue of a resolution adopted by the general shareholders' meeting, according to the provisions foreseen in the Act and in these articles of association.
2. A capital decrease may be carried out by decreasing the face value of the shares, through their redemption or grouping for a subsequent exchange, and may be used to return the value of any contributions, to condone an obligation to settle outstanding payments, to establish or increase voluntary reserves, or to re-establish a balance between the capital stock and the Company's net wealth, if reduced due to losses.

## **Chapter IV.- Issue of obligations**

### **Article 14.- Issue of obligations and other securities**

1. The Company may issue obligations in the terms and with the limits foreseen by law.
2. The general meeting may delegate to the board of directors the power to issue ordinary or convertible obligations. It may also authorise the board of directors to determine the effective date of the issue agreed and to determine any other conditions not foreseen in the Meeting's resolution.
3. In the case of convertible obligations or any other security entailing a share subscription right, the general meeting may also empower the board of directors to agree to exclude the preferential subscription right held by the shareholders in relation to any delegated issue.
4. The Company may issue promissory notes, preferential participations, warrants or other similar securities in any of the forms foreseen by law.

The General Meeting may entrust the Board of Directors with the task of issuing said securities and may authorise it to determine the moment when the issue agreed should be launched, including any other conditions not foreseen in the resolution of the General Meeting, in the terms legally foreseen.

## **TITLE II.- THE COMPANY'S GOVERNMENT**

### **Chapter I.- The General Meeting**

#### **Article 15.- The General Meeting**

1. The shareholders, convened at a duly called general meeting, will decide by the majority required in each case on any matters within the competence of the general meeting.
2. Any duly adopted resolutions of the general meeting will bind all the shareholders, even those that are absent, against the decision and those abstaining, without prejudice to any rights of objection they may be entitled to.
3. The general meeting will be governed by the provisions of the Act, these articles of association and its own regulation.

#### **Article 16.- Competences of the General Meeting**

1. The General Meeting will decide on any matters attributed thereto by the Act or these articles of association and, in particular, on the following:
  - (a) Appointment and removal of directors, as well as the ratification of directors designated through a co-option procedure.
  - (b) Appointment and removal of accounts auditors.
  - (c) Approval of the corporate management and, if applicable of the statements of the previous year, and a proposal for the allocation of results.
  - (d) Any increase or decrease in the capital stock, including a delegation to the board of directors of the power to increase the capital stock.
  - (e) Issue of obligations and other securities and delegation of the right of issue to the board of directors.
  - (f) Authorisation for the derivative acquisition of own shares.
  - (g) Approval and amendment of the regulation of the General Meeting.
  - (h) Amendments of the articles of association.
  - (i) A merger, spin-off, transformation, dissolution and global assignment of the Company's assets and liabilities.
  - (j) A transfer of the Company's registered address abroad.
  - (k) Transformation of the Company into a holding company, through "subsidiarisation" or the incorporation into dependent companies of basic activities developed by the Company itself until then, even if the latter remains as the full legal owner thereof.

- (l) The acquisition or disposal of basic operating assets, if this entails an effective change in the corporate object.
  - (m) Operations with an effect equivalent to the Company's liquidation.
2. Furthermore, the General Meeting will resolve on any other issue for which a decision is required by the board of directors.

**Article 17.- Types of meetings**

1. A general shareholders' meeting may be ordinary or extraordinary.
2. An ordinary general meeting will necessarily convene within the first six (6) months of each financial year in order to approve the corporate management and, if applicable, the statements of the previous year, and to resolve on the allocation of results.
3. Any other meeting not foreseen in the foregoing paragraph will be considered an extraordinary general meeting.

**Article 18.- Call of a General Meeting**

1. General Meetings will be called by the Board of Directors by publishing an announcement (i) in the Official Gazette of the Commercial Registry or in one of Spain's most widely distributed newspapers, (ii) on the Company's website ([www.diacorporate.com](http://www.diacorporate.com)), and (iii) on the website of the Spanish Securities Market Commission ("CNMV"), with the notification of a material disclosure, at least one month prior to the date scheduled for the meeting, unless a different timeframe is established by law.
2. The board of directors may call the general shareholders' meeting if it considers this appropriate in the corporate interest.
3. Furthermore, the board of directors will call a general meeting if this requested by shareholders who hold, at least, five per cent (5%) of the capital stock, indicating in the request the issues to be discussed at the meeting.

In this case, the meeting will be called in order to be held within the timeframe foreseen by the Act. The board of directors will draw up the agenda, and will necessarily include the matter or matters covered by the request.

4. The call announcement will contain any references required by the Act, in each case, and will indicate the Company's name, the date, place and time of the meeting at first call, the agenda, including all the matters to be discussed, and the post of the person or persons calling the meeting.

The announcement may also indicate the date on which the general meeting will convene at second call, as the case may be. Between the first and second meetings at least twenty-four (24) hours must elapse.

