



**PROPOSALS FOR RESOLUTIONS MADE BY THE BOARD OF DIRECTORS TO
THE GENERAL MEETING OF SHAREHOLDERS OF DISTRIBUIDORA
INTERNACIONAL DE ALIMENTACIÓN, S.A. CALLED ON 23 APRIL 2015 AT
FIRST CALL AND 24 APRIL 2015, AT SECOND CALL**

The resolutions that the Board of Directors of Distribuidora Internacional de Alimentación, S.A. (“DIA” or the “Company”) proposes for approval by the General Meeting are as follows:

ITEM ONE ON THE AGENDA

Examination and approval of the annual accounts, the distribution of results the company management and the distribution of dividends

- 1.1 **Examination and approval, if applicable, of the Company’s individual annual statements (current balance sheet, profit and loss account, statement of changes in net wealth, cash flow statement and annual report) and consolidated statements of the Company together with its dependent companies (consolidated statements of current financial position, profit and loss account, global profit and loss statement, statement of changes in net wealth, cash flow statement and annual report), as well as the Company’s individual management report and consolidated management report of the Company and its dependent companies, for the financial year ended 31 December 2014**
- 1.2 **Proposed (a) allocation of results for the financial year ended 31 December 2014, (b) offset of losses, and (c) allocation of reserves**
- 1.3 **Examination and approval of the distribution of dividends to be charged against reserves**
- 1.4 **Examination and approval of the management and activity of the Board of Directors during the financial year ended 31 December 2014**

PROPOSAL FOR RESOLUTION ON ITEM ONE

Examination and approval of the annual accounts, the distribution of results the company management and the distribution of dividends

- 1.1 **Examination and approval, if applicable, of the Company’s individual annual statements (current balance sheet, profit and loss account, statement of changes in net wealth, cash flow statement and annual report) and consolidated statements of the Company together with its dependent companies (consolidated statements of current financial position, profit and loss account, global profit and loss statement, statement of changes in net wealth, cash flow statement and annual report), as well as the Company’s individual management report and consolidated management report of the Company and its dependent companies, for the financial year ended 31 December 2014**

It is proposed to approve the individual annual accounts of DIA (balance sheet, profit and loss account, statement of changes in net wealth, cash flow statement and annual report) and the



consolidated annual accounts of DIA and its dependent companies (statement of the financial position, results, statement of overall results, statement of changes in net wealth, cash flow statement and annual report, all consolidated), and the individual management report of the Company and the consolidated management report of the Company and its dependent companies, all corresponding to the financial year ending 31 December 2014 and which were drawn up by the Board of Directors at its meeting held on 20 February 2015.

1.2 Proposed (a) allocation of results for the financial year ended 31 December 2014, (b) offset of losses, and (c) allocation of reserves

a) *Proposal of allocation of results for the financial year ended 31 December 2014*

According to the proposal drawn up by the Board of Directors at its meeting held on 20 February 2015, it is proposed to approve the allocation of results as follows:

To allocate the negative individual results for the financial year 2014, which amount to THREE HUNDRED AND NINETY-ONE MILLION, NINE HUNDRED FORTY-SIX THOUSAND, TWO HUNDRED AND EIGHTY-SIX EUROS AND EIGHTEEN CENTS (€391,946,286.18) to the item “*Loss from financial year 2014*”.

b) *Proposal of offset of losses*

As a consequence of the above, it is proposed:

To compensate the negative individual results for the 2014 financial year, which amount to THREE HUNDRED AND NINETY-ONE MILLION, NINE HUNDRED FORTY-SIX THOUSAND, TWO HUNDRED AND EIGHTY-SIX EUROS AND EIGHTEEN CENTS (€391,946,286.18) with the voluntary reserve and the share premium reserve available in the Company, according to the following breakdown:

- “ <i>Voluntary reserves</i> ”	€35,524,762.75
- “ <i>Share premium reserve</i> ”	€356,421,523.43

c) *Proposal of allocation of reserves*

Additionally, it is proposed:

To allocate the goodwill reserve (as per article 273.4 of the Companies Act) for an amount of ONE MILLION SEVEN HUNDRED AND SEVENTY THOUSAND, EIGHT HUNDRED AND FORTY EUROS AND FIFTY-THREE CENTS (€1,770,840.53) against the share premium reserve.

1.3 Examination and approval of the distribution of dividends to be charged against reserves

According to the Board of Director’s proposal approved on 20 February 2015, it is proposed:

To distribute among the shareholders of the Company a gross fixed cash dividend of EIGHTEEN CENTS (€0.18) for each Company share with a right to receive same on the date in which the corresponding payment is made, which shall be charged against the “*Share Premium*” reserve and from which amount shall be deducted any retention at source that might be applicable. For information purposes, the above amount per share represented, at the date of the formulation of the annual accounts and in the light of the amount of capital stock of the Company existing at that time, a total of ONE HUNDRED AND FIFTEEN MILLION, ONE HUNDRED AND TWENTY-ONE THOUSAND ONE HUNDRED AND TWENTY-THREE EUROS AND TWENTY EIGHT CENTS (€115.121.123,28).



Consequently, it is proposed that each ordinary share with right to receive a dividend shall receive the gross amount of EIGHTEEN CENTS (€0.18).

Said amount shall be paid as from 16 July 2015, through the entities participating in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR).

1.4 Examination and approval of the management and activity of the Board of Directors during the financial year ended 31 December 2014

It is proposed that the company management and the actions taken by the Board of Directors of the Company during the financial year ending 31 December 2014 be approved.



ITEM TWO ON THE AGENDA

Amendment of the following articles of the Articles of Association of the Company in order to adjust them to the amendments introduced by recently approved regulation and to introduce certain technical improvements

- 2.1 Proposed amendment of the following articles in “Title I. Company and capital stock. Chapter I.- General provisions”: article 2 (“Corporate object”) and article 3 (“Registered address”)
- 2.2 Proposed amendment of the following articles in “Title I. Chapter II.- Capital stock and shares”: article 5 (“Capital stock”), article 8 (“Shareholder status”) and article 9 (“Outstanding payments and defaulting shareholders”)
- 2.3 Proposed amendment of the following articles in “Title I. Chapter III.- Capital increase and decrease”: article 11 (“Authorised capital stock”) and article 13 (“Capital decrease”)
- 2.4 Proposed amendment of the following article in “Title I. Chapter IV.- Issue of obligations”: article 14 (“Issue of obligations and other securities”)
- 2.5 Proposed amendment of the following articles in “Title II. The Company’s government. Chapter I.- The general meeting”: article 15 (“The general meeting”), article 16 (“Competences of the general meeting”), article 17 (“Types of meetings”), article 18 (“Call of a general meeting”), article 19 (“Right of information”), article 23 (“Incorporation of a general meeting”), article 26 (“Discussion and vote”) and article 27 (“Adoption of resolutions”)
- 2.6 Proposed amendment of the following articles in “Title II. The Company’s government. Chapter II.- Company administration. Section 1.- The board of directors”: article 31 (“Authority of the board of directors”), article 33 (“Categories of directors and composition of the board”), article 34 (“Term”), article 35 (“Designation of posts”), article 36 (“Board of director’s meetings”), article 37 (“Incorporation and majority for the adoption of resolutions”) and article 39 (“Director’s compensation”). Proposal of introduction of a new article 39 bis (“Director’s remuneration policy”)
- 2.7 Proposed amendment of the following articles in in “Title II. The Company’s government. Chapter II.- Company administration. Section 2.- Delegated bodies of the board of directors”: article 41 (“The audit and compliance committee”) and article 42 (“The nomination and compensation committee”)
- 2.8 Proposed amendment of the following articles in in “Title II. The Company’s government. Chapter II.- Company administration. Section 3.- Annual corporate governance report and website”: article 43 (“Annual corporate governance report”) and article 44 (“Website”). Proposal of introduction of a new article 43 bis (“Annual report on director’s remuneration”)

PROPOSAL FOR RESOLUTION ON ITEM TWO

It is proposed that the General Meeting approves the modifications to the Articles of Association under the terms of the proposal included in the Board of Directors’ Report drawn

up for this purpose and justifying the amendments proposed, which has been made available for the shareholders as from the call of this General Meeting.

The purpose of the modifications to the Articles of Association are (i) to incorporate the regulatory changes introduced as a result of the entry into force, on 4 December 2014, of Law 31/2014, amending the Companies Act to improve corporate governance ("**Law 31/2014**") and (ii) to introduce improvements in the wording and to actualise the texts whose modification is proposed in order to clarify certain provisions.

