

**CORPORATE BYLAWS**  
**LABORATORIOS FARMACÉUTICOS ROVI, S.A.**

**Version approved by the General Shareholders Meeting at its meeting of 17 June**  
**2021**

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**TITLE I.- COMPANY NAME, PURPOSE, DURATION Y REGISTERED ADDRESS**

**Article 1.- Company name**

The Company's name is LABORATORIOS FARMACÉUTICOS ROVI, S.A. (the "Company").

**Article 2.- Corporate purpose**

The Company's corporate purpose is:

- a) The purchase, manufacture, storage, marketing and intermediation related to the sale of all classes of medicines, health products and pharmaceutical products, as well as all kinds of raw materials used in preparing these medicines, health products and pharmaceuticals products, including any other complementary or subsidiary activity derived from or resulting in these activities.
- b) The purchase, manufacture, storage, marketing and intermediation in the sale of all cosmetic, chemical, biotechnological and food products, as well as diagnostic devices for human use, veterinary, agrochemical and food use, together with all classes of tools, ancillary devices and accessories for the chemical, pharmaceutical and clinical industry, including any other complementary or subsidiary activity derived or resulting in these activities.
- c) Research into the principles and products referred to in points a) and b) above.
- d) The purchase, sale, rental, subdivision and urban development of plots, land and properties of any kind, including building on them and transfer of ownership, either in full, in part, or as commonhold.
- e) Direction and management of the Company's holding in the share capital of other entities, through the appropriate organisation of personal and material resources.

The Company may engage in the activities forming its corporate purpose in full or in part; either directly, by itself, or indirectly, by holding shares, equity holdings or any other rights or interest in companies or other entities with or without a legal personality, resident in Spain or abroad, dedicated to the same or similar activities as those included in the Company's purpose.

**Article 3.- Registered office**

The registered office is in Madrid, at calle Julián Camarillo 35, which is the location of the place of the Company's central administration and management.

The Board of Directors may move the registered office within Spain, or establish, remove or transfer the manufacturing, commercial, administrative or storage establishments, agencies, representative offices, delegations or branches, to any point in Spain or abroad.

**Article 4.- Duration**

The Company has been formed for an indefinite term. It began its operations on the date the memorandum of association.

**TITLE II.- SHARE CAPITAL AND SHARES**

**Article 5.- Share capital and shares**

The share capital is 3,364,137.90 euros. It is divided into 56,068,965 ordinary shares with a par value of 0.06 euros each, belonging to a single class and series. All the shares are fully subscribed and paid, and all grant their holders the same political and economic rights.

**Article 6.- Form of the Shares**

The shares are book-entry securities and are constituted as such by virtue of registration in the corresponding accounting records. They will be governed by the Stock Market Act (*Ley de Mercado de Valores*) and other additional provisions.

The legitimisation for the exercise of the rights of the shareholders, including transfer, is obtained through registration in the accounting records, which presumes legitimate ownership and allows the registered owners to require that the Company recognises them as shareholders. Legitimation may be accredited by the appropriate certificates issued by the entity responsible for maintaining the corresponding accounting records.

If the Company makes any payment in favour of the person who appears as owner in the accounting records, the Company will be released from the corresponding obligation, even though the latter is not the beneficial owner of the shares, provided that the action is carried out in good faith and blamelessly.

If the person who appears legitimated in the book entries of the accounting records is legitimate in virtue of a fiduciary title or other of a similar obligation, the Company may require him to reveal the identity of the beneficial owners of the shares, as well as the any acts of transfer and liens over them.

**Article 7.- Shares without voting rights**

The General Meeting may agree to issue shares without voting rights with a par value not greater than half the paid-up share capital.

The owners of shares without voting rights shall have the right to receive a minimum dividend paid for each share without voting rights, which must be agreed by the General Meeting; once the minimum dividend has been agreed, the holders of the shares without voting rights shall have the right to the same dividend as corresponds to ordinary shares.

**Article 8.- Condition of shareholder: rights inherent to this condition**

A share confers on its legitimate holder the condition of shareholder, and implies the acceptance by the holders of these Bylaws and the resolutions validly adopted by the Company's governing bodies, while entitling them to exercise the rights inherent to their condition under these Bylaws and the law.

Under the terms established by law, and except for cases legally provided for, shares confer on their owners at least the following rights:

- a) Participation in the appropriation of corporate earnings and in the equity resulting from liquidation.
- b) Pre-emptive rights in the issuance of new shares or debentures convertible into shares.
- c) Attendance and vote at General Meetings under the terms established in these Bylaws and right to challenge corporate resolutions.
- d) The right to vote may not be exercised by shareholders who are in past-due in payment of pending outlays, or with respect to any shares without voting rights.
- e) Information, in the legally established terms.

**Article 9.- Co-ownership of shares**

The shares are indivisible. The co-owners of a share are jointly and severally liable to the Company for any obligations derived from their status of shareholders, and must designate a single person to exercise in their name the rights inherent to said status. The identity of this person must be notified to the Company as necessary. Any jointly owned shares will also be registered in the corresponding accounting records in the name of all the co-owners. The same rule will apply to the other cases of co-ownership of rights over shares.

**Article 10.- Usufruct of shares**

In the case of usufruct of shares, the status of shareholder lies with the bare owner, but the usufructuary will have the right in all cases to the dividends agreed by the Company during his usufruct. The usufructuary is obliged to facilitate the exercise of the bare owner's rights. The relations between the usufructuary and bare owner will be governed by the document creating the usufruct, or where necessary, by the law.

**Article 11.- Pledging shares**

In the case of pledged shares, the owner of the shares will exercise the rights of shareholder.

The pledgee will be obliged to grant the owner of the shares the exercise of the rights derived his status as shareholder of the Company, and this status must appear in the document by which the pledge is established.

If the owner of the shares breaches his obligation to pay the subscribed shares, the pledgee may comply with this obligation himself or enforce the pledge.

**Article 12.- Seizure of shares**

In the case of seizure of shares, the provisions included in the above article will be observed, provided that it is possible and is not incompatible with the specific rules on seizure.

**Article 13.- Transfer of shares**

Shares and the economic rights that derive from them, including pre-emptive rights, are freely transferrable by all means accepted by law.

Transfer of new shares may not be made before the capital increase has been registered in the Commercial Registry.

#### **Article 14.- Disbursements pending**

In the case of partially disbursed shares, the shareholder must pay the portion not disbursed, either in cash or not, in the form and within the term determined by the administrative body.

The shareholder defaulting on payment of the pending disbursements may not exercise the right to vote.

In the case of transfer of shares with disbursements pending, the acquirer will be liable jointly and severally for payment, together with all the other transferers. The liability of the transferers will last for three years counting from the date of the respective transfer.