5. Any shareholders representing, at least, five per cent (5%) of the capital stock may request that an addition be published to the call of an ordinary general shareholders'



meeting, including one or more points in the agenda, as long as these new points include a justification or, as the case may be, a justified proposal for a resolution.

This right will be exercised by providing a notification by authentic means, to be received at the registered address within five (5) days following publication of the call.

The addition to the call will be published at least fifteen (15) days before the date scheduled for the Meeting. The failure to publish an addition to the call within the timeframe that is legally established will render the Meeting null and void.

6. Furthermore, any shareholders representing at least five per cent (5%) of the capital stock, within this same period of five (5) days following publication of the call, may present justified proposals for a resolution on matters already included or to be included in the agenda of the called meeting. The Company will ensure that these resolution proposals are distributed amongst the remaining shareholders, as well as any documentation attached.
7. The General Meeting may not discuss or decide on any matters that are not included in the agenda, unless otherwise provided by the Act.
8. In order for the courts to call a Meeting, the provisions of the Act will apply.
9. The provisions of this article will apply without prejudice to what is foreseen by law for specific situations.

#### **Article 19.- Right of information**

1. As of the very publication date of the call of a General Meeting and until the seventh day preceding the date scheduled for the meeting at first call, inclusive, the shareholders may request in writing any information or clarification they deem appropriate, or present in writing the questions they deem relevant, on the issues included in the agenda. Furthermore, with the same prior notice and in the same manner, the shareholders may request information or clarifications or present questions in writing on any information accessible to the public that the Company may have provided to the Spanish Securities Market Commission (CNMV) since the last General Meeting was held and in relation to the auditor's report.
2. During the General Meeting, the shareholders may verbally request any information or clarification they deem appropriate on the matters included in the agenda, as well as on any information accessible to the public that the Company may have provided the CNMV since the last General Meeting was held and in relation to the auditor's report. If the relevant shareholder's right cannot be settled at that time, the Board of Directors will provide this information in writing within seven (7) days following the end of the General Meeting.
3. The board of directors will be obliged to provide the information requested according to the two preceding sections, in the manner and within the timeframes foreseen in these articles of association, the regulation of the General Meeting and the Act, except for those cases in which:

- a) in the chairman's opinion, the publicity of this information would be detrimental to the corporate interest;
- b) the request for information or clarification requested does not refer to matters included in the agenda or to information accessible to the public, provided by the Company to the CNMV since the last general meeting was held;
- c) before the question was made, the information requested by clear and directly available to all shareholders on the Company's website, as FAQ; or
- d) this is foreseen in legal or regulatory provisions or judicial resolutions.

Notwithstanding the foregoing, the exception indicated in point (a) above will not apply in those cases where a request for information is backed up by shareholders representing, at least, twenty-five per cent (25%) of the capital stock.

- 4. The call of an Ordinary General Meeting will indicate the means through which a shareholder may obtain from the Company, immediately and cost-free, any documents to be presented for approval by the Meeting.
- 5. If the General Meeting has to discuss an amendment of the articles of association, the announcement of the call, apart from the references required by the Act in each case, will indicate the right to which all shareholders are entitled to examine at the registered address the full text of the amendment proposed and the relevant report, and to request that said documents be handed over or delivered at no cost.
- 6. In all those cases foreseen by the Act, the shareholders will be provided with any additional information and documentation that may be necessary, including any other that the board of directors deems appropriate in order to constitute the Company's wish. This information and documentation will be made available to the shareholders through the web site, without the shareholders' right to request this information in printed form.

#### **Article 20.- Right of attendance**

- 1. A General Meeting may be attended by all the shareholders, regardless of the number of shares they own.
- 2. In order to exercise their right of attendance, all shareholders must have recorded their shares in the relevant book entry register, at least five (5) days before the date scheduled for the Meeting.

#### **Article 21.- Right of representation**

- 1. Any shareholder entitled to attend may be represented at a General Meeting through another person, even if not a shareholder, meeting the requirements and formalities imposed by the articles of association, the regulation of the General Meeting and the Act.
- 2. A proxy will be conferred in writing or by post or electronic mail, in which case the provisions foreseen in Article 28 herein will apply for the issue of votes through these means, to the extent that this is not incompatible with the nature of the proxy.

3. The Chairman and Secretary of the General Meeting will enjoy the broadest powers to recognise the validity of the document or means to accredit the proxy.
4. A proxy may always be revoked. Attendance at the General Meeting by the represented shareholder, either in person or by issuing a long-distance vote, will be deemed to revoke the proxy granted, regardless of its date.

**Article 22.- Place and time of the Meeting**

1. A General Meeting will be held at the place indicated in the call, which may be within the municipality where the Company has its registered address or in any other municipality of the province of Madrid. If the call does not indicate the place of the meeting, it will be deemed as convened at the registered address.
2. If proposed by the directors or at the request of shareholders representing, at least, a fourth of the capital stock present at the General Meeting, the attendants may agree to extend the meeting for one or more consecutive days. Regardless of the number of meetings, only one General Meeting will be deemed as convened and a single minute will be issued for all meetings.