Specifically, it is proposed that modifications be introduced into the following articles of the Articles of Association, grouped under each Title of said Articles which bring together the articles which are considered substantially independent:

2.1 Proposed amendment of the following articles in “Title I. Company and capital stock. Chapter I.- General provisions”: article 2 (“Corporate object”) and article 3 (“Registered address”)

- Amendment of sections 2 and 3 of article 2 (“Corporate object”), in such a manner that hereinafter they will read as follows:

“Article 2.- Corporate object

[...]

- 2. The Company may execute the activities covered by the corporate object, either in Spain or abroad, 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.”*

- Amendment of section 2 of article 3 (“Registered address”), in such a manner that hereinafter it will read as follows:

“Article 3.- Registered address

[...]

- 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 or abroad the agreement of the general shareholders’ meeting will be necessary.”*

2.2 Proposed amendment of the following articles in “Title I. Chapter II.- Capital stock and shares”: article 5 (“Capital stock”), article 8 (“Shareholder status”) and article 9 (“Outstanding payments and defaulting shareholders”)

- Amendment of section 2 of article 5 (“Capital stock”), in such a manner that hereinafter it will read as follows:

“Article 5.- Capital stock

[...]

2. *The capital stock consists of SIX HUNDRED AND FIFTY-ONE MILLION SEVENTY THOUSAND FIVE HUNDRED AND FIFTY-EIGHT (651,070,558) shares, with a face value each of ten cents of a euro (0.10 Euros), belonging to the same class and series.”*

- Amendment of article 8 (“Shareholder status”), in such a manner that hereinafter it will read as follows:

“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 recognises the latter as shareholder. This standing may be verified by presenting the relevant accrediting 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. The same rule will be applicable to all other events of co-ownership of shares rights.*
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. The exercise of all other shareholder rights is incumbent upon the owner, being the usufructuary bound to enable the bare legal owner to exercise such rights.*
5. *If new shares are subscribed either by the bare legal owner or by the usufructuary, the usufruct will extend to the shares that could have been paid up with the average listing value during the subscription period. The amounts outstanding in case of usufruct termination or in case the bare legal owner did not exercise its pre-emption rights in a share capital increase scenario will be settled taking into consideration the average listing value of the previous quarter in which the aforementioned facts took place.*
6. *In the event of a pledge over shares, shareholder rights may be exercised by the share owner.*
7. *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.”*

- Amendment of section 2 of article 9 (“Outstanding payments and defaulting shareholders”), in such a manner that hereinafter it will read as follows:

“Article 9.- Outstanding payments and defaulting shareholders

[...]

2. *All outstanding payments will be paid within the term 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.*

2.3 Proposed amendment of the following articles in “Title I. Chapter III.- Capital increase and decrease”: article 11 (“Authorised capital stock”) and article 13 (“Capital decrease”)

- Amendment of article 11 (“Authorised capital stock”), in such a manner that hereinafter it will read as follows:

“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 by the agreed amount, 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 (5) 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, if required by the corporate interest.”*

- Amendment of section 2 of article 13 (“Capital decrease”), in such a manner that hereinafter it will read as follows:

“Article 13.- Authorised capital stock

[...]

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 legal or voluntary reserves, or to re-establish the balance between the capital stock and the Company’s net wealth, if reduced due to losses.”*

2.4 Proposed amendment of the following article in “Title I. Chapter IV.- Issue of obligations”: article 14 (“Issue of obligations and other securities”)

- Amendment of sections 1 and 3 of article 14 (“Issue of obligations and other securities”), in such a manner that hereinafter they will read as follows:

“Article 14.- Issue of obligations and other securities

[...]

1. *The Company may issue obligations in the terms and with the limits foreseen by law for listed joint stock companies.*

[...]

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, with the requirements legally set forth.”

2.5 Proposed amendment of the following articles in “Title II. The Company’s government. Chapter I.- The general meeting”: article 15 (“The general meeting”), article 16 (“Competences of the general meeting”), article 17 (“Types of meetings”), article 18 (“Call of a general meeting”), article 19 (“Right of information”), article 23 (“Incorporation of a general meeting”), article 26 (“Discussion and vote”) and article 27 (“Adoption of resolutions”)

- Amendment of section 1 of article 15 (“general meeting”), in such a manner that hereinafter it will read as follows:

“Article 15.- General meeting

1. The shareholders, convened at a duly called general meeting, will decide by the majority required in each case, as set forth by the Act or these articles of association, on any matters within the competence of the general meeting. [...]”

- Amendment of article 16 (“Competences of the general meeting”), in such a manner that hereinafter it will read as follows:

“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 and, if applicable, of the liquidators.

(c) Approval of the statements of the previous year, of the allocation of results and of the corporate management.

(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) Elimination or limitation of preferential subscription rights.

(f) Issue of obligations and other securities and delegation of the right of issue to the board of directors.

(g) Authorisation for the derivative acquisition of own shares.

(h) Approval and amendment of the regulations of the general meeting.

(i) Amendments of the articles of association.

(j) Approval of the policy on directors’ remunerations, in accordance with the terms set out in the Act.

(k) Approval of the Company’s directors remuneration systems, in the form of shares or rights over shares or linked to the value of the shares.

(l) Granting the directors the exemptions regarding the prohibitions deriving from the duty of loyalty, when the granting of said exemptions lies with the general meeting, as well as the exemption regarding non-compete obligation duties.

(m) A merger, spin-off, transformation, dissolution and global assignment of the Company's assets and liabilities.

(n) A transfer of the Company's registered address abroad.

(o) Transformation of the Company into a holding company, through "subsidiarisation", the incorporation or transfer into dependent companies of essential activities developed by the Company itself until then, even if the latter remains as the full legal owner thereof. An activity is presumed to be essential when the relevant amount of the transaction exceeds twenty-five per cent (25%) of the total assets in the balance sheet .

(p) The acquisition, disposal or contribution of essential assets to another company. An asset is presumed to be essential when the relevant amount of the transaction exceeds twenty-five per cent (25%) of the value of the total assets according to the last balance sheet approved.

(q) The winding up of the Company.

(r) Operations with an effect equivalent to the Company's liquidation and the approval of the liquidation balance sheet.

2. *Furthermore, the general shareholders meeting will resolve on any other issue, as required by the Act or these articles of association, or when so required by the board of directors."*

- Amendment of section 2 of article 17 ("Types of meetings"), in such a manner that hereinafter it will read as follows:

"Article 17.- Types of meetings

[...]

2. *An ordinary general meeting will necessarily convene within the first six (6) months of each financial year in order to approve, if applicable, the corporate management, the statements of the previous year and to resolve on the allocation of results."*

- Amendment of article 18 ("Call of a general meeting"), in such a manner that hereinafter it will read as follows:

"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), 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 Company will convene the general meeting, either ordinary or extraordinary, in such way that rapid and non-discriminatory access for information is granted for all shareholders. To this end, media that ensure effective and public dissemination of the announcement must be guaranteed, as well as free access by the shareholders within the whole European Union.*



3. *The board of directors may call the general shareholders' meeting if it considers this appropriate in the corporate interest.*
4. *Furthermore, the board of directors will call a general meeting if it is requested by shareholders who hold, at least, three per cent (3%) 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.

5. *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 general shareholders meeting's announcement will contain, in addition to the contents legally required, the date in which the shareholder must have the shares registered under its name in order to participate and vote at the general meeting, the place and form required to obtain the full text of the documents and proposals, and the Company's website address on which the information will be available.

Additionally, the announcement will provide clear and exact information on the proceedings that shareholders must follow in order to participate and vote at 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.

6. *Any shareholders representing, at least, three per cent (3%) 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 challengeable.

7. *Furthermore, any shareholders representing at least three per cent (3%) 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.*
8. *The general meeting may not discuss or decide on any matters that are not included in the agenda, unless otherwise provided by the Act.*
9. *In order for the courts to call a meeting, the provisions of the Act will apply.*

10. *The provisions of this article will apply without prejudice to what is foreseen by law for specific situations.*”

- Amendment of article 19 (“Right of information”), in such a manner that hereinafter it will read as follows:

“Article 19.- Right of information

1. *As of the very publication date of the call of a general meeting and until the fifth day preceding the date scheduled for the meeting, inclusive, the shareholders may request any information or clarification they deem appropriate regarding any issues included in the agenda, or present in writing the questions they deem relevant. Furthermore, with the same prior notice and in the same manner, the shareholders may request the directors any clarifications they deem appropriate on any information accessible to the public that the Company may have provided to the 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 the requested information in writing within seven (7) days following the end of the general meeting.*

The valid requests for information, clarifications or questions presented in writing, and the answers presented in writing by the directors will be included in the Company’s website. 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) the requested information is unnecessary for the protection of the shareholder’s rights, there are objective reasons to believe that the requested information may be used for non-corporate purposes or its disclosure may damage the Company or related companies; ;*
- 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 is clearly, expressly 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.