### **TITLE III.- CAPITAL INCREASE AND DECREASE**

#### **Article 15.- Capital increase**

A capital increase may be carried out by the issue of new shares or by increasing the par value of existing shares. In both cases, the exchange value may consist of monetary contributions, including offsetting against loans, non-monetary contributions or the transformation of available surpluses or reserves. The capital may be increased against new contributions and in part against available reserves.

When the capital increase has not been fully subscribed within the deadline set for this purpose, it will be increased by the amount actually subscribed, unless otherwise stipulated in the resolution.

#### **Article 16.- Authorised capital**

The General Meeting may delegate to the administrative body the power to agree on one or more share capital increases up to a specific amount, with the timing and amount it decides, and within the limitations established by law. The delegation may include the power to exclude pre-emptive rights, which may not affect more than 20% of the share capital at the time of authorisation.

The General Meeting may also delegate to the administrative body the power to determine the date on which the resolution for a capital increase, once adopted, must be implemented, and to define the conditions on any matters not provided for by the General Meeting.

#### **Article 17.- Withdrawal of pre-emptive rights**

The General Meeting or, where necessary the Board of Directors which agrees on the capital increase, may agree the total or partial withdrawal of pre-emptive rights on the grounds of corporate interest.

In particular, the corporate interest may justify the withdrawal of pre-emptive rights when necessary to facilitate (i) the acquisition by the Company of assets (including shares or holdings in companies) used to carry out the corporate purpose; (ii) the placement of new shares on capital markets to allow access to sources of finance; (iii) fund gathering through the use of placement techniques based on prospection of demand to maximise the issue price of the shares; (iv) the incorporation of an industrial or technological partner; (v) the implementation of employee remuneration schemes through the delivery of the Company's shares or options on the shares; and (vi) in general, any transaction that is beneficial to the Company, always subject to legal requirements.

**Article 18.- Capital decrease**

A capital decrease may be carried out by reducing the par value of the shares, by their redemption or a reverse share split to exchange them; in these cases, its purpose may be to return of the value of contributions, cancelling of unpaid contributions of called-up share capital, the establishment or increase of reserves or the re-establishment of the balance between capital and corporate assets.

**TITLE IV.- DEBENTURES**

**Article 19.- Issuance of debentures**

The Company may issue debentures in the terms established by law.

The Board of Directors will have the power to agree the issue and admission to trading of debentures, and also to agree on providing underwriting for their issue.

The General Shareholders' Meeting will have the power to agree on the issue of debentures convertible into shares or debentures that give the debenture holders a share in corporate earnings.

The General Meeting may delegate its power to issue debentures to the administrative body. It may also authorise it to determine the time when the agreed issuance should be carried out and to set the other conditions not included in the resolution of the General Meeting.

**Article 20.- Convertible and exchangeable debentures**

Convertible and/or exchangeable debentures may be issued with a fixed exchange (determined or determinable) or with a variable exchange.

The pre-emptive right of convertible debentures may be withdrawn in accordance with legal rules and the Bylaws applicable to the withdrawal of the pre-emptive share rights.

**Article 21.- Other securities**

The Board of Directors may issue promissory notes, warrants or other negotiable securities other than those included in the above articles, provided they comply with the requirements established by applicable law.

The Board of Directors may also underwrite the issues of securities made by its subsidiaries.

**TITLE V.- CORPORATE GOVERNANCE AND ADMINISTRATION**

**Article 22.- Corporate bodies**

The Company's governing bodies are the General Shareholders' Meeting and the Board of Directors, which have the respective powers assigned to them by these Bylaws. These powers may be the delegated in the form and to the extent determined herein.

The powers that have not been assigned to the General Meeting by law or by the Bylaws correspond to the administrative body.

The regulation by law and the Bylaws of these bodies will be implemented and supplemented by the Regulation of the General Meeting and the Regulation of the Board of Directors,

respectively. Any amendments in the form of updates must be approved by a majority at a meeting of each of the aforementioned bodies, constituted under law.

## **SECTION I.- GENERAL SHAREHOLDERS' MEETING**

### **Article 23.- General Shareholders' Meeting**

The General Shareholders' Meeting, duly called and constituted, represents all the shareholders, all of whom will be subject to its decisions with respect to issues within its powers, including for the non-assenting and non-attending shareholders, without prejudice to the right to dissent established by law.

The General Shareholders' Meeting is governed by law, the Bylaws and the Regulation of the General Shareholders' Meeting, which completes and develops the regulations in the law and Bylaws on matters relating how it is called, preparation, procedure and operation, as well as the exercise of the shareholders' rights of information, attendance, representation and voting. The Regulation of the General Meeting must be approved by the latter, at the request of the administrative body.

### **Article 24.- Classes of General Meetings**

The General Shareholders' Meetings may be ordinary or extraordinary.

The Ordinary General Shareholders' Meeting must meet within the first six months of each fiscal year to approve, if appropriate, the corporate management and financial statements for the previous year, and to decide on the appropriation of earnings, without prejudice to its power to deal with and decide on any other issue that appears on the agenda. The Ordinary General Shareholders' Meeting will be valid even if it has been called or is held outside the period stipulated above.

Any General Meeting that is not included in the above category will be considered an Extraordinary General Shareholders' Meeting. It will meet whenever called by the Company's Board of Directors at its own initiative or acting on a request from shareholders holding at least three per cent of the share capital. Their request must specify the issues to be dealt with at the General Meeting.

### **Article 25.- Calling the General Meetings**

The General Meetings will be called by the Board of Directors through a public notice published in (i) the Official Gazette of the Commercial Registry or in one of the dailies with the biggest circulation in Spain; (ii) the Company's website; and (iii) the website of the Comisión Nacional del Mercado de Valores (National Securities Market Commission - CNMV), at least one month before the date set for holding the General Meeting.

The Ordinary General Meeting may agree by express resolution, with the majorities required by law, to reduce the advance notice for calling the Extraordinary General Meetings to a minimum of fifteen days, provided that shareholders are offered the effective possibility of exercising their vote remotely. This resolution shall not be valid beyond the date on which the next General Meeting is held.

The notice calling the meeting must include a number of legally established items, including whether the meeting is ordinary or extraordinary, the Company's name, the date, time and place

it is to be held, as well as the agenda, which must be drafted clearly and precisely, including all the items that will be deliberated, the way in which the General Meeting will be held, establishing whether it will be in person or remotely, whether remote attendance will be permitted, or whether it will be exclusively remote, pursuant to article 25 bis below, and other matters that may be included under the provisions of the Regulation of the General Meeting. The notice may also include the date on which the meeting will be held at the second quorum call, if appropriate. There must be a period of at least twenty-four hours between the first and second call.