**Article 23.- Incorporation of a General Meeting**

1. A General Meeting will be validly convened, at first call, whenever the shareholders present or represented hold, at least, 25% of the voting capital stock subscribed. At second call, a meeting may be incorporated irrespective of the capital stock in attendance.
2. Pursuant to article 194 of the Capital Companies Act, in order for an Ordinary or Extraordinary General Meeting to validly agree to increase or decrease the capital stock or any other amendment of the articles of association, the issue of obligations, the removal or limitation of a preferential subscription right over new shares or convertible obligations, as well as a transformation, merger, spin-off or global assignment of assets and liabilities and a transfer of the registered address abroad, it will be necessary, at first call, for shareholders to attend, in person or represented, holding at least 50% of the voting capital stock subscribed. At second call, it will suffice for 25% of said capital stock to attend. However, if shareholders attend who represent less than 50% of the voting capital stock subscribed, the resolutions referred to in this paragraph may only be validly adopted with the favourable vote of two thirds (2/3) of the capital stock present or represented at the Meeting.
3. If, in order to validly adopt a resolution on any or several points of the agenda of the General Meeting, it were necessary, according to law or applicable provisions in the articles of association, for a certain percentage of the capital stock to be present, and this percentage is not reached or the consent of certain interested shareholders is required and the latter are not present or represented, the General Meeting will only discuss those issues of the agenda which, in order to be approved, do not require the attendance of said percentage of the capital stock or these shareholders.
4. Any absences that may arise once the General Meeting has convened will not affect its validity.

**Article 24.- Chairman, Secretary and Board of the Meeting**

1. The board of the General Meeting will consist of the Chairman and Secretary of the General Meeting and those members of the board of directors in attendance at the meeting.
2. The General Meeting will be chaired by the Chairman of the Board of Directors and, otherwise, by the Vice Chairman designated in order of priority. In the absence of both and without any delegation being made, the director in attendance with the lowest seniority in the post will act as chairman and, in the event of a draw, the oldest director.
3. The Secretary will be the person holding this post on the Board of Directors or, otherwise, the Vice Secretary, if any, and, in his absence, the attending director who has most recently held the post, and, if there is a tie, the youngest director.

**Article 25.- List of attendants**

1. The list of attendants will include, as shareholders present: (i) those individual shareholders who attend in person; (ii) shareholder legal entities that attend through representatives who are legally empowered to do so; (iii) the Company, in relation to the shares it still owns in the capital stock; and (iv) those shareholders who have exercised their right to a long-distance vote, pursuant to the provisions established in Article 28 of the articles of association and the regulation of the General Meeting.
2. At the end of the list the total number of shareholders present or represented will be indicated, as well as the amount of capital stock represented, specifying which part is held by shareholders with voting rights.
3. Any issues that may arise in relation to the attendance, representation and drawing up of the list of attendants will be resolved by the Chairman, and this task may be entrusted to the Secretary.
4. The list of attendants may also be drawn up in a file or attached in electronic support. In these cases, the minute itself will indicate the means used and the necessary official identification, signed by the Secretary with the approval of the Chairman, will be issued on the sealed cover of the file or support.

**Article 26.- Discussion and vote**

1. The Chairman will be in charge; of directing the meeting in such a way that discussions are held according to the agenda; he may accept or reject new proposals in relation to the matters included in the agenda; direct the discussions and grant the floor to any shareholders who so request, withdrawing or not granting it if he considers that a certain issue has been sufficiently discussed, is not included in the agenda or hinders progress of the meeting; arrange the time for voting; carry out, together with the Secretary of the General Meeting, a calculation of the votes; announcing the voting results; provisionally suspend the General Meeting, declare it as ended and, in general, any duties, including those of order and discipline, required for adequate progress of the General Meeting.

2. The Chairman, even if present at the meeting, may entrust the directing of discussions to the director he deems appropriate or to the Secretary, who will carry out these duties on behalf of the Chairman.
3. All votes on resolutions adopted by the General Meeting will be held according to the provisions established in the articles below and in the regulation of the General Meeting.

**Article 27.- Adoption of resolutions**

1. Each share with a right to vote, in person or represented at a General Meeting, will confer the right to one vote.
2. All resolutions of the Meeting will be adopted by ordinary majority of the votes of the capital stock present or represented. The foregoing will not include any cases for which the Act or these articles of association require a higher majority.