3. *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.*

4. *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.*
5. *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 form the Company's will. This information and documentation will be made available to the shareholders through the website, without shareholders being entitled to request this information in printed form."*

- Amendment of sections 1 and 2 of article 23 ("Incorporation of a general meeting"), in such a manner that hereinafter they will read as follows:

"Article 23.- Incorporation of a general meeting

1. *A general meeting will be validly convened, at first call, whenever the shareholders present or by proxy hold, at least, twenty-five per cent (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, 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 by proxy, holding at least fifty per cent (50%) of the voting capital stock subscribed. At second call, it will suffice for twenty-five per cent (25%) of said capital stock to attend, present or by proxy. However, if shareholders attend who represent fifty per cent (50%) or less 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 by proxy at the meeting. In any case, if the share capital, present or by proxy, exceeds fifty per cent (50%), in first or second call, an absolute majority shall suffice to deem the resolution passed.[...]"*

- Amendment of article 26 ("Discussion and vote"), introducing a new section 3, in such a manner that hereinafter it will read as follows:

"Article 26.- Discussion and vote

[...]

3. *The exercise of voting rights in the general meeting by shareholders affected by a conflict of interest shall be subject to the provisions set forth in the applicable law.[...]"*

- Amendment of section 2 of article 27 ("Adoption of resolutions"), in such a manner that hereinafter it will read as follows:

"Article 27.- Adoption of resolutions

[...]

2. *All resolutions of the meeting will be adopted by simple majority of the votes of the capital stock present or by proxy; deeming passed a resolution when more favourable votes than against have been obtained of the share capital, present or by proxy. The foregoing will not include any cases for which the Act or these articles of association require a higher majority.*

2.6 Proposed amendment of the following articles in “Title II. The Company’s government. Chapter II.- Company administration. Section 1.- The board of directors”: article 31 (“Authority of the board of directors”), article 33 (“Categories of directors and composition of the board”), article 34 (“Term”), article 35 (“Designation of posts”), article 36 (“Board of director’s meetings”), article 37 (“Incorporation and majority for the adoption of resolutions”) and article 39 (“Director’s compensation”). Proposal of introduction of a new article 39 bis (“Director’s remuneration policy”)

- Amendment of sections 4, 5 and 6 of article 31 (“Authority of the board of directors”), in such a manner that hereinafter they will read as follows:

“Article 31.- Authority of the board of directors

[...]

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, drafting of the agenda and of the proposals for resolutions;*
 - (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 the committees constituted within the board;*
 - (d) *definition of the corporate governance policy of the Company and its group, its organisation and functioning, and the definition of the structure of the group of companies of which the Company is the parent;*
 - (e) *supervision of the performance of the board committees and acts carried out by delegated bodies and senior managers;*
 - (f) *appointment and removal of executive directors and senior managers reporting to the board, as well as the establishment of basic conditions of their contracts, including their remuneration;*
 - (g) *granting an authorisation or exemption of the obligations deriving from the duty of loyalty, when the granting of such authorisation lies with the board in accordance with legally set forth;*
 - (h) *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, and their submission to the general meeting for approval;

(i) approval of the financial information that the Company, being a listed company, must periodically disclose;

(j) preparation of the annual corporate governance report and of the annual report on directors' remuneration, both to be presented to the general meeting and the other reports and documents that must be submitted to it;

(k) drafting any other report required by the Act, when the transaction to which the report refers to cannot be delegated.

(l) determination and specification of the policy applied by the Company to its own shares, further to the authorisations granted by the general meeting;

(m) delegation of powers to any of its members, in the terms established in the Act and articles of association, including any revocation;

(n) approval and amendment of its own organisation and functioning and, particularly, the approval and amendment of the board of directors' regulations;

(o) approval of the Company's policies and general strategy and, particularly, the approval of the strategic or business plan, the management objectives and the annual budget, the investments and financial policies, the corporate social responsibility policy and the dividends policy, as well as determining 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;

(p) approval of the investments or transactions that, due to the amount or special features, have strategic nature or special tax risks, except when their approval lies with the general meeting;

(q) creation or acquisition of shares in entities with special purposes or domiciled in countries or territories that are considered as tax havens, as well as any other similar transactions of similar nature that, due to their complexity, may undermine the transparency of the Company or its group;

(r) decisions concerning the remuneration of the board members, in accordance with the articles of association and, if applicable, the remuneration policy as approved by the general meeting;

(s) determination of the risk control and management policy, including tax risks, and the supervision of the information control internal systems;

(t) approval of the transactions entered into by the Company or companies of its group with directors, as defined by the Act, or with shareholders who own, individually or jointly, a significant stake, including shareholders represented in the board of directors of the Company or companies of its group or individuals linked to them. The directors concerned or represented or linked to the relevant shareholders must refrain from participating in the deliberation and voting of the resolution in question. The board of director's regulations will foresee, according to the Act, the transactions for which this approval shall not be necessary;

(u) approval of the Company's tax strategy;

(v) *the powers that the general meeting vested on the board of directors, save for those that the latter has been expressly authorised to subdelegate;*

(w) *any other matter reserved by the Act or the regulation to an examination of the plenary meeting of the board.*

5. *When urgency circumstances, duly justified, arise, decisions concerning the aforementioned issues may be adopted by the delegated organs or persons, provided that they are ratified in the first meeting of the board that takes place after the adoption of said decisions.*
6. *The board of directors at all times will exercise its authority in the interest of the Company, that being understood to be the achievement of a profitable and long-term sustainable business, which may promote the continuance and the maximizing of the Company's economic value, albeit at the same time considering other legitimate interests, public or private, involved in the conduct of any business activity, particularly those of workers, suppliers, clients and any other interest groups."*

- Amendment of sections 1 and 2 of article 33 ("Categories of directors and composition of the board") and elimination of section 3, in such a manner that hereinafter they will read as follows:

"Article 33.- Categories of directors and composition of the board

1. *Deemed to be*

(a) *Inside directors (or executive directors) are those directors who perform management functions in the Company or its group, irrespective of the legal link they have with it. For these purposes, those treated as inside directors are the chairperson, 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.*

The above notwithstanding, directors who are, as well, senior managers or directors of companies which are part of the group of companies where the Company's parent is dominant will be considered as inside directors.

Whenever a director performs managing functions, and, at the same time, is or represents a significant shareholder or a shareholder represented at the board of directors of the Company, it will be considered as an inside director.

(b) *Proprietary outside directors (or non-executive) 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, although their shareholding interest does not reach such relevant thresholds, and the persons who represent such shareholders;*

(c) *Independent outside directors (or non-executive) 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 or its group, 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 must ensure that the selection process for board members encourages diversity of gender, experiences and knowledge, and therefore it will not include implicit bias causing any kind of discrimination, in particular, against women.”*

- Amendment of section 2 of article 34 (“Term”), in such a manner that hereinafter it will read as follows:

“Article 34.- Term

[...]

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.*

In the event of a vacancy once the general meeting has been called but before it is held, the board of directors may appoint a director until the next general meeting.”

- Amendment of sections 1 and 3 of article 35 (“Designation of posts”), in such a manner that hereinafter they will read as follows:

“Article 35.- Designation of posts

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

[...]

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, and will perform the duties set forth by the Act, these articles of association, and the board of director’s regulations. 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.”*

- Amendment of sections 4 and 6 of article 36 (“Board of director’s meetings”), in such a manner that hereinafter they will read as follows:

“Article 36.- Board of director’s meetings

[...]

4. *The board of directors also will meet when so requested by at least one third (1/3) of its members, two (2) of the independent directors or, if any, the lead director, in which case it must be called by order of the chairperson or the lead director. Additionally, any director will be entitled to require the president to include certain matters in the call for any meeting of the board.*

6. *If the chairperson is, at the same time, the managing director of the Company, the board of directors will appoint a lead director among the independent directors, with the abstention to vote of the executive directors, who will be especially entitled to request a call of the board of directors or the inclusion of points on the agenda of a convened meeting, to coordinate and meet outside directors, and to direct the periodic examination of the chairperson of the board of directors.[...]”*

- Amendment of section 2 of article 37 (“Incorporation and majority for the adoption of resolutions”), in such a manner that hereinafter it will read as follows:

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

[...]