In addition to the above, the notice calling the General Meeting must include not only the items generally required by law, but the date by which the shareholders must have registered the shares in their name in order to be eligible to participate and vote at the General Meeting, the location and form in which the full text of the documents and proposed resolutions may be obtained, and the address of the Company's website where the information is available. The notice must also include clear and precise information on the procedures to be followed by the shareholders who wish to participate and vote at the General Meeting.

Shareholders representing at least three per cent of share capital can request the publication of a supplement to the notice calling an Ordinary General Shareholders' Meeting, including one or more items on the agenda, provided that the new items include a justification or, where applicable, a justified proposed resolution. This right must be exercised by due notification at the Company's registered address within five days of the publication of this notice.

The supplementary notice must be published at least fifteen days prior to the scheduled date for holding the General Meeting. Failure to publish the supplementary notice within the legally applicable deadline shall constitute grounds for challenging the General Meeting.

Likewise, shareholders representing at least three per cent of share capital can, within the same five days of the publication of the notice, submit justified proposed resolutions on matters already included or which must be included on the Agenda of the General Meeting. The Company must ensure these proposed resolutions and any attached documentation are made known to the rest of the shareholders.

If the duly called General Meeting is not held at the first call, and the date of the second call is not included in the notice, the second call must be announced, with the same agenda and the same publicity requirements as the first, within the fifteen days following the date of the General Meeting not held and at least ten days before the date of the meeting.

The administrative body must also call the General Meeting when requested by one or more shareholders who own at least three per cent of the share capital. This request must include the matters to be dealt with by the General Meeting. In this case, the General Meeting must be called for within two months of the date following the date on which the administrative body has been requested to call it by notarial document. The administrative body must also include on the agenda any matter or matters which may have been included in the request.

Any court call of General Meetings will follow the provisions of the law.

#### **Article 25 bis.- Exclusively remote General Meeting**

The Board of Directors may decide, under the conditions provided by applicable law, to hold the General Meeting by exclusively remote means, without the attendance in person of the shareholders or their proxies.



Holding the General Meeting by exclusively remote means will in all cases depend on duly guaranteeing the identity and legitimacy of the shareholders and their proxies, and on all those attending being able to participate effectively at the meeting through the remote means of communication permitted at any time by applicable law, whether to exercise in real time the corresponding rights to contribution, information, proposals and voting, or to follow the contributions of the other persons attending by the means indicated above, taking into account the state of the technology and Company's circumstances, in particular the number of its shareholders.

**Article 26.- Place and time of the meeting**

The General Meeting will be held at the place indicated in the notice calling the meeting within the municipality in which the Company has its registered office. A General Meeting which is held by exclusively remote means shall be understood to be held at the registered office.

The General Meeting may agree its own postponement for one or more days at the proposal of its directors or a number of shareholders who attend the meeting and represent at least a quarter of the share capital. Whatever the number of its sessions, the General Meeting shall be considered as a single session, and one set of minutes shall be taken for all the sessions. The General Meeting may also be suspended temporarily in the cases and manner specified in its Regulation.

**Article 27.- Constitution**

The Ordinary or Extraordinary General Shareholders' Meeting will be deemed quorate at the first quorum call when the shareholders present or represented hold at least twenty-five per cent of the subscribed share capital with voting rights; and at the second quorum call, it will be deemed quorate whatever the share capital present.

However, for the Ordinary or Extraordinary General Shareholders' Meeting to be able to agree validly on a capital increase or decrease and any other amendment of the Bylaws, the issue of debentures within the scope of its powers, the withdrawal or limitation of pre-emptive rights to new shares, and the transformation, merger, spin-off or global assignment of assets and liabilities and move of the registered office abroad, will require at the first call the attendance of at least fifty per cent of the subscribed capital with voting rights present or represented. At the second call, twenty-five per cent of the capital will be sufficient.

The shareholders with a right to attend who cast their vote remotely under in the terms indicated in article 32 below will be considered present for the purpose of the quorum of the General Meeting in question.

Any absences occurring once the General Meeting has been constituted will not affect its validity.

**Article 28.- Universal Meeting**

The General Meeting shall be understood to be called and duly quorate to hear and resolve any matter, provided that all the share capital is present and those attending unanimously accept it should be held.

## **Article 29.- Right of attendance**

The shareholders can attend the General Meeting whatever the number of shares they own, provided that they have been duly legitimised before the General Meeting is held. Their legitimacy will be certified by a corresponding personal attendance card that certifies them as shareholders by law, indicating the number, class and series of the shares they own, as well as the number of votes they can cast. The legitimisation of the shareholders may also be certified by any other equivalent means provided for accreditation and participation by remote means, under the Regulation of the General Meeting, the notice calling the meeting and the procedural rules approved, where appropriate, by the Board of Directors within the scope of its powers.

To be entitled to attend the General Meeting the shareholders must have their ownership of the shares registered in the corresponding book entry in the accounts five days before the date on which the General Meeting is held, and be provided with the corresponding attendance card or document that accredits them as shareholders under the law. Attendance by remote means must at all times guarantee the identity and legitimacy of the shareholders.

The members of the Board of Directors must attend the General Meetings, in person or remotely, although if any of them does not attend for any reason this will not in any case prevent the General Meeting from being validly quorate.

The Chairperson of the General Meeting may authorise the attendance in person or remotely of the Company's executives, managers, experts or any other persons who have an interest in the good running of corporate matters, and to invite any persons he or she considers appropriate.

## **Article 30.- Attendance by proxies at the General Meetings**

Notwithstanding the ability of shareholders who are legal persons to attend through the person who has the power to represent them, any shareholder with the right to attend may be represented at the General Meeting in the terms established by the Board of Directors, by any person, whether or not a shareholder in the Company. This proxy must be granted in writing or by means of remote communication, as determined by the administrative body that duly guarantees the identity of the person represented and the proxy; and in particular for each General Meeting, in the terms and within the scope established by law and the Regulation of the General Meeting.

The Chairperson of the General Meeting or the persons designated by him are understood to be empowered to determine the validity of the proxies granted, and compliance with the attendance requirements of the General Meeting; and to admit or reject the validity of the attendance card, proxy and remote vote or document certifying attendance or representation, and of the equivalent means provided for certification and participation by remote means.

The provisions of the preceding paragraphs will not be applicable if the proxy is the spouse, ancestor or descendant of the principal; or when the proxy has a general power of attorney granted in a public deed with the power to administer all the principal's assets in Spain.

The proxy may always be revoked, and attendance by the represented party at the General Meeting shall be deemed to revoke the proxy.

## **Article 31.- Right to information**

From the date of publication of the notice calling the General Meeting and until the fifth day before the General Meeting is held, both inclusive, the shareholders may request the Board of

Directors for any information or clarifications they deem fit regarding the matters included in the Agenda, or ask any questions in writing that they consider appropriate.