**Article 28.- Issue of long-distance votes**

1. Shareholders with a right to attend may issue their vote on any proposals related to the points included in the agenda of any General Meeting, by post or by electronic means, as long as the identity of the shareholder exercising its right to vote is duly guaranteed.
2. Votes cast by post will be sent to the Company in writing, stating whether the vote is favourable or unfavourable, and meeting the formalities determined by the Board of Directors in a resolution and subsequent communication in the announced call of the meeting in question.
3. Votes sent by electronic means will be issued under a recognised electronic signature or other type of guarantee, which the Board of Directors deems appropriate to assure the authenticity and identification of the shareholder exercising its right to vote, as determined in a resolution and subsequent communication in the announced call of the meeting in question.
4. In order to be deemed valid, a vote issued by either of the long-distance means referred to in the foregoing sections must be received by the Company at least twenty-four (24) hours before the date scheduled for the Meeting at first call.
5. The Board of Directors may implement and complement any regulations regarding votes and long-distance delegation, foreseen in these articles of association, establishing the instructions, means, rules and procedures deemed appropriate to instrument the issue of a vote and the granting of a proxy through long-distance means of communication. Any implementing rules adopted by the Board of Directors pursuant to the provisions of this section will be published on the Company's website.
6. Any shareholders issuing a long-distance vote pursuant to what is foreseen in this article will be deemed as present for the purposes of convening the General Meeting in question. Consequently, any future proxies made prior to the issue of this vote will be deemed as revoked and those subsequently conferred will be deemed as not made.

7. A vote issued through long-distance means of communication will be invalidated by the attendance in person at the meeting of the voting shareholder, or by a disposal of its shares, of which the Company becomes aware at least five (5) days before the date scheduled for the Meeting at first call.

#### **Article 29.- Documentation of resolutions**

1. Documentation of any resolutions adopted by the General Meeting, their formalisation in a public deed and registration at the Commercial Registry, will be carried out as foreseen in the Act and Commercial Registry Regulations.
2. Any total or partial certifications that are necessary to accredit resolutions adopted by the General Meeting will be issued and signed by the Secretary of the Board of Directors or by the Vice Secretary, if appointed, with the approval of the Chairman or Vice Chairman or Vice Chairmen, if several have been appointed.

### **Chapter II.- Company administration**

#### **Section 1.- The Board of Directors**

#### **Article 30.- The Board of Directors**

1. The Company will be administered and governed by a Board of Directors.
2. The Board of Directors will be governed by applicable legal rules, by these articles of association and by the Board of Directors Regulation.

#### **Article 31.- Authority of the Board of Directors**

1. The board of directors has authority to adopt resolutions regarding all kinds of matters not attributed by the Act or the articles of association to the general meeting.
2. The board of directors has the broadest power and authority to manage, direct, and represent the Company. As a general rule it entrusts ordinary management of the Company to the delegated administrative bodies, and concentrates its actions on the general function of supervision and on consideration of those matters that are of particular importance to the Company.
3. Judicial and other representation of the Company will correspond to the board of directors, its chairman, the managing director and, if applicable, the executive committee.
4. In any event, the board will assume, without delegation, such authority as is legally reserved directly to it, and such other authority as may be necessary for effective exercise of the general supervision function. In particular, by way of illustration and not limitation, the following are non-delegable powers of the board:
  - (a) call of the general meeting of shareholders;
  - (b) appointment of directors by way of co-optation and referring proposals to the general meeting regarding appointment, ratification, re-election and removal of directors, as well as acceptance of director resignations;

- (c) appointment and renewal of those in the internal positions within the board of directors, and the members of and positions on committees constituted within the board;
  - (d) preparation of the financial statements, management report and proposal for application of profits of the Company, as well as the consolidated financial statements and management report, if applicable;
  - (e) preparation of the annual corporate governance report to be presented to the general meeting and the other reports and documents that must be submitted to it;
  - (f) determination and specification of the policy applied by the Company to its own shares, further to the authorisations granted by the general meeting;
  - (g) delegation of powers to any of its members, in the terms established in the Act and articles of association, including any revocation;
  - (h) approval and amendment of the board of directors regulation;
  - (i) approval of the Company's general strategy and the necessary organisation for its implementation, supervising and ensuring that the delegate bodies and executives meet the targets established and uphold the company's object and corporate interest;
  - (j) approval of the remuneration policy applied to directors and executives; and
  - (k) any other matter reserved by the regulation to an examination of the plenary meeting of the board.
5. The board of directors at all times will exercise its authority in the interest of the Company, that being understood to be the common interest of the shareholders, albeit at the same time considering the other legitimate interests, public or private, involved in the conduct of any business activity, particularly those of workers, among other stakeholders. In this regard, the actions of the board of directors and its delegated bodies at all times will be aimed at maximising the economic value of the Company on a sustained basis.

### **Article 32.- Number of Directors**

1. The board of directors will consist of a minimum of five (5) and a maximum of fifteen (15) members.
2. The general shareholders meeting determines the number of directors. The general meeting may fix that number by express resolution or, indirectly, by resolutions filling vacancies and appointing new directors adopted within the aforesaid maximum and minimum.

3. The board will propose to the general meeting such number of directors as, based on the circumstances existing from time to time, is most appropriate to ensure proper representation and effective functioning of the board.