2. *All directors may issue their vote and confer a proxy to another director. However, outside directors shall only confer a proxy to another outside director. Such proxy will be specifically granted for the board of directors’ meeting it refers to and will include instructions, to the extent possible.[...]”*

- Amendment of article 39 (“Director’s compensation”), in such a manner that hereinafter it will read as follows:

“Article 39.- Director’s compensation

1. *The members of the board of directors will receive, as such directors, a compensation which will amount to an annual quantity which will be determined by the general meeting for board of directors as a whole. This compensation 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, will fix each financial year 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 taking into consideration the duties and responsibilities conferred on each director, the membership of board committees and any other objective circumstance that the board of directors deems relevant.*

3. *Executive directors will receive, for the performance of executive duties, or any other that may be conferred on them irrespective of the title, the compensation that the board determines. Such compensation will be adjusted to the policy on directors’ remuneration approved by the general meeting, and will be reflected in the relevant contract entered into by the director and the Company.*

In particular, and without limitation, the compensation foreseen in this section, subjected to the aforementioned remuneration policy, may consist of fixed salaries, variable compensations (depending on the achievement of corporate objectives and/or individual performance), dismissal compensations for reasons other than the noncompliance of duties, pensions, insurances, welfare systems, deferred remuneration concepts and compensation formulas in the form of shares or options thereon or indexed to the value of the shares, set forth for those members of the board of directors who perform executive duties.

4. *In the framework of the remuneration policy, inside or executive directors may be compensated with the delivery of shares of the Company or another group company, options thereon or instruments or any other compensation indexed to their value.*

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

will not be applicable to the shares which the directors need to transfer, as the case may be, to pay any costs related to their acquisition.

When dealing with shares of the Company or instruments indexed to the value thereof, the compensation must be resolved by the general shareholders meeting. The resolution, if applicable, will state the maximum number of shares to be delivered, the price of exercise or the system to determine the price of exercise of the stock options, the value of the shares, if applicable, to be taken as a reference and the term of the plan.

5. *The compensation of directors will be stated in the report, broken down by each director.”*

- Introduction of article 39 bis (“Director’s remuneration policy”), in such a manner that hereinafter it will read as follows:

“Article 39 bis.- Director’s remuneration policy

1. *The director’s remuneration policy will be submitted to the general meeting for its approval, at least every three (3) years, as a separate item of the agenda, as foreseen in the Act.*
2. *The remuneration policy, in the framework of the provisions of article 39 above, will determine the annual amount to be paid to the directors as such.*
3. *Regarding the compensation due to executive duties, the remuneration policy will set forth the amount of the annual fixed compensation and its variations in the period of time to which the policy refers to, the different parameters to determine the variable components and the main terms and conditions of the contracts of the inside directors, comprising, in particular, their term, compensations for early retirement or early termination and exclusivity, post-contractual non-competence and permanency agreements.*
4. *If the annual report on the director’s remuneration is rejected in the consultative voting by the general shareholders meeting, the remunerations’ policy to be applied for the following financial year must be submitted to the decision of the general meeting, prior to its implementation, even if a three (3) year period of time has not elapsed. The previous rule will not be applicable if the remuneration’s policy has been passed in said same general meeting.*
5. *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.”*

2.7 Proposed amendment of the following articles in in “Title II. The Company’s government. Chapter II.- Company administration. Section 2.- Delegated bodies of the board of directors”: article 41 (“The audit and compliance committee”) and article 42 (“The nomination and compensation committee”)

- Amendment of article 41 (“The audit and compliance committee”), in such a manner that hereinafter it will read as follows:

“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 or non-inside directors. The majority of the members of the audit and compliance committee will be independent and, at least, one (1) of them 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 related to issues within the scope of its responsibilities;

(b) supervising and reviewing the process of preparation and presentation of required financial information;

(c) supervising the effectiveness of the Company's internal control, internal audit and risk management systems, including fiscal risks; 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) submitting to the board of directors the proposal for the selection, appointment, re-election and removal of the outside auditors, as well as the conditions for hiring them and the scope of their professional assignment, and receiving information about the audit plan and its execution, as well as ensuring the auditors' independence;

(e) establishing the appropriate relationships with the outside auditors to receive information regarding such questions as may compromise their independence, for examination by the committee, and any other questions related to the process of auditing accounts, and such other communications as may be contemplated in the accounting and auditing legislation and audit standards.

In any event, they must annually receive from the outside auditors a statement of their independence as regards the entity or directly or indirectly related entities, and information on additional services of any kind and the relevant retribution received from these entities by the aforesaid outside, or by the persons or entities related thereto, in accordance with the provisions of the accounting and auditing legislation.

(f) annually, prior to the issue of the audit report, issuing a report stating an opinion regarding the independence of the auditors. This report must comprise, in any event, the assessment of the provision of additional services referred to in the point above, individually and globally considered, different from the legal audit and in relation to the independence system or the legal provisions on auditing;

(g) prior reporting to the board regarding any matters foreseen by the Act, these articles of association, the board's regulations, and, in particular:

- the financial information that the Company must periodically disclose,*
- the creation or acquisition of shares in entities with special purposes or domiciled in countries or territories that are considered as tax havens;*

(h) 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 their approval, and will see to it that information in respect thereof is communicated to the market as required by law;

(i) supervising compliance with internal codes of conduct, in particular the code of conduct for the securities market;

(j) any such others as may be attributed to it by the Act and other regulations applicable to the Company.

3. *The chairperson of the audit and compliance committee will be appointed from among the independent directors, members of the committee.*
4. *The chairperson must be replaced every four (4) years, and may be re-elected after a term of one (1) year elapses since he/she left office.*
5. *Also, the committee will appoint a secretary and may appoint a vice 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.”*

- Amendment of article 42 (“The nominating and compensation committee”), in such a manner that hereinafter it will read as follows:

“Article 42.- The nomination and remuneration committee

1. *The board of directors will establish a nomination and remuneration committee, on a permanent basis, which will be solely comprised of outside or non-inside 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 nomination and remuneration committee will be appointed by the board of directors.*
2. *At least one (1) of the members of the nomination and remuneration 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 Act, these articles of association and the board’s regulations, the nomination and remuneration committee in any event will have the following authority:*
 - (a) evaluating the competence, knowledge, and experience required in the board. To this end, the committee will determine the functions and skills required for the candidates to cover a vacancy, and will evaluate the precise time and dedication in order to carry out their tasks effectively;*
 - (b) making proposals to the board of directors of independent directors to be appointed by co-option, for submission to decision by the general meeting, and proposals for re-election and removal of those directors by the general meeting;*

(c) reporting on proposals for the appointment of other directors to be appointed by co-option, for submission to decision by the general shareholders meeting, and proposals for re-election and removal of those directors by the general meeting;

(d) reporting on the senior management appointments and removals and the basic conditions of their contracts;

(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. In particular, the committee shall set a target for representation on the board for the least represented gender, establishing guidelines to achieve such target;

(f) examining and organising the succession plan for the president of the board and for the executive director of the Company and, if applicable, suggesting proposals to the board of directors to ensure a smooth and organised transition;

(g) proposing to the board of directors (i) the policy for remuneration of directors and senior managers or any other person who perform senior management duties reporting to the board, the committees or the managing director, (ii) the individual compensation of inside directors and the other terms of their contracts, supervising their implementation, and (iii) the basic terms of contracts of senior managers;

(h) overseeing compliance with the compensation policy set by the Company; and

(i) generally supervising compliance with the Company's applicable corporate governance rules.

4. The nomination and remuneration committee will designate a chairperson 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.”

2.8 Proposed amendment of the following articles in in “Title II. The Company’s government. Chapter II.- Company administration. Section 3.- Annual corporate governance report and website”: article 43 (“Annual corporate governance report”) and article 44 (“Website”). Proposal of introduction of a new article 43 bis (“Annual report on director’s remuneration”)

- Amendment of section 1 of article 43 (“Annual corporate governance report”), in such a manner that hereinafter it will read as follows:

“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 (ownership structure and management) and its functioning in practice, including in particular, transactions with related parties, a description of the principal characteristics of the internal risk control and management systems related to the process of issuance of financial information and its degree of compliance.[...]”

- Introduction of article 43 bis (“Annual report on director’s remuneration”), in such a manner that hereinafter it will read as follows:

“Article 43 bis.- Annual report on director’s remuneration

1. *In addition to the annual report on corporate governance, the board of directors will draft and publish an annual report on the director’s remuneration, which will include the compensations the directors receive or should receive as such directors, and, if applicable, for the performance of execution duties.*
2. *Said report will include complete, clear and comprehensible information on the director’s remuneration policy applicable to the current financial year, as well as a global summary of the implementation of the remuneration policy during the previous financial year and the breakdown of the individual remunerations received by each of the directors under any concepts in said financial year.*
3. *Said report will be disclosed and submitted to a vote by the shareholder’s ordinary general meeting, on a consultative basis and as a separate item on the agenda.”*

- Amendment of section 1 of article 44 (“Website”), to introduce an (n) point, which will read as follows:

“Article 44.- Website

[...]