Moreover, with the same notice in advance in writing, orally or by remote means, as appropriate and in the terms established by the Board of Directors, shareholders may during the General Meeting request the Board of Directors for any clarifications they consider appropriate about the information accessible to the public that the Company has provided to the CNMV since the previous General Shareholders' Meeting, or about the audit report.

The Board of Directors will be obliged to provide the information requested in writing until the day the General Meeting is held. If any verbal requests are made during the General Meeting itself, the information must be provided at that time. If the shareholder's right cannot be complied with at the time, the directors must provide the information requested in writing within seven days following the conclusion of the General Meeting. The directors will not be obliged to provide the information in the following cases:

- (i) If the information requested is not necessary for the protection of shareholders' rights, it there are objective reasons to believe that it may be used for purposes not related to the Company, or its publication may harm the Company or its affiliates;
- (ii) If the information or clarification requested does not refer to the matters included on the agenda, to the information accessible to the public which was submitted by the Company to the CNMV since the last General Meeting, or to the audit report;
- (iii) If before the question is asked, the information requested is clearly, expressly and directly available to all the shareholders on the Company's website in Q&A format; in which case the directors may limit their answer by referring to the information provided in this format; (iv) if it is the result of legal or regulatory provisions or judicial decisions.

Nevertheless, the exception indicated in point (i) above will not be applicable if the request is supported by shareholders who represent at least twenty-five per cent of the capital.

### **Article 32.- Remote voting**

The shareholders with the right to attend may cast their vote on the proposals regarding the items on the agenda of any class of General Meeting remotely under the following terms:

- (i) By post: by sending their attendance and voting card issued by the entity or entities responsible for the book-entry registration, signed and completed for this purpose.
- (ii) Remote means: the shareholders may cast their vote with a legally recognised electronic signature, or other type of guarantee considered appropriate by the Board of Directors, in accordance with the Regulation of the General Meeting, to ensure the authenticity and identification of the shareholder exercising the right to vote.

The vote cast by any of the means provided for in the above paragraphs will be valid only if it has been received by the Company before 23:59 hours on the day before the General Meeting; Otherwise, the vote will be deemed as not having been cast.

In the case of participation by electronic means, a voting system will be made available that allows votes to be cast before or during the General Meeting, in accordance with the provisions of the Regulation of the General Meeting, the notice calling the meeting and the rules approved for this purpose by the Board of Directors, as follows.

When the vote has been cast by electronic means, the Company must send the shareholder who cast the vote an electronic confirmation that the vote was received.

Within a month of the General Meeting being held, the shareholders or their proxies, together with the final beneficiary, may request confirmation that the votes corresponding to their shares have been registered and accounted for correctly by the Company, unless they already have this information. The Company must issue this confirmation to the shareholders or their proxies, or to the final beneficiary, within the maximum period established by law.

The Board of Directors, acting in accordance with the Regulation of the General Meeting, may implement the above provisions by establishing the rules, means and procedures appropriate to the technology used for casting the vote and granting representation by electronic means, in accordance with the laws issued for this purpose. The rules implementing the provisions of the above section will be published on the Company's website.

Attendance by a shareholder or his proxy at the General Meeting will revoke his vote cast by post or electronic means.

### **Article 33.- Chairperson of the General Meeting**

The General Meeting will be chaired by the Chairperson of the Board of Directors, or failing that, by its Deputy Chairperson; and if there are a number of deputy chairpersons, in the order of preference established by the Board of Directors in their appointment; and if the Chairperson and Deputy Chairperson is unable to attend, by the member of the Board of Directors designated by the General Meeting itself.

The Chairperson will be assisted by a Secretary, a Deputy Secretary, or both. The Secretary of the Board of Directors will act as the Secretary of the General Meeting; or if he does not attend in person, the position will be assumed by the Deputy Secretary of the Board of Directors. Failing that, the shareholder or proxy elected by those attending the meeting will act as Secretary.

### **Article 34.- Deliberation and adoption of resolutions**

The Chairperson shall submit the issues included on the agenda for deliberation and lead the discussions and speeches, whether in person or by remote means, to ensure the meeting proceeds in an orderly fashion. For this purpose, he will have the appropriate powers to ensure order and discipline, and may even remove those who disturb the normal course of the meeting, or decide to interrupt it temporarily. Even though he is present at the meeting, the Chairperson may delegate the direction of the debate to the Secretary or member of the Board of Directors considered appropriate.

The shareholders may request information under the terms of article 31 above.

Notwithstanding the provisions of article 25 bis above in the case of General Meetings held exclusively by remote means, any shareholder who attends the General Meeting in person may also intervene at least once in the deliberation of the items on the agenda, although the chairperson is empowered to authorise measures to ensure order, such as limiting the duration of contributions, drawing up rosters for contributions, or closing the list of contributions.

Once the matter has been sufficiently debated, the Chairperson shall submit it to the vote. The Chairperson is responsible for determining the system of voting he considers most appropriate

and for directing the corresponding process, adapting where necessary to the rules of procedure included in the Regulation of the General Meeting.

Each share with a voting right present or represented by a proxy at the General Meeting shall have the right to one vote. The shareholders with a right to vote may cast their votes by post, electronically or any other means of remote communication that duly guarantees the identity of the shareholder who is exercising the right to vote, as determined by the administrative body at the notice calling each General Meeting, and in accordance with the Regulation of the General Meeting.

The exercise of the right to vote at the General Meeting by shareholders affected by a conflict of interest will be subject to the regulations of applicable law at any time.

The resolutions of the General Meeting shall be approved by a simple majority of the votes of the share capital present or represented. A resolution shall be considered adopted if there are more votes in favour than against of the share capital present or represented by proxy.

Excluded from this provision are cases in which the law or these Bylaws stipulate a larger majority; and, in particular, when the shareholders present account for less than fifty per cent of the subscribed capital with voting rights, the resolutions relating to the matters referred to in article 194 of the Corporate Enterprises Act will require the vote in favour of two thirds of the share capital present or represented at the General Meeting. However, if the share capital present or represented accounts for more than fifty per cent, the resolution may be adopted by absolute majority.

#### **Article 35.- Minutes of the General Meeting**

The minutes of the General Meeting may be approved by the General Meeting itself after it is held, and signed by the Chairperson and Secretary; or they may be approved within fifteen days by the Chairperson and two administrators, one representing the majority and the other the minority. The minutes approved in either of the above ways shall have executive force on the date of their approval. The minutes will be transcribed into the Company's Minutes Book or kept in any form permitted by law.

The minutes shall be certified by the Secretary or Deputy Secretary of the Board of Directors with the approval of the Chairperson or Deputy Chairperson, where appropriate, and the resolutions will be formalised in a notarial document by the persons permitted to do so under law, as determined by these Bylaws and the Regulation of the Commercial Registry.