**Article 33.- Classes of directors and composition of the board**

1. Deemed to be
  - (a) inside directors are those directors who are senior managers or employees of the company or its group. For these purposes, those treated as inside directors are the chairman, if he has delegated management functions, the managing director, if any, and those that in any other way have management responsibilities within the Company or any of its subsidiaries;
  - (b) proprietary outside directors are the directors who hold a shareholding interest not less than the legally determined threshold for significant holdings, or are otherwise appointed due to their status as shareholders, and the persons the appointment of which is proposed by such shareholders;
  - (c) independent outside directors are those directors appointed for their personal or professional qualities who are in a position to perform their duties without being influenced by any connection with the Company, its significant shareholders or its management;
  - (d) other outside directors are the outside directors that cannot be classified as proprietary or independent.
2. The board of directors, in the exercise of its authority to propose to the general meeting and its co-option authority to fill vacancies, will see to it that in this body outside directors represent a broad majority of the board and, in particular, the number of independent directors represents at least one third of the total number of directors.
3. The board will also see to it that, among outside directors, the ratio of proprietary directors to independent directors reflects the ratio of the capital of the Company represented by proprietary directors and the remainder of capital.

**Article 34.- Term**

1. Directors will hold their post for a three (3) year term, unless they resign or are removed, and may be re-elected once or several times for periods of equal duration, except as regards independent directors, who may only hold their post for a maximum of four (4) mandates.
2. The appointment of directors will expire when, after the term has elapsed, the next general meeting is held or the legal timeframe has elapsed in which to hold a meeting to resolve on the approval of the statements of the previous financial year.

**Article 35.- Designation of posts**

1. The board will select from amongst its members a chairman and vice chairman, who will replace the chairman in the event of impossibility or absence.



2. The board may also appoint more vice chairmen, in which case the tasks described will be entrusted to the first vice chairman who, in turn, will be replaced if necessary by the second vice chairman, and so on.
3. The board will appoint a secretary and may appoint a vice secretary, who need not be directors. The secretary will attend the board meetings with a right to speak but not to vote, unless he holds director status. The vice secretary, if any, will replace the secretary if the latter is not present at the meeting for any reason and, unless otherwise decided by the board, may attend the board meetings to assist the secretary in his task.

**Article 36.- Board of directors' meetings**

1. The board of directors will meet, when previously called by the chairman, with the necessary frequency to adequately perform its tasks and, in any case, at least once a quarter.
2. In any event, the board must necessarily meet within a maximum term of three (3) months after the close of the financial year, to prepare the financial statements, management report and proposal for application of profits.
3. The call of meetings will be made on each director by letter, fax, telegram or e-mail, and will be authorised by the signature of the chairman or, if applicable, by the secretary or assistant secretary by order of the chairman. The call will be sent a minimum of five (5) days in advance, except as regards urgent matters, for which the call will be by the chairman forty-eight (48) hours in advance. Also, the call always will include the place, date and time for the holding of the meeting, and the agenda for the meeting, if applicable attaching such information as is deemed to be necessary.
4. The board of directors also will meet when so requested by at least one third (1/3) of its members or two (2) of the independent directors, in which case it must be called by order of the chairman. The same directors will be entitled to require the president to include certain matters in the call for any meeting of the board.
5. Furthermore, any directors representing at least one third (1/3) of the members of the Board of Directors may call a board meeting, indicating the agenda, to be held in the city where the registered address is located if, further to the Chairman's request, the latter is unable to call the meeting within a term of one month, without justified cause.
6. If the chairman is at the same time the managing director of the Company, the board of directors will authorise one of the independent directors to request a call of the board of directors or include points on the agenda, in order to coordinate and voice the concerns of outside directors and direct the examination conducted by the board.
7. Without prejudice to the foregoing, the board will be deemed to have been validly constituted, without need of call, when all directors are present or represented and unanimously accept the holding of the meeting on a universal basis, and the matters to be dealt with at the meeting.
8. If no director objects, the board also may adopt written resolutions without need of holding a meeting, in accordance with the provisions of the Capital Companies Act, the Commercial Registry Regulation and the articles of association, in which case the

vote may be issued in writing or by e-mail, provided that the identity of the director issuing the vote is assured.

9. The meetings of the board and its committees will be held at the registered office of the Company or at the place, within Spain or abroad, indicated in the call.
10. Notwithstanding the foregoing, meetings of the board and its committees may be held using remote means of communication if any of the members cannot attend the place fixed for the meeting in the call, provided that in the judgment of the Chairman there are no circumstances making that inadvisable.
11. Directors not physically attending the meeting that use means of communication allowing it to be held on a simultaneous and reciprocal basis with the place of the meeting and with the other members using remote means of communication will be considered to be in attendance for all purposes and may issue their votes by way of the means of communication used.

#### **Article 37.- Incorporation and majority for the adoption of resolutions**

1. In order for resolutions within the authority of the board of directors to be valid, it will be necessary for at least the majority of the board members to attend, either present or represented, at the meetings at which they are adopted.
2. All directors may issue their vote and confer a proxy to another director. Such proxy will be specifically granted for the board of directors' meeting it refers to and will include instructions, to the extent possible.
3. The chairman will organise the discussion, ensuring and encouraging the participation of all directors in the deliberations of the body.
4. Except in cases in which the Act or articles specifically establish other voting majorities, resolutions will be adopted by absolute majority of the directors present at the meeting in person or by proxy. In the event of a tie, the chairman will not have a casting vote.