- n) *The Company’s average period for payment to suppliers and, if applicable, the measures to be taken in the following financial year in order to reduce it and reach the maximum determined in the relevant regulations. [...]*

ITEM THREE ON THE AGENDA

Amendment of the following articles of the General Shareholders Meeting Regulation, in order to adjust them to the amendments introduced by recently approved regulation and to introduce certain technical improvements

- 3.1 Proposed amendment of the following article in “Title I.- Introduction”: article 5 (“Construction”)**
- 3.2 Proposed amendment of the following articles in “Title II.- Function, types and powers of the general meeting”: article 7 (“Nature of the general meeting”) and article 9 (“Powers of the general meeting”)**
- 3.3 Proposed amendment of the following articles in “Title III.- Calling of general meetings”: article 10 (“Calling of general meetings”), article 11 (“Notice of meetings”), article 12 (“Addition to the notice”) and article 13 (“Shareholders’ right to information”)**
- 3.4 Proposed amendment of the following articles in “Title VI.- Progress of general meetings”: article 22 (“Incorporation of a general meeting”) and article 28 (“Right to information during general meetings”)**
- 3.5 Proposed amendment of the following articles in “Title VII.- Adoption, documentation and publication of resolutions”: article 31 (“Voting on resolutions”) and article 33 (“Adoption of resolutions”)**

PROPOSAL FOR RESOLUTION ON ITEM THREE

It is proposed that the General Meeting approve the amendment to the articles of the General Shareholders Meeting Regulations under the terms of the proposal included in the Board of Directors’ Report drawn up for this purpose and made available to the shareholders as from the date of the call of this General Meeting.

The purpose of the proposed amendments to the General Shareholders Meeting Regulations are (i) to include the legal changes introduced as a result of the entry into force, on 4 December 2014, of Law 31/2014, amending the Companies Act to improve corporate governance (“**Law 31/2014**”) and (ii) to improve and perfect the wording of such Regulations with a view to complete and clarify some articles, as well as to include some technical improvements and amendments on corporate governance.

Specifically, it is proposed to modify the following articles of the General Shareholders Meeting Regulations, grouped under each Title of said Regulations which bring together a group of articles which are considered substantially independent:

3.1 Proposed amendment of the following article in “Title I.- Introduction”: article 5 (“Construction”)

- Amendment of section 1 of article 5 (“Construction”), in such a manner that hereinafter it will read as follows:

“Article 5.- Construction

1. *These regulations develop and complement the law and articles of association applicable to the general shareholders meeting, which shall prevail in the event of an inconsistency, and shall be construed in accordance with the applicable provisions contained in the law and the articles of association and with the principles and recommendations on corporate governance applicable to listed companies, fundamentally observing their aim and spirit.[...]*

3.2 Proposed amendment of the following articles in “Title II.- Function, types and powers of the general meeting”: article 7 (“Nature of the general meeting”) and article 9 (“Powers of the general meeting”)

- Amendment of section 1 of article 7 (“Nature of the general meeting”), in such a manner that hereinafter it will read as follows:

“Article 7.- Nature of the general meeting

1. *The general meeting is the Company’s supreme and sovereign body, bringing together all its duly called shareholders to deliberate and decide, with the majorities required in each case by the law or by the articles of association, on the matters within its remit, and to inform them of any other matters which may be deemed appropriate by the board of directors.[...]*

- Amendment of section 2 of article 9 (“Powers of the general meeting”), in such a manner that hereinafter it will read as follows:

“Article 9.- Powers of the general meeting

[...]

2. *In particular, the general meeting shall decide on the following matters:*

(a) Establishing the number of directors, within the limits stipulated by the articles of association.

(b) Appointment and removal of directors, as well as the ratification of directors designated through a co-option procedure.

(c) Approving, on a consultative basis and as a separate item in the agenda, the annual report on directors’ remuneration.

(d) Appointment and removal of accounts auditors and of the liquidators, if applicable.

(e) Approval of the statements of the previous year, of the allocation of results and of the corporate management.

(f) Any increase or decrease in the capital stock, including a delegation to the board of directors of the power to increase the capital stock.

(g) Elimination or limitation of preferential subscription rights.

(h) Issue of obligations and other securities and delegation of the right of issue to the board of directors.

(i) Authorisation for the derivative acquisition of own shares.

(j) Approval and amendment of these general shareholders meeting regulations.

(k) Amendments of the articles of association.

- (l) Approval of the policy on directors' remunerations, in accordance with the terms set out in the Act.*
- (m) Approval of the Company's directors remuneration systems, in the form of shares or rights over shares or linked to the value of the shares.*
- (n) Granting the directors the exemptions regarding the prohibitions deriving from the duty of loyalty, when the granting of said exemptions lies with the general meeting, as well as the exemption regarding non-compete obligation duties.*
- (o) A merger, spin-off, transformation, dissolution and global assignment of the Company's assets and liabilities.*
- (p) A transfer of the Company's registered address abroad.*
- (q) Transformation of the Company into a holding company, through "subsidiarisation", the incorporation or transfer into dependent companies of basic activities developed by the Company itself until then, even if the latter remains as the full legal owner thereof. An activity is presumed to be essential when the relevant amount of the transaction exceeds twenty-five per cent (25%) of the total assets in the balance sheet.*
- (r) The acquisition, disposal or contribution of essential assets to another company. An asset is presumed to be essential when the relevant amount of the transaction exceeds twenty-five per cent (25%) of the value of the total assets according to the last balance sheet approved.*
- (s) The winding up of the Company, as well as any operations with an effect equivalent to the Company's liquidation and the approval of the liquidation balance sheet.*
- (t) The exercise of actions of social responsibility against directors and liquidators.*
- (u) Any other matter, as defined by the law or the articles of association, or submitted to it for a decision by the board of directors."*

3.3 Proposed amendment of the following articles in "Title III.- Calling of general meetings": article 10 ("Calling of general meetings"), article 11 ("Notice of meetings"), article 12 ("Addition to the notice") and article 13 ("Shareholders' right to information")

- Amendment of section 2 of article 10 ("Calling of general meetings"), in such a manner that hereinafter it will read as follows:

"Article 10.- Calling of general meetings

[...]

2. Notwithstanding the foregoing, the board of directors must necessarily call a general meeting in the following cases:

- (a) In the case of an ordinary general meeting as provided for in article 8.2 above; and*
- (b) When so requested by one or more shareholders holding at least three per cent (3%) of the capital stock, and the request must state the matters to be dealt with. In such a case, the meeting must be called in order to be held within the term provided*

in the law. The board of directors shall draw up the agenda, which must include the matter or matters to which the request related and, if applicable, any other matter it may deem appropriate or desirable.”

- Amendment of sections 7 and 8 of article 11 (“Notice of meetings”) and introduction of a new section 5, in such a manner that hereinafter they will read as follows:

“Article 11.- Notice of meetings

[...]

5. *The general shareholders meeting’s announcement will contain, in addition to the contents legally required, the date in which the shareholder must have the shares registered under its name in order to participate and vote at the general meeting, the place and form required to obtain the full text of the documents and proposals, and the Company’s website address on which the information will be available.*

[...]

7. *From the date of publication of the notice of the meeting until, at least, the general meeting is held, all the information which must by law be made available to shareholders, as well as any which may be deemed convenient in order to facilitate shareholders’ attendance at, and participation in, the general meeting, including at least the following, shall be made available on the Company’s website:*

(a) The calling announcement.

(b) The total number of shares and voting rights at the date of the call, itemised by types of shares, if any.

(c) The documents to be presented to the general meeting, with information on the agenda, and, in particular, the reports issued by the directors, account auditors and independent experts.

(d) The full version of any resolution proposals on each and every one of the items in the agenda or, in relation to those items of merely informative nature, a report issued by the competent bodies commenting each one of those items. Upon receipt, any resolution proposals presented by the shareholders further to article 12 herein shall also be included.

(e) If a proposal is made to the general meeting for the passing of a resolution relating to the appointment, re-election or ratification of a director, it will include its identity, curriculum vitae and the category of each one, as well as (i) information on the director’s professional and personal background; (ii) specification of any other boards of directors of which he/she is a member, regardless of whether or not they are of listed companies, as well as the rest of the relevant income-generating activities that he/she carries out, regardless of their nature; (iii) specification of the category of director he/she is and in the case of directors representing significant shareholders (consejeros dominicales), the shareholder he/she represents or to which he/she is related; and, where applicable, (iv) the date of his first appointment as director of the Company, as well as of any subsequent re-election, and any shares or share options in the Company which may be held by him/her. In case of being a legal person, the information must include the natural person who is going to be appointed for the permanent exercise of the faculties associated with the position.