The administrative body may require the presence of a notary to take the minutes of the General Meeting; and a notary's presence will always be required if shareholders representing at least one per cent of the share capital request it with five days' notice of the General Meeting. In both cases, the notarised minutes shall be considered minutes of the General Meeting.

If the General Meeting is held exclusively by remote means under article 25 bis, the minutes of the meeting must be taken by a notary, who may attend remotely, using a means of remote communication in real time that guarantee adequate compliance with notarial functions.

## **SECTION II.- THE ADMINISTRATIVE BODY**

### **Article 36.- Board of Directors**

The Company shall be managed by a Board of Directors, which will shall composed exclusively of natural persons, notwithstanding the stipulations of the Twelfth Additional Provision of the Corporate Enterprises Act.

The Board of Directors shall be governed by the legal rules applicable and by these Bylaws. The Board of Directors shall develop and complete these provisions by means of the appropriate Regulation of the Board of Directors; and it shall notify the General Meeting of the approval of these provisions.

### **Article 37.- Composition of the Board of Directors**

The Board of Directors will be made up of not fewer than five and not more than fifteen members, to be determined by the General Meeting.

The General Shareholders' Meeting is responsible for determining the number of directors. For this purpose, it will determine the number directly by means of an express resolution, or indirectly by the provision of vacancies or the appointment of new directors, up to the maximum limit established in the above paragraph.

The General Meeting must aim to ensure that as far as possible the proprietary and independent directors represent a majority on the Board of Directors and that the number of executive directors is the minimum necessary. Nevertheless, the reality of the shareholder structure of the Company shall be taken into consideration at all times, in particular the percentage of direct or indirect participation by executive directors in the Company's share capital.

For the purpose of the provisions of these Bylaws, the terms proprietary external director, independent external director and executive director shall have the meaning attributed to them by law.

If any external director may not be considered proprietary or independent, the Company must explain this fact and their links with either the Company or its executives, or with the shareholders.

The category of each director must be explained by the Board of Directors to the General Shareholders' Meeting, which must make or ratify the appointment.

If the Chairperson of the Board of Directors has the status of executive director, the Board, with the abstention of the executive directors, must appoint a coordinating director from among the independent directors. The coordinating director will have the special powers to request a meeting of the Board of Directors to be called, or the inclusion of new items on the agenda of a Board meeting already called, coordinate and gather the non-executive directors and if necessary, direct the periodic assessment of the Chairperson of the Board.

The Board of Directors must ensure that all director selection procedures promote gender diversity, as well as diverse experience and knowledge, with no implicit biases that may imply any discrimination; and in particular that they facilitate the selection of female directors.

### **Article 38.- Term of office**

Directors shall serve in their posts for four years, at the end of which time they may be re-elected for one or more periods of four years each.

The appointment of directors shall expire once their term in office has concluded and the next General Meeting has been held; or if the legal deadline for holding the General Meeting that must determine the approval of the previous year's accounts has expired.

If a vacancy opens once the General Meeting is called and before it is held, the Board of Directors may appoint a director by co-option until the next General Meeting is held.

Notwithstanding the above, the directors appointed by co-option shall continue in office until the first General Meeting held after their appointment date.

#### **Article 39.- Appointments to the Board of Directors**

The Board of Directors shall appoint a Chairperson from among its members, and one or more Deputy Chairpersons who, in accordance with the order of preference established by the Board, will replace the Chairperson in case of a vacancy, or when the Chairperson is absent or ill. It shall also appoint the person to hold the office of Secretary. To be appointed Chairperson or Deputy Chairperson the person appointed must be a member of the Board of Directors, which will not be necessary for the person who is appointed to hold the office of Secretary, although in this case the latter will have a voice but no vote.

The Board of Directors may also of its own accord appoint a Deputy Secretary who may or may not have to be a director.

#### **Article 40.- Powers of the Board of Directors**

The Board of Directors is responsible for the representation and highest level of management and administration of the Company in or out of court, of all the acts included in the corporate purpose stipulated in these Bylaws, as well as all those actions required by law, these Bylaws and the Regulation of the Board of Directors, and without prejudice to the acts reserved expressly by them for the General Meeting.

#### **Article 41.- Powers of representation**

The power to represent the Company in and out of court, is held by the Board of Directors, which will act as a single unit.

The Secretary of the Board, or where necessary the Deputy Secretary, has the necessary representative powers to notarise and request the entry into the register of the resolution of the General Meeting and the Board of Directors.

The power to represent the delegate bodies will be governed by the provision of the delegation resolution. Unless there are indications to the contrary, the power of representation will be understood to be granted jointly and severally to the chief executive officers, and if the delegated body is an executive committee, to its chairperson.

#### **Article 42.- Meetings of the Board of Directors**

The Board of Directors meets as frequently as necessary to carry out its duties, in line with the schedule of dates and subjects it establishes at the start of the year, and at least once a quarter. In any event, the Board must meet within a maximum of three months after the close of the fiscal year to draft the annual accounts, the management report and the proposed appropriation of earnings.

The Board shall meet at the request of the Chairperson as often as he considers it appropriate for the correct operation of the Company, and also when requested by at least three of its members or the coordinating director; in which case it will be called by the Chairperson to meet within the fifteen days following the request. Any director may propose other items on the agenda of a Board meeting that has already been called when this request has been made within not less than three days from the planned date of the meeting.

The notice calling ordinary sessions of the Board must be made by registered letter, fax, telegram or e-mail and be authorised with the signature of the Chairperson, or that of the Secretary or Vice-Secretary by order or of the Chairperson. The meeting must be called at least three days in advance.

It may be called by the directors who represent at least a third of the members of the Board, indicating the agenda, so that it can be held in the place where the registered office is located, if the Chairperson has been asked to call it and he does not do so within month, without providing justifiable grounds.

The call must always include the agenda of the meeting and be accompanied by the relevant information duly prepared and summarised.

Moreover, the Chairperson may call extraordinary sessions of the Board when in his or her opinion the circumstances justify it. In this case the notice period indicated above will not be applicable.

Notwithstanding the above, the Board of Directors shall be deemed to be quorate without the need for a notice calling it if all its members present or represented accept unanimously to hold the meeting and the items to be included on the agenda.

The Board may also agree on resolutions in writing and without a meeting, in accordance with the law.

#### **Article 43.-                      Sittings**

The board meeting shall be quorate when the majority of its members attend the meeting in person or represented by another director. The representation must be conferred in writing, be in favour of another director, and granted exclusively for each sitting by letter to the Chairperson, although the non-executive directors may only confer their representation on another non-executive director.

The resolutions must be adopted by absolute majority of those attending the meeting, unless the law or these Bylaws have established a super-majority. In the event of a tie in the votes, the Chairperson shall have the casting vote.