#### **Article 38.- Formalisation of resolutions**

1. The secretary will prepare minutes of meetings of the board of directors, which will be signed at least by the chairman or vice chairmen, if applicable, and the secretary or assistant secretary, if applicable. Minutes will be transcribed or inserted, as provided by law, in a special book of board minutes.
2. The minutes will be approved by the board of directors itself, at the end of the meeting or at the next following meeting, unless the immediacy of scheduling of the meetings does not so allow, in which case they will be approved at a later meeting.

#### **Article 39.- Directors' compensation**

1. The compensation of directors will consist of a fixed monthly stipend and per diems for attending meetings of the board of directors and its committees. The maximum amount of compensation to be paid by the Company to its directors in these categories will be

the amount determined for that purpose by the general shareholders meeting, which will remain in effect until an amending resolution is adopted.

2. The board of directors, within the maximum set by the general shareholders meeting, each financial year will fix the specific amount to be received by each of the directors, it being permissible for it to vary the amount to be received by each of them based on:
  - (a) the director's membership or lack of membership on a delegated body of the board;
  - (b) the positions the director occupies therein or, in general,
  - (c) the director's dedication to administration tasks or service to the Company.
3. The compensation foreseen in the preceding sections, deriving from membership on the board of directors, will be compatible with and independent of such other professional or employment compensation as may correspond to the directors for the performance of management work or for advice other than the group supervision and decision-making inherent in their capacities as directors, which will be subject to the applicable legal scheme.
4. Inside directors may be compensated by delivery of shares of the Company or another group company to which they belong, options thereon or instruments indexed to their price.

All other directors may be compensated with a delivery of shares, as long as they undertake to hold the shares until expiration of their office.

When dealing with shares of the Company or instruments indexed to the price thereof, the compensation must be resolved by the general shareholders meeting. The resolution, if applicable, will state the number of shares to be delivered, the price of exercise of the option rights, the value of the shares taken as a reference and the term of this form of compensation.

5. The compensation of directors will be stated in the Report, broken down by each director.
6. Together with the annual corporate governance report, the board of directors must prepare and disseminate an annual report on compensation of directors, which is to include complete, clear and comprehensible information regarding the Company's compensation policy, approved by the board for the year in course and, if applicable, the policy contemplated for future years. It also will include an overall summary of how the compensation policy was applied during the financial year, and details of the individual compensation earned by each of the directors. This report is to be disseminated and submitted to vote on a consultative basis, as a separate point of the agenda, by the ordinary general shareholders meeting.
7. The Company will encourage all shareholders and, in particular, institutional shareholders to attend general meetings and prudently exercise their votes therein when dealing with compensation of the Directors.

## **Section 2.- Delegated bodies of the board of directors**

**Article 40.- Delegated bodies**

1. The board of directors will appoint an audit and compliance committee and a nominating and compensation committee from among its members, to which may be delegated, in whole or in part, on a provisional or permanent basis, the rights deemed advisable and that are able to be delegated according to the Act.
2. The board of directors may appoint a delegate committee and one or several managing directors from among its members, determining the persons who will hold said posts and their activity, to whom may be delegated, in whole or in part, on a provisional or permanent basis, all the rights that are able to be delegated according to the Act. If a delegate committee is established, the board will appoint its members and ensure that the participation structure of the various categories of directors is similar to that of the board.
3. Furthermore, the board of directors may establish other committees consisting of directors entrusted with the relevant powers.
4. The foregoing committees will be governed by the provisions of the Act, these articles of association and the regulation of the Company's board of directors.

**Article 41.- The audit and compliance committee**

1. The board of directors will establish an audit and compliance committee, of a permanent nature, which will be comprised of a minimum of three (3) directors and a maximum of five (5), appointed by the board of directors itself from among its outside directors. In this regard, at least one (1) of the members of the audit and compliance committee will be independent and will be appointed based on his knowledge and experience in accounting or auditing matters, or both.
2. Without prejudice to such other tasks as may be assigned to it from time to time by the board of directors, the audit and compliance committee in any event will have the following authority:
  - (a) reporting to the general shareholders meeting in answer to questions raised by shareholders that fall within the scope of its responsibilities;
  - (b) supervising and reviewing the process of preparation and presentation of regulated financial information;
  - (c) supervising the effectiveness of the Company's internal control procedures, internal audit and risk management systems; and discussing with the Company's auditors such significant weaknesses in the internal control system as may be discovered in the conduct of the audit;
  - (d) proposing to the board of directors, for submission to the general shareholders meeting, the appointment of the outside auditors, as well as the conditions for hiring them, the scope of their professional assignment and, if applicable, revocation or non-renewal of the appointment;
  - (e) establishing the appropriate relationships with auditors or audit companies to receive information regarding such questions as may compromise their

independence, for examination by the committee, and those of anyone else involved in the process of auditing accounts, and such other communications as may be contemplated in the legislation regarding auditing and audit standards.