(f) *The communication channels between the Company and the shareholders and, in particular, any explanations which may be appropriate to enable shareholders to exercise their right to information, including the e-mail and postal addresses at which they may contact the Company.*

(g) *The methods and procedures for granting proxies at general meetings.*

(h) *The methods and procedures for distance and by proxy voting at general meetings including, where applicable, attendance proof forms and voting by remote electronic means. If, due to technical reasons, no publication can be made on the website, the Company shall indicate how to obtain the forms in paper format, which shall delivered to any shareholder who requests them. Any additional information which, in the opinion of the board of directors, helps to increase shareholders' knowledge regarding the exercise of their rights in connection with the general meetings and the matters to be dealt at it, as well as any other relevant information that shareholders may require in order to vote.*

8. *The Company shall make its best efforts to embed into its website, as soon as possible since the date in which the meeting is called, an English version of the information and main documents related to the general shareholders meeting. This English version will not be binding and the Company will not assume any liability whatsoever for its content. In the event of inconsistency between the Spanish and English versions, the former shall prevail."*

- Amendment of article 12 ("Addition to the notice"), in such a manner that hereinafter it will read as follows:

"Article 12.- Addition to the notice

1. *Any shareholders representing, at least, three per cent (3%) of the capital stock may request that an addition be published to the call of an ordinary general meeting, including one or more points in the agenda, as long as the new points include an explanation or, if applicable, a justified resolution proposal.*
2. *This right must 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.*
3. *The addition to the call must be published, at least, fifteen (15) days before the date scheduled for the meeting. Failure to publish an addition to the call within the timeframe that is legally established will render the meeting challengeable.*
4. *Furthermore, any shareholders representing at least three per cent (3%) 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, and will disclose the model of attendance card or proxy appointment or remote voting form duly modified so that new agenda items and alternative proposals can be voted on in the same terms as those submitted by the board of directors."*

- Amendment of article 13 ("Shareholders' right to information"), in such a manner that hereinafter it will read as follows:

“Article 13.- Shareholders’ right to information

1. *The Company shall comply with its information obligations vis-à-vis shareholders if possible through its website, without prejudice to the shareholders’ right to request information in writing in accordance with the applicable legislation.*
2. *As of the very publication date of the call of a general meeting and until the fifth day, inclusive, preceding the date scheduled for the meeting, the shareholders may request any information or clarification they deem appropriate regarding any items on the agenda, or present in writing the questions they deem relevant. Furthermore, with the same prior notice and in the same manner, shareholders may request the directors any clarifications they deem necessary on any information accessible to the public that the Company may have provided to the CNMV since the last general meeting was held and in relation to the auditor’s report.*
3. *During the general meeting, the shareholders may verbally request any information or clarification they deem appropriate on the matters included in the agenda. If it is not possible to comply with the shareholders’ right at that moment, the board of directors shall provide the requested information in writing within seven (7) days following the adjourning of the meeting.*
4. *The valid requests for information, clarifications or questions presented in writing, and the answers presented in writing by the directors will be included in the Company’s website.*
5. *The board of directors must provide the information requested in accordance with the preceding paragraphs in the manner, and within the times stipulated in the articles of association, these regulations and the law, except in those cases in which:*
 - a) the requested information is unnecessary for the protection of the shareholder’s rights, there are objective reasons to believe that the requested information may be used for non-corporate purposes or its disclosure may damage the Company or related companies;*
 - 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 is clearly, expressly 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, the twenty-five per cent (25%) of the capital stock.
6. *The board of directors may authorise any of its members, its secretary, its vice-secretary or any other person it may deem appropriate so that any of them may, for and on behalf of the board of directors, respond to the shareholders’ requests for information.*
7. *Associations of shareholders that may have been incorporated within the Company and which represent at least one per cent (1%) of the capital stock, as well as*

shareholders who, individually or jointly, own a stake of at least three per cent (3%) of the capital stock, shall have the right to obtain, at any time, the data corresponding to the shareholders, in order to facilitate communication with the shareholders themselves for the exercise of their rights and furthering their common interests, in the terms set out by law.”

3.4 Proposed amendment of the following articles in “Title VI.- Progress of general meetings”: article 22 (“Incorporation of a general meeting”) and article 28 (“Right to information during general meetings”)

- Amendment of section 2 of article 22 (“Incorporation of a general meeting”), in such a manner that hereinafter it will read as follows:

“Article 22.- Incorporation of a general meeting

[...]

2. *Pursuant to article 194 of the 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, 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 attending, in person or by proxy, that hold, at least, fifty per cent (50%) of the subscribed capital stock with voting rights. At second call, it will suffice for twenty-five per cent (25%) of said capital stock to attend. However, if shareholders attending, either in person or by proxy, represent less than fifty per cent (50%) of the subscribed capital stock with voting rights, the resolutions referred to in this paragraph may only be validly adopted with the favourable vote of two thirds of the capital stock present or by proxy at the meeting. In any case, if the share capital, present or by proxy, exceeds fifty per cent (50%), in first or second call, an absolute majority shall suffice to deem the resolution passed. [...].”*

- Introduction of a new section 1 of article 28 (“Right to information during general meetings”), in such a manner that hereinafter it will read as follows:

“Article 28.- Right to information during general meetings

1. *During the ordinary general meeting, supplementing the written information circulated in the annual corporate governance report, the chairperson of the board shall verbally inform the shareholders in sufficient detail of the most relevant aspects of the company’s corporate governance, and, in particular, of (i) changes taking place since the previous ordinary general meeting, and (ii) the specific reasons for the Company not following any of the recommendation on corporate governance approved in Spain by the relevant authority, and any alternative procedures followed in its stead. [...].”*

3.5 Proposed amendment of the following articles in “Title VII.- Adoption, documentation and publication of resolutions”: article 31 (“Voting on resolutions”) and article 33 (“Adoption of resolutions”)

- Amendment of article 31 (“Voting on resolutions”), in such a manner that hereinafter it will read as follows:

“Article 31.- Voting on resolutions

1. *Once the chairperson is of the opinion that the matter has been sufficiently discussed, it shall be put to a vote. The chairperson shall be in charge of establishing the voting system he may deem most appropriate and directing the resulting process, where applicable in accordance with the implementing rules laid down in these regulations.*
2. *The process for passing resolutions shall be carried out in accordance with the agenda included with the notice. In relation to each item of the agenda, votes shall be taken as follows: first, on the proposals made by the board of directors; and, second, on those proposed by other parties, in the order which may be stipulated by the chairperson. If there are any proposals relating to matters which may be resolved on by the general meeting in spite of not having been included in the agenda, the chairperson shall decide when they are to be voted on and in which order.*
3. *Each item in the agenda shall be voted on separately. In addition, separate votes shall be taken on matters which are substantially independent, in particular (i) the appointment, ratification, re-election or removal of each director, which must be voted on individually, and (ii) when amending the articles of association, those articles or groups of articles which are substantially independent. This rule shall not apply to proposals which are non-divisible or constitute a unit in themselves, such as those relating to the approval of the full or consolidated text of the articles of association or the regulations of the general meeting.*
4. *Notwithstanding the foregoing, if this is advisable in view of the circumstances, the chairperson may order that proposals relating to several items of the agenda be put to a vote together. In such a case, the result of the vote shall be deemed to have been individually rendered for each proposal provided none of the attendees express a wish to change the way they voted in relation to any of them. Otherwise, the voting changes expressed by each attendee and the outcome of the vote taken for each proposal as a result thereof shall be recorded in the minutes.*
5. *Once a proposal for a resolution has been approved, all other proposals relating to the same matter which are incompatible with it shall be automatically dismissed and no vote shall therefore be taken in relation to them.*
6. *It shall not be necessary for the secretary to explain or read out in advance any proposals whose wording was made available to shareholders prior to the meeting, unless requested by any shareholder or deemed appropriate by the chairperson, in relation to either the full proposal or a part thereof. The attendees shall in any event be told to which item of the agenda the proposal being voted on relates.*
7. *Unless the chairperson decides to use an alternative method, resolutions shall be voted on in accordance with the following procedure for voting and establishing how each vote is cast:*
 - (a) *In the case of resolutions on matters included in the agenda, the following shall be deemed to be votes in favour: the votes relating to all the shares present or represented at the meeting according to the attendance list, minus the votes relating to:*

(i) The shares whose holders or representatives have informed the secretary, the Notary Public or the personnel assisting them, that they are leaving the meeting before the vote in question;

(ii) The shares whose holders or representatives state that they are voting against the resolution, abstaining or casting a blank vote, by notifying or expressing their vote to the secretary, the Notary Public or the personnel assisting them, so that it may be recorded in the minutes;

(iii) The shares whose holders or representatives have voted against the resolution, cast a blank vote, or expressly abstained, by means of a postal vote or electronic communication in accordance with the articles of association and these regulations.