Minutes will be taken of the meetings of the Board of Directors, and signed by at least the Chairperson and Secretary or Deputy Secretary.

The minutes must be approved by the Board of Directors itself, at the end of the meeting or at a subsequent meeting.

#### **Article 44.-                      Exercise of office**

The members of the Company's administrative body will exercise their office with the diligence of prudent businesspersons and loyal representatives. The directors and, to a lesser extent, the



independent directors, must at all times contribute their strategic vision and ideas, criteria and innovative measures to ensure the optimum development and future of the Company's business.

In addition, the directors must keep secret all the confidential information, even after completing their duties.

#### **Article 45.- Directors' remuneration**

The position of director is remunerated. This remuneration shall consist of an annual fixed amount in cash that will be received by the members of the Board of Directors as members. The maximum annual amount for the whole Board shall be determined by the General Shareholders' Meeting.

Acting on a report from the Appointments and Remunerations Committee, the Board will individually distribute the remuneration agreed by the General Meeting among its members as members, within the framework of the Bylaws and the remuneration policy, which will establish at least the maximum amount of the annual remuneration payable to the directors as a whole as directors and the criteria for its distribution according to the functions and duties attributed to each director, their place on the Board committees and other objective circumstances that the Board of Directors may consider relevant. The Board, acting on a report of the Appointments and Remunerations Committee, is also responsible for determining the individual remuneration of each director for his performance of the executive duties attributed to him under the remuneration policy, and in accordance with the provisions of his contract.

- Annual report on directors' remuneration

The Board of Directors shall approve an annual report on directors' remuneration, which will include complete, clear and comprehensible information on the remuneration policy of directors applicable in the current year. It will also include an overall summary on the application of the remuneration policy during the previous year, as well as details of the individual remunerations paid for all the items of each of the directors in that year and the rest of the information required by applicable law. The annual report on directors' remuneration will be published with other relevant information by the Company at the same time as the annual corporate governance report. It will remain accessible at no charge on the Company's website and the website of the CNMV for a minimum period of ten years, or for the period required by applicable law, without prejudice to any provisions on the personal data of directors that may be applicable.

The annual report on directors' remuneration will be included in the management report and be subject to a vote of a consultative nature at the Ordinary General Shareholders' Meeting as a separate item on the agenda.

- Other remuneration schemes

In addition, regardless of the remuneration included in the above paragraphs, but within the framework of the remuneration policy, there is a possibility of establishing remuneration schemes indexed to the share price or that involve the delivery of shares or share options for the directors. The application of these remuneration schemes must be agreed by the General Shareholders' Meeting, which will determine the value of the shares that are used as a benchmark, the maximum number of shares to be delivered to each director, the strike price or the system of calculating the strike price of share options, the value of the shares that may be taken as a benchmark, the duration of this remuneration scheme and other conditions considered appropriate.

In addition, provided that legal requirements are complied with, similar remuneration schemes may be established for the Company's staff (whether executive or not).

- Remuneration of executive directors

The remuneration explained in this article will be compatible and independent of the salaries, remunerations, indemnities or compensations of any kind established in general or individually for the members of the Board of Directors who carry out executive functions or which are granted to them for any other reason. It will be determined by the Board itself. This remuneration must comply with the directors' remuneration policy approved by the Board and will be reflected in a contract to be entered into by the director and the Company.

- Directors' remuneration policy

The Board of Directors must submit the directors' remuneration policy for the approval of the General Shareholders' Meeting, as a separate item on the agenda. It will be applicable for a maximum period of three fiscal years, under the terms of the law.

The proposals for new directors' remuneration policies must be submitted to the General Meeting before the end of the last year in which the previous scheme was applied. The General Meeting may determine that the new policy is applicable from the date of approval and for the next three fiscal years. Any amendment or replacement of this policy during this term will require the prior approval of the General Shareholders' Meeting, in accordance with the procedure established for its approval.

Notwithstanding the above:

- a) if the proposed new remuneration policy is rejected by the General Shareholders' Meeting, the Company will continue to pay its directors under the remuneration policy in force on the date the General Meeting was held. It must then submit for the approval of the next General Shareholders' Meeting a new proposed remuneration policy; and
- b) if the annual report on directors' remuneration is rejected in the consultative vote of the Ordinary General Shareholders' Meeting, the Company may only continue to apply the remuneration policy in force on the date the General Meeting was held until the next Ordinary General Shareholders' Meeting.

The remuneration policy must comply with legal requirements, and must be accessible on the Company's website at no charge from the date of its approval and at least while it is applicable, together with its date of acceptance and the result of the vote.

Within the framework of this article of the Bylaws, the remuneration policy must establish at least the maximum amount of the annual remuneration payable to the directors as a whole as such and the criteria for its distribution according to the functions and duties attributed to each director, their place on the Board committees and other objective circumstances that the Board of Directors may consider relevant.

The remuneration policy must include at least the maximum amount of annual remuneration payable to the directors as a whole as such, and the directors' remuneration paid for the discharge of their executive duties, which must include the amount of annual fixed remuneration corresponding to the directors for their discharge of their executive duties and other legal provisions.

The Company may apply temporary exceptions to the remuneration policy, provided that this policy stipulates the procedure to use and the conditions in which these exceptions may be used; and specifies the components of the policy that may be the object of exceptions. The exceptional circumstances mentioned in this paragraph will only cover situations in which the exception to the remuneration policy is necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability.

### **SECTION III.- THE BOARD'S DELEGATED BODIES**

#### **Article 46.- The Board's delegated bodies**

The Board of Directors may designate within the same Board an Executive Committee or one or more chief executive officers, notwithstanding the powers that it may confer on any person; and it may fully or partially delegate in them either temporarily or permanently only the powers that may be delegated by law. The delegation and appointment of the members of the Board who will occupy these posts will require for its validity the favourable vote of two-thirds of the components of the Board. It will not be effective until it is entered in the Commercial Registry.

The Board may also create other committees with consultative or advisory functions, although exceptionally they may be attributed decision-making powers.

In any event, the Board must constitute a permanent Audit Committee and an Appointments and Remunerations Committee, with the power to inform, monitor, advise and propose on matters within its powers as specified in articles 47 and 48 below, and which are developed in the Regulation of the Board of Directors.

#### **Article 47.- Audit Committee: composition, powers and operation**

1. An Audit Committee shall be set up within the Board of Directors in accordance with the following rules:

- a) The Audit Committee shall comprise at least three Directors and at most five, designated by the Board of Directors itself from among its non-executive directors. The members of the Committee, and in particular, its Chairperson, must be appointed taking into account their knowledge and experience in matters of accounting, auditing or risk management, as well as their knowledge, skills and experience with respect to the Committee's other duties. In any case, at least the majority of the Committee members must be independent directors.