In any event, annually they must receive from the auditors or audit companies written confirmation of their independence as regards the entity or directly or indirectly related entities, and information on additional services of any kind provided to these entities by the aforesaid auditors or companies, or by the persons or entities related thereto, in accordance with the provisions of the Audit Act.

- (f) annually, prior to the issue of the audit report, issuing a report stating an opinion regarding the independence of the auditors or audit companies. This report in any event must opine on the provision of additional services referred to in section e) above.
  - (g) supervising compliance with the rules regarding related party transactions with directors or major shareholders or shareholders represented on the board; in particular, it will report to the board regarding such related party transactions and, in general, regarding transactions that imply or may imply conflicts of interest, for purposes of their approval, and will see to it that information in respect thereof is communicated to the market as required by law;
  - (h) supervising compliance with internal codes of conduct, in particular the code of conduct for the securities market;
  - (i) any such others as may be attributed to it by the Act and other regulations applicable to the Company.
3. The chairman of the audit and compliance committee will be appointed from among the outside directors or members that have no management functions within the Company, and have no contractual relationship other than the status on the basis of which they are appointed.
  4. The chairman must be replaced every four (4) years, and may be re-elected after a term of one (1) year elapses since he left office.
  5. Also, the committee will appoint a secretary and may appoint an assistant secretary, neither being required to be a member thereof. If these appointments are not made, those holding those positions on the board will act as such.
  6. When exercising its tasks, the committee may request the assistance of executive directors and senior managers of the Company. Also, if it deems this appropriate, it may hire the services of external advisors.

#### **Article 42.- The nominating and compensation committee**

1. The board of directors will establish a nominating and compensation committee, on a permanent basis, which will be comprised of outside directors, the majority independent, in a number determined by the board of directors, with a minimum of

- three (3) and a maximum of five (5). The members of the nominating and compensation committee will be appointed by the board of directors.
2. At least one of the members of the nominating and compensation committee must have knowledge and experience regarding compensation policies.
  3. Without prejudice to such other tasks as may be assigned to it from time to time by the board of directors, the nominating and compensation committee in any event will have the following authority:
    - (a) evaluating the competence, knowledge, experience and level of dedication required of members of the board of directors;
    - (b) making proposals to the board of directors of independent directors to be appointed by co-option or, if applicable, for submission to decision by the general meeting, and proposals for re-election and dismissal of those directors by the Company;
    - (c) reporting on proposals of the board of directors for appointment of other directors to be appointed by co-option or, if applicable, for submission to decision by the general shareholders meeting, and proposals for re-election and dismissal of those directors by the general meeting;
    - (d) reporting on the senior management appointments and removals that the chief executive of the Company proposes to the board;
    - (e) reporting to the board on matters of gender diversity and, in particular, seeing to it that procedures for selection of directors and senior managers do not suffer from implicit bias preventing selection of women;
    - (f) proposing to the board of directors (i) the system for and amount of annual compensation of directors, (ii) the individual compensation of inside directors and senior managers and the other terms of their contracts and (iii) the basic terms of contracts of senior managers;
    - (g) overseeing compliance with the compensation policy set by the Company;
    - (h) generally supervising compliance with the Company's applicable corporate governance rules.
  4. The nominating and compensation committee will designate a chairman from amongst its members, who must be an independent director.
  5. When exercising its tasks, the committee may request the assistance of executive directors and senior managers of the Company. Also, if it deems this appropriate, it may hire the services of external advisors.

### **Section 3.- Annual corporate governance report and website**

#### **Article 43.- Annual corporate governance report**

1. The board of directors annually will approve an annual corporate governance report of the Company, referring to the matters contemplated by law, together with those, if applicable, it deems to be appropriate. The report must offer a detailed explanation of the structure of the company's governance scheme and its functioning in practice, in particular including a description of the principal characteristics of the internal risk control and management systems related to the process of issuance of financial information.
2. The annual corporate governance report will be approved prior to publication of the notice of call of the ordinary general meeting of the Company for the financial year in question, and will be made available to the shareholders together with the other documentation of the general meeting.
3. In addition, the annual corporate governance report will be included in the management report, in a separate section, and will also be publicised as contemplated in the securities market regulations. In particular, the report will be published as a material disclosure.

#### **Article 44.- Website**

1. The Company will maintain a website ([www.diacorporate.com](http://www.diacorporate.com)) to respond to exercise to the shareholders' right of information and to disseminate the material information of the Company to investors. The website will include the documents and information contemplated by the Act, otherwise required by CNMV and any others determined by the board of directors, at least the following, in the terms foreseen by law:
  - a) the articles of association;
  - b) the general meeting regulation;
  - c) the board of directors regulation;
  - d) the internal code of conduct on securities markets;
  - e) the annual corporate governance report for the most recent closed financial year and prior financial years;
  - f) the composition of the board of directors and its committees, identifying their members, positions, status and possible relationships with significant shareholders of the Company;
  - g) the financial statements, together with the management report, and the periodic public information sent to the National Securities Market Commission;
  - h) information regarding the call, agenda and proposed resolutions of any ordinary or extraordinary general meeting, as well as any material information that may be required by shareholders in order to cast their votes;
  - i) information regarding the development of general shareholders meetings already held, in particular regarding the agenda, attendance at the general meeting at the time it was held, resolutions adopted stating the number of votes cast and the sense thereof for each of the proposals included on the agenda;