(b) In the case of resolutions on matters not included in the agenda, the following shall be deemed to be votes against: the votes relating to all the shares present or represented at the meeting according to the attendance list, minus the votes relating to:

(i) The shares whose holders or representatives have informed the secretary, the Notary Public or the personnel assisting them, that they are leaving the meeting before the vote in question;

(ii) The shares whose holders or representatives state that they are voting in favour of the resolution, abstaining or casting a blank vote, by notifying or expressing their vote to the secretary, the Notary Public or the personnel assisting them, so that it may be recorded in the minutes;

(iii) The shares whose holders or representatives have voted in favour of the resolution, cast a blank vote, or expressly abstained, by means of a postal vote or electronic communication in accordance with the articles of association and these regulations.

- 8. Notwithstanding the provisions of the preceding paragraph, the chairperson may establish any other voting system which makes it possible to verify that the necessary votes in favour have been obtained to approve the resolution and record the outcome of the vote in the minutes. In any event, and regardless of the voting system used, shareholders wishing to do so may record their dissent to the resolution in the minutes. If the vote was not carried out orally, this must be done by stating such dissent expressly to the secretary, or to the Notary Public if one is in attendance to take the minutes of the meeting.*
- 9. In order to adopt any resolution, shares, either present or represented, shall not be deemed attending when, as defined by law or the articles of association, they may not exercise their right to vote. Consequently, said shares shall be deducted from the attendance list for the purposes of calculating the majority of votes required.*
- 10. Whenever this is legally possible,, votes may be broken down so that financial intermediaries appearing authorised as shareholders but acting on behalf of several clients can issue their votes in accordance with their clients' instructions. To do this, financial intermediaries will inform the Company, within seven (7) days prior to the date scheduled for the meeting, of the number of shares with*

respect to which a voting right is exercised on their behalf and any voting instructions received from the intermediary, as the case may be.

11. *A financial intermediary may delegate its vote to a third party designated by the client, without any restriction on the number of proxies granted.*
12. *The exercise of the right to vote in the general meeting by shareholders having a conflict of interest shall be subject to the terms and conditions set forth by the law in force. In particular, a shareholder shall not be entitled to exercise the right to vote associated with its shares when the issue at hand calls for a company decision on the allocation of a right or the release from an obligation; providing financial assistance, including grating of guarantees likewise to its benefit; or waiver of the obligations deriving from the loyalty duty.”*

- Amendment of section 2 of article 33 (“Adoption of resolutions”), in such a manner that hereinafter it will read as follows:

“Article 33.- Adoption of resolutions

[...]

2. *Resolutions of the general meeting shall be passed by simple majority of the votes of the capital stock present or by proxy; deeming passed a resolution when more favourable votes than against have been obtained of the share capital, present or by proxy. This shall not apply to those cases in which a larger majority is required by the Company Act or the articles of association.*

In particular, in the cases envisaged in article 194 of the Capital Company Act, if the share capital, present or by proxy, exceeds fifty per cent (50%) an absolute majority shall suffice to deem the resolution passed. This notwithstanding, resolutions shall be adopted by a favourable vote of two thirds of the capital present or represented if the meeting is attended on second call by shareholders representing twenty-five per cent (25%) or more, but less than fifty per cent (50%), of the subscribed capital stock with voting rights.”



ITEM FOUR ON THE AGENDA

Approval, if applicable, of the maximum remuneration payable to the members of the Company's Board of Directors, in their condition as board members

PROPOSAL FOR RESOLUTION ON ITEM FOUR

It is proposed that, in accordance with Article 39.1 of the Articles of Association (in the proposed wording under item two of the agenda) and with Articles 217.3 and 529 *septdecies* of the Companies Act, the General Meeting approves the maximum gross annual remuneration payable to members of the Board of Directors, in their condition as such, which may amount to a maximum of (€1,500,000) to be allocated jointly to the members of the Board of Directors, in their condition as such.

Such amount will remain in effect until an amending resolution of the Company's General Meeting is adopted. The amount of this remuneration corresponds to the members of the Board of Directors for the performance of their functions as directors, independently of the amounts received by executive directors for the performance of their upper management or senior executive functions or as employees of the Company or any of the companies belonging to its group.

As set forth in article 39.2 of the Articles of Association (in the proposed wording under item two of the agenda), the Board of Directors of the Company shall distribute the agreed amount (subject to the maximum amount above referred) among its members taking into account, mainly and among other factors, the duties and responsibilities held by each Director, the membership in Committees and any other objective circumstance that the Board may deem relevant.



ITEM FIVE ON THE AGENDA

Approval of delivery, in the form of Company shares, of part or of the total amount of the remuneration of the Company's Board of Directors, in their condition as board members

PROPOSAL FOR RESOLUTION ON ITEM FIVE

It is proposed that, in accordance with Article 39.4 of the Articles of Association, 50% of the gross annual remuneration of the members of the Board of Directors for the financial year 2015 be paid in shares of the Company, with the remaining 50% therefore being paid in cash.

Both the cash and the shares corresponding to each one of the Directors shall be paid as from 15 December 2015 (including, in this case, the retribution for the month of December).

As regards the maximum number of shares to be paid as remuneration for the position of Director in the 2015 financial year, this figure shall be calculated as the result of dividing 50% of the remuneration of each Director by a market reference that, for the financial year 2015, corresponds to the volume weighted average price (VWAP) of the closing prices of the DIA share during the previous 15 working stock market days up to 20 February 2015 (inclusive).

Non-executive directors must remain titleholders of the shares until the time at which they cease to be directors.



ITEM SIX ON THE AGENDA

Reduction of share capital by redemption of own shares charged against available reserves and without the right to opposition by creditors

PROPOSAL FOR RESOLUTION ON ITEM SIX

1. “Share Capital Reduction through amortisation of own shares acquired through a buy-back programme

It is proposed to the General Shareholders Meeting to reduce the share capital by the aggregate nominal value, to the maximum indicated as follows, representing 40,500,000 corporate shares each with a nominal value of 0.10 euros, accounting approximately for 6.22% of DIA share capital, to be acquired for amortisation through the Buy-back Programme approved by the Board of Directors on 20 February 2015, still valid until 16 September 2015.

The Buy-back Programme is subject to two quantitative limits regarding the amount of the investment and the shares to be acquired:

- (i) The maximum investment in the Buy-back Programme will be 200 million euros. For the purposes of calculating the maximum investment amount only the acquisition price of the shares will be computed, therefore excluding any charges, commissions or brokerage fees, which could be incurred during the acquisition transactions.
- (ii) The number of shares to be acquired under the Buy-back Programme may not exceed 40,500,000 representing approximately 6.22% of DIA share capital on the date this agreement proposal is drafted.

Consequently, the maximum capital reduction figure will be the amount in euros of the aggregate nominal amount of the maximum number of own shares, of 0.10 euros nominal value each, which will be acquired through the Buy-back Programme in accordance with the aforementioned thresholds.

As per that described as follows, the definitive capital reduction will be determined by the Company’s Board of Directors in accordance with the final number of shares acquired under the Buy-back Programme.

Once the capital reduction process has been completed, Article 5 of DIA’s Articles of Association will be amended to include the new share capital amount and the new number of circulating shares, which will read as follows:

“Article 5.- Share Capital

- 1. The capital stock amounts to [●] ([●] Euros) and is fully subscribed and paid up.*
- 2. The capital stock consists of [●] ([●]) shares, with a face value each of ten cents of a euro (0.10 Euros), belonging to the same class and series.”*

2. Procedure for acquisition of shares that will be amortised under the Buy-back Scheme

Regardless of any shares that DIA already holds as own shares, and in view of the provisions determined in the agreement by the Board of Directors reached at the meeting held on 20 February 2015, the Company will be able to acquire, in accordance with the Buy-back Programme aimed at all shareholders, a maximum number of 40,500,000 shares for amortisation, representing approximately 6.22% of the Company’s share capital on the date



the Buy-back Programme is announced. This amount is within the legal limit and the envisaged limit in the authorisation for acquisition of own shares conferred by the former sole shareholder of DIA on 9 May 2011.