As a whole, the members of the Audit Committee must have the technical knowledge appropriate to the sector of activity to which the Company belongs.

- b) The Chairperson of the Audit Committee must be an independent director. He may be replaced every four years, and re-elected one year after the end of his term in office.
- c) The Committee's Secretary and, where required, Deputy Secretary, will be appointed from among the Committee members, or their posts will be filled by the Secretary and, where appropriate, the Deputy Secretary of the Board of Directors, respectively.

2. Notwithstanding any other duties that may be assigned to it at any time by the Board of Directors, the Audit Committee will discharge the following basic functions:
- Inform the General Shareholders' Meeting on questions relating to matters that are the competence of the Committee, in particular on the result of the audit, explaining how it has contributed to the integrity of financial information and the function performed by the Committee in this process.
  - Submit to the Board of Directors the proposed selection, appointment, re-election and replacement of the auditors, assuming responsibility for the selection process, as well as the conditions of their hiring; and regularly gather information on the auditing plan and its execution, as well as preserving their independence in the performance of its tasks.
  - Supervise the effectiveness of the Company's internal control, internal audit and risk management systems, and discuss with the auditors or audit firms any significant weaknesses in the internal control system that it may have detected during the audit, without undermining its independence. For such purposes and, where applicable, they can submit recommendations or proposals to the Board of Directors and the corresponding period for monitoring them.
  - Supervise and assess the drafting process and the integrity of the financial and non-financial information, as well as the financial risk control and management systems relating to the Company, and where appropriate the operational, technological, legal, corporate, environmental, political and reputational control systems or those related to corruption; review compliance with regulatory requirements, the appropriate specification of the scope of consolidation and the correct application of accounting criteria; and present recommendations or proposals to the Board of Directors to safeguard its integrity.
  - Issue a report every year before the issue of the audit report on the accounts expressing an opinion on whether the independence of the auditors or audit firms has been compromised. This report must in any case include a reasoned assessment of the provision of each and every one of the additional services provided by the auditors, both individually and as a whole, other than the legal audit, and in relation to the system of independence or with the regulations governing the activity of auditors.
  - Establish appropriate relations with the external auditors to receive information on matters that may represent a threat to their independence, and any others relating to the auditing process; and, where applicable, authorise services other than those legally prohibited by applicable law, as well as other communications provided for in the legislation governing auditing and the technical audit standards. In any event, it must receive from the external auditors an annual confirmation of their independence with regards to the entity, or entities related to it directly or indirectly, as well as detailed and individual information of the additional services of any kind provided and the corresponding fees received by the aforementioned external auditors, or by the persons or entities linked to them, in accordance with the regulations governing auditing activity.

- Supervise compliance with the audit agreement, to ensure that the opinion on the annual accounts and the main content of the audit report are drafted clearly and precisely; and assess the results of each audit.

Specifically, with respect to the external auditor:

- If the external auditor resigns, examine the circumstances that may have caused this.
  - Ensure that the external auditor's remuneration for the work done does not compromise its quality or independence.
  - Ensure that the Company reports any change of auditor to the CNMV as a relevant event, including a statement about the existence of possible disagreements with the outgoing auditor or the contents of the report.
  - Ensure that the external auditor holds a meeting every year with the full Board of Directors to inform it about the work being done and changes in the accounting and risk situation in the company.
  - Ensure that the company and the external auditor respect the regulations in place on the provision of services other than auditing, the limits to the auditor's business concentration and, in general, other regulations governing the independence of auditors.
- Supervise the process of drafting and presenting the necessary financial information and inform the Board of Directors in advance on the periodical financial information and management report, which will include where necessary the necessary non-financial information that the Company must make public periodically.
  - Supervise compliance with the regulations on related transactions and the internal procedure established by the Company for such transactions whose approval has been delegated under the law. In particular, it must inform the General Shareholders' Meeting and the Board of Directors in advance on related transactions that it must approve, and ensure that information on these transactions is notified to the market, in the terms required by law and the Regulation of the Board of Directors.
  - Inform the Board of Directors in advance on the creation or acquisition of shares in special-purpose entities or entities domiciled in countries or territories that are considered tax havens.
  - Ensure the independence of the unit that assumes the internal audit function; propose the selection, appointment, and removal of the head of the internal audit service; propose the budget for this service; approve or propose the approval to the Board of the internal audit's annual guidelines and work plan, ensuring that its activity is centred mainly on relevant risks (including reputational); receive periodic information on its activity; and check that senior management takes into account the conclusions and recommendations made in its reports.
  - Establish and supervise a mechanism that enables employees and other Company stakeholders, such as directors, shareholders, suppliers, contractors or

subcontractors, to communicate any irregularities of potential financial and accounting importance, or of any other kind, related to the Company, detected within the Company or its group. This mechanism must guarantee confidentiality, and in any case, include ways in which the communications can be made anonymously, respecting the rights of both the reporter and person reported.

- Ensure in general that the internal control policies and systems established are applied effectively in practice.
  - Examine compliance with the Internal Code of Conduct of the Regulation of the Board of Directors, and in general the rules governing the Company, and make any necessary proposals for their improvement.
  - Receive information, and where appropriate, issue a report on the disciplinary measures that are to be imposed on members of the Company's senior management team.
  - Receive information on any structural and corporate modifications that the Company plans in order to review them and inform the Board of Directors in advance of the financial conditions and their accounting impact, in particular of the proposed exchange ratio, where applicable.
3. The Audit Committee shall meet ordinarily every quarter to review the periodic financial information that must be submitted to the stock market authorities, together with the information that the Board of Directors must approve and include as part of its annual public documentation. It will also meet at the request of any of its members and whenever called to meet by its Chairperson, who must do so whenever the Board or its Chairperson requests the issue of a report or the adoption of proposals; and, in any event, provided that it is appropriate for the correct performance of its functions.
  4. The meetings of the Audit Committee shall be held in person in the location specified on the notice calling the meeting. In exceptional circumstances, when decided by the chairperson of the Audit Committee, the meeting may be called to be held in a number of connected locations or by remote means, using remote communication systems that allow those attending to be recognised and identified, continuous communication between them, and organisation and casting of votes, all in real time. In this case, the meeting will be deemed to be held at the registered office. The members of the Committee attending in any of the interconnected venues will be considered for all purposes as attending the same single meeting of the Audit Committee.
  5. The Audit Committee shall be deemed quorate if those attending, whether present or represented, account for at least the majority of its members; and it will adopt its resolutions by majority of the members of the Committee, present or represented at the meeting. In the event of a tie, the chairperson shall have the casting vote. The members of the Committee may delegate their representation to another member. The resolutions of the Audit Committee shall be included in a minutes book, and each of the minutes shall be signed by the Chairperson and Secretary.
  6. The Audit Committee shall draft an annual report on its operations, which will include, if considered appropriate, proposals to improve the rules governing the Company. The Committee may also request auditors and any employee or executive to attend its

meetings and ask for advice from external experts. The Audit Committee report will be available to shareholders and investors on the website.