- j) the communications channels existing between the Company and the shareholders, in particular the pertinent explanations regarding exercise of the shareholders' information right, indicating the postal and e-mail addresses to which they may be sent;
  - k) the resources and procedures for granting proxies for the general meeting;
  - l) the resources and procedures for exercise of remote voting at the general meeting, if applicable including forms to show attendance and voting, by proxy and by remote means, through telematic procedures; and
  - m) the material disclosures notified to the National Securities Market Commission during the current financial year and the last closed financial year.
2. The board of directors may agree to modify, remove or transfer the website. This resolution will be recorded at the Commercial Registry or will be notified to all the shareholders and, in any case, will be published in the Official Gazette of the Commercial Registry and the website itself will announce a resolution to modify, remove or transfer within thirty (30) days following the insertion of the resolution.

### **TITLE III.- ANNUAL STATEMENTS, ALLOCATION OF PROFIT, DISSOLUTION AND LIQUIDATION**

#### **Chapter I. Annual statements**

##### **Article 45.- Financial year**

The financial year will begin on 1 January each year and will end on 31 December.

##### **Article 46.- Annual statements and management report**

1. The annual statements will include the balance sheet, profit and loss account, statement reflecting changes in net wealth over the financial year, a cash flow statement and an annual report.  
  
These documents, as a single unit, will be drawn up in clear terms and will provide an accurate image of the Company's wealth, financial position and results, according to applicable law.
2. The management report will contain, at least, an accurate description of business performance and the Company's position, as well as a description of the main risks and uncertainties it is facing and, if applicable, information on significant events for the Company occurring since closure of the financial year, the Company's expected performance, R&D activities and the purchase of own shares, in the terms established by the Act.
3. The board of directors, during the first three (3) months of the year, will draw up the annual statements, management report and proposed allocation of results and, if applicable, the consolidated statements and management report. The annual statements and management report will be signed by all the directors.



**Article 47.- Account auditors**

1. The annual statements and management report will be audited by account auditors.
2. The persons who will audit the annual statements will be appointed by the general meeting before the end of the financial year to be audited, for a specific period of time, which must be at least three (3) years and no longer than nine (9), as of the date of commencement of the first financial year to be audited; these persons may be re-elected by the general meeting for maximum periods of three years upon expiration of the initial period.
3. The general meeting may not revoke the auditors before expiration of the term to which they were appointed, except in the event of justified cause.

**Article 48.- Approval of annual statements and allocation of results**

1. The Company's annual statements and consolidated annual statements, if applicable, will be presented to the general shareholders' meeting for its approval.
2. The general meeting will resolve on the allocation of the year results according to the approved balance sheet.
3. After meeting the requirements foreseen in the Act, dividends may only be distributed by debiting the year profit or unrestricted reserves, if the net book value of the Company's equity is not, or is not eventually, as a result of the distribution, lower than the capital stock. If there are losses from previous years that reduce the net book value of the Company's wealth below the capital stock figure, the profit will be used to offset losses.
4. If the general meeting agrees to distribute dividends, it will determine the time and method of payment. Determination of these issues may be delegated to the board of directors, including any other that may be necessary or appropriate to render the resolution effective.
5. The board of directors and general meeting may agree to distribute amounts on account of dividends, with the limitation and fulfilling the requirements foreseen in the Act.
6. Distribution of dividends to the shareholder will be carried out in proportion to the capital stock paid up.

**Article 49.- Deposit of approved annual statements**

The board of directors will proceed with a deposit of the Company's annual statements and management report including, if necessary, the consolidated statements and management report, together with the relevant reports issued by the account auditors and other documentation required, in the terms and timeframes foreseen in the Act.

**Chapter II. Dissolution and liquidation of the Company**

**Article 50.- Events of dissolution**

The Company will be dissolved:

1. by means of a resolution adopted by the general shareholders' meeting, expressly called for this purpose, pursuant to the provisions of these articles of association; and
2. in any other event foreseen by law.

**Article 51.- Liquidation of the Company**

1. Dissolution of the Company will begin the liquidation period.
2. As soon as the Company is declared to be involved in liquidation proceedings, the board of directors will cease its activity and the directors will become the Company's receivers. They will represent a collegiate body, which must have an uneven number of members. To this effect, if necessary, the director holding the least seniority will be removed and, if there are several, the youngest director.
3. If the dissolution is a consequence of commencement of the liquidation stage of the Company in bankruptcy proceedings, the appointment of receivers indicated in the foregoing paragraph will not apply.
4. In order to conduct the liquidation, divide the company's credits and cancel the relevant registrations, the provisions foreseen in the Capital Companies Act and Commercial Registry Regulations will apply.