In accordance with the provisions set forth in the aforementioned agreement by the Board of Directors, acquisition of own shares will take place under the price and volume conditions set forth in Article 5 of the Commission Regulation (EC) N° 2273/2003, of 22 December 2003 (the "EC Regulation") and for the purpose of reducing the Company's share capital.

In view of the foregoing and Article 340.3 of the Companies Act, if the Company does not acquire the maximum number of 40,500,000 own shares under the Buy-back Programme, the capital will be reduced by the corresponding quantity of shares effectively acquired under the Buy-back Programme.

Consequently, the acquisition of the shares will be carried out under the terms envisaged in Articles 144 a) and 338 to 342 of the Companies Act, insofar as they are applicable, Article 12.2 of Royal Decree 1066/2007 of 17 July and the EC Regulation, without it being necessary to prepare a public takeover bid on the shares that the Company intends to amortise.

3. Procedures for capital reduction and reserves charged to those made

The capital reduction will be charged against available reserves or voluntary reserves, making the relevant provision of reserve from amortised capital for an amount equal to the nominal value of the own shares effectively amortised, which may only be drawn from by meeting the requirements required for share capital reductions in accordance with Article 335.c) of the Companies Act. In accordance with the aforementioned article, DIA's creditors may not exercise the right to challenge envisaged in Article 334 of the Companies Act.

In line with the provisions of Article 342 of the Companies Act, the capital reduction must be carried out within the month following the end of the Buy-back Programme and will not entail refund of contributions to shareholders given that the Company will be the holder of the shares to be amortised.

4. Ratification of agreements by the Board of Directors

It is agreed to ratify the agreements carried out by the Board of Directors concerning approval of the Buy-back Programme and the establishment of the terms and conditions, including the maximum number of shares to be acquired and the validity period, whilst also ratifying the action, statements and management carried out to date concerning public announcement of the Buy-back Programme.

5. Delegation of powers

It is agreed to empower the Company's Board of Directors with specific powers of substitution, so that, within a term that does not exceed nine months from the date this agreement is reached, proceed to its execution, being competent to determine any items and conditions that have not been specifically defined therein, or that are consequential to it.

In particular, and for informative purposes only, the Board of Directors is vested with the following specific powers:

- (i) to declare the Capital Reduction finalised and completed, determining, for this purpose, the final number of shares to be amortised and therefore the amount by which the Company's share capital is to be reduced in accordance with the rules established



in this agreement, and to appear before a Notary Public to grant the relevant deed of capital reduction.

- (ii) to redraft Article 5 of the Articles of Association to include the new share capital quantity and the number of operating shares after the Capital Reduction.
- (iii) To perform any other action, make statements or management procedures that may be required for public disclosure of the Buy-back Programme and whatever else may be required before the regulating bodies and the Spanish Stock Markets to negotiate, agree and undersign any contracts, agreements, commitments or instructions that are necessary or appropriate for the best outcome of the Buy-back Programme and the Capital Reduction.
- (iv) To carry out the necessary procedures and actions, and submit any required documents before the competent bodies so that, once the Company's shares have been amortised and the capital reduction deed granted and registered with the Mercantile Registry, the amortised shares are excluded from negotiation on the Madrid, Barcelona, Bilbao and Valencia Stock Markets through the Stock Market Interconnection System, and the relevant accounting entries are cancelled out; and
- (v) To carry out any necessary or appropriate action to execute and formalise this Capital Reduction agreement before any entity or public or private body, whether Spanish or foreign, including any required action for obtaining any authorisation or consent from third parties required to the Company, as well as any statements, complements or corrections of flaws or omissions that could prevent or hinder full effectiveness of the preceding agreements, and the publication of announcements, relevant facts and all other communication required for this purpose. .

The Board of Directors is specifically authorised to in turn delegate the powers referred to in this agreement in accordance with the provisions established in Article 249.2bis I) of the Companies Act.



ITEM SEVENTH ON THE AGENDA

Authorisation to the Board of Directors for the acquisition of the Company's own shares under the terms provided by law

PROPOSAL FOR RESOLUTION ON ITEM SEVENTH

It is proposed that the General Meeting expressly authorises the Board of Directors, with express power of substitution, pursuant to the provisions of section 146 of the Companies Act, to carry out the derivative acquisition of shares of the Company upon the following terms:

- (a) The acquisitions may be made directly by the Company or indirectly through its subsidiaries, on the same terms set forth in this resolution.
- (b) The acquisitions shall be made through purchase and sale, exchange, or any other transaction permitted by law.
- (c) The acquisitions may be made, at any time, up to the maximum amount permitted by law.
- (d) The acquisitions may not be made at a price greater than the listing price of the shares or lower than the par value of the shares.
- (e) This authorisation is granted for a maximum period of five years from the adoption of this resolution.
- (f) The shareholders' equity resulting from the acquisition of shares, including those that the Company or the person acting in their own name but for the account of the Company has previously acquired and holds as treasury shares, shall not be less than the amount of share capital plus the reserves that are restricted under the law or the Articles of Association all pursuant to the provisions of letter b) of section 146.1 of the Companies Act.

It is expressly stated that the shares acquired pursuant to this authorisation may be disposed of, cancelled, or allocated to the remuneration systems provided for in paragraph three of letter a) of Article 146.1 of the Companies Act, as well as to develop programs to foster the acquisition of interests in the Company such as, for example, dividend reinvestment plans, loyalty bonuses, or similar instruments.

This resolution cancels and deprives of effect, to the extent of the unused amount, the authorisation for the derivative acquisition of the Company's own shares granted by the former sole shareholder of the Company on 9 May 2011.



ITEM EIGHTH ON THE AGENDA

Delegation of powers to amend, complement, enforce and develop the resolutions adopted by the General Meeting for their formalization and registration and for the required filing of accounts

PROPOSAL FOR RESOLUTION ON ITEM EIGHTH

It is proposed to agree, without prejudice to the delegations of power already agreed by the Meeting, the delegation, under the widest terms, to the Board of Directors, to the non-board member Secretary and the non-board member Vice-Secretary, with powers of substitution by any of the members, jointly and severally, of all such powers as may be necessary to interpret, execute and put into full effect the resolutions adopted by this General Meeting, including the execution of all such public and private documents that are necessary, the publication of any announcements which may be legally required, the registration in any registers which may be opportune and the performance of such acts and procedures that may be necessary to such end, and, among others, the power to remedy, clarify, interpret, complete, define or specify, as appropriate, the resolutions adopted and, in particular, to remedy the defects, omissions or errors which may be detected, including those noted in the verbal or written observations of the Commercial Registry, which may hinder the effectiveness of the resolutions, and also, in particular, to file the company accounts as required with the Commercial Registry.



FOR CONSULTATION PURPOSES ONLY

ITEM NINTH ON THE AGENDA

Annual report on remuneration paid to Company directors for the 2014 financial year

PROPOSAL FOR RESOLUTION ON ITEM NINTH

The Board of Directors, pursuant to article 541 of the Companies Act, has drawn up an annual report on the remuneration paid to the members of the Board of Directors corresponding to the 2014 financial year, which has been made available to shareholders as from the date this General Meeting is called and which, after receiving the favourable prior report of the Nomination and Remuneration Committee, it is submitted to the General Shareholders Meeting for consultative vote, as a separate item of the Agenda.

Consequently, it is proposed to approve, on a consultative basis, the annual report on directors' remuneration corresponding to the 2014 financial year.

Additionally, pursuant to the transitional provision set forth in Law 31/2014, of 3 December, amending the Companies Act to improve corporate governance, it is hereby stated that, if the annual report on remuneration for the financial year 2014 is approved, the remuneration policy for directors included in said report shall be deemed to have been equally approved for the purposes of Article 529 novodecies of the Companies Act.



FOR INFORMATION PURPOSES ONLY

ITEM TEN ON THE AGENDA

Information on amendments to the Company's Board of Directors Regulation in order to adjust them to the amendment introduced by recently approved regulation and to introduce certain technical improvements

PROPOSAL FOR RESOLUTION ON ITEM TENTH

The General Meeting, in accordance with Article 528 of the Companies Act, takes note of the amendment of certain articles of the Board of Directors Regulations under the terms of the Board of Directors' Report drawn up for this purpose and made available to shareholders as from the call of this General Meeting, in order to (i) incorporate the regulatory changes introduced as a result of the entry into force of Law 31/2014, amending the Companies Act to improve corporate governance ("**Law 31/2014**"), (ii) introduce some recommendations arisen from the Good Governance Code, approved by the CNMV on 18 February 2015, and (iii) to introduce certain technical improvements in the wording in order to clarify certain provisions.