**Article 48.- Appointments and Remunerations Committee:  
composition, powers and operation**

1. An Appointments and Remunerations Committee will be set up within the Board of Directors in accordance with the following rules:
  - a) The Appointments and Remunerations Committee shall be composed of at least three directors and at most five, appointed by the Board of Directors itself from among its non-executive directors. In any case, at least the majority of the Committee members will be independent directors. The members of the Appointments and Remunerations Committee will be appointed taking into account their knowledge, skills and experience in relation to the work that are called on to perform.
  - b) The Chairperson of the Appointments and Remunerations Committee must be an independent director, who must be replaced every four years. He may be re-elected one year after his term has elapsed.
  - c) The Committee's Secretary and, where required, Deputy Secretary, will be appointed from among the Committee members, or their posts will be filled by the Secretary and, where appropriate, the Deputy Secretary of the Board of Directors, respectively.
2. Without prejudice to any other duties that may be assigned to the Committee at any time by the Board of Directors, the Appointments and Remunerations Committee will perform the following basic functions:
  - Assess the skills, knowledge and experience needed for the Board of Directors. For this purpose, it will define the duties and expertise needed by the candidates to fill each vacancy and evaluate the time and dedication required to perform his duties.
  - Submit the proposal for appointments of independent directors to the Board of Directors for their designation by co-option or submission to the General Shareholders' Meeting, as well as the proposals for re-election or removal of said directors by the General Shareholders' Meeting.
  - Inform the Board of Directors of the proposal for appointments of the other directors for their designation by co-option or submission to the decision of the General Shareholders' Meeting, as well as the proposals for re-election or removal of said directors by the General Shareholders' Meeting.
  - Inform the Board of Directors of any proposed appointment or removal of senior managers and the basic terms of their contracts.
  - Inform the Board on matters of diversity and the qualifications of directors. For this purpose, it will establish a target for the presence of the least represented gender on the Board of Directors and draft guidelines on how to achieve this target.

- Propose to the Board of Directors: (i) the policy on the remuneration of directors and general managers, or those who carry out senior management functions and answer directly to the Board, the executive committees or chief executive officers; and (ii) the individual remuneration of the executive directors and the other conditions of their contracts; and ensure these conditions are met.
  - Review periodically the remunerations policy applied to directors and senior management, including the share-based remuneration systems and their application; and guarantee that individual remuneration is proportional to what is paid to other directors and senior managers in the Company.
  - Examine and organise the succession of the Chairperson of the Board of Directors, and of the Company's chief executive officer; and, if appropriate, make proposals to the Board to ensure the succession is smooth and well-planned.
  - Ensure that the remunerations are transparent and check the information on the remuneration of directors and senior managers contained in the different corporate documents, including the annual report on directors' remuneration and in the annual corporate governance report; and submit any information that may be useful to the Board in this respect.
3. The Appointments and Remunerations Committee shall meet normally every quarter. It shall also meet whenever called by its chairperson, who must do so whenever the Board or its Chairperson requests the issue of a report or the adoption of proposals and, in any case, provided that it is appropriate for the correct performance of its functions.
  4. The Committee meetings shall be held in person at the location stated in the notice. If, in exceptional circumstances, when decided by the chairperson of the Appointments and Remunerations Committee, the meeting are called to be held in a number of connected venues or by remote means, using remote communication systems that allow the recognition and identification of those attending, the permanent communication between them and the contributions and casting of the vote, all in real time. In this case, the meeting will be deemed to be held at the registered office. The Committee members attending any of the interconnected venues will be considered for all purposes as attending the same single meeting of the Appointments and Remunerations Committee.
  5. The Appointments and Remunerations Committee shall be deemed validly constituted if those attending, whether present or represented, account for at least the majority of its members; and it will adopt its resolutions by majority of the members of the Committee, present or represented at the meeting. In the event of a tie, the chairperson shall have the casting vote. The members of the Committee may delegate their representation to another member. The resolutions of the Appointments and Remunerations Committee shall be included in a minutes book, and each of the minutes shall be signed by the Chairperson and Secretary.
  6. The Appointments and Remunerations Committee shall draft an annual report on its operations and may also request the attendance at its sessions of any employee or executive and ask for advice from external experts. The report of the Appointments and Remunerations Committee will be available to shareholders and investors on the website.



## **TITLE VI. - ANNUAL CORPORATE GOVERNANCE REPORT AND CORPORATE WEBSITE**

### **Article 49.- Annual corporate governance report**

The Board of Directors must prepare an Annual Corporate Governance Report, which will be reviewed and approved at the same time as the annual accounts each year, with the content and structure established by applicable law at any time.

El Annual Corporate Governance Report will be included in a separate section of the management report and will also be given public exposure in accordance with the stock-market regulations.

### **Article 50.- Corporate website**

The Company shall make all the relevant information referring to its corporate governance available at its website [www.rovi.es](http://www.rovi.es). The content and structure of the Company's website must reflect the legal provisions and other regulations relating to this matter which are applicable at any time.

The Board of Directors shall establish the content of the information to be provided on the website in accordance with legal provisions or those of the CNMV, and may agree to modify, remove or transfer the website. Any resolution to modify, remove or transfer the website must be entered in the Commercial Registry or notified to all the shareholders, and in any case shall be published in the Official Gazette of the Commercial Registry and on the website whose modification, transfer or removal has been agreed during the thirty days following the inclusion of the resolution.

## **TITLE VII.- BALANCE SHEETS**

### **Article 51.- Fiscal year**

The fiscal year will run from 1 January to 31 December each year.

### **Article 52.- Accounting documentation**

The Company must keep orderly accounts appropriate to its activity, to allow its transactions to be followed chronologically, and to prepare inventories and balance sheets.

The accounting books must be legalised by the Commercial Registry corresponding to the location of the registered office.

### **Article 53.- Annual accounts**

The administrative body must within a maximum of three months after the close of the fiscal year draft the annual accounts, the management report and the proposed appropriation of earnings, as well as the consolidated annual accounts and management report, where applicable.

When the General Meeting is called, any shareholder may obtain from the Company, immediately and without payment, the documents that must be submitted for the approval of the General Meeting, together with the auditor's report. The notice calling the General Meeting must expressly mention this right.

#### **Article 54.- Auditors**

The annual accounts and management report must be examined by the auditors, when there is an obligation to audit. The auditors will have at least one month starting from the time when they receive the accounts from the Company to present their report.

If once the auditor's report on the initial accounts has been signed and delivered, the directors have to reformulate the annual accounts, the auditor will have to issue a new report on the reformulated annual accounts.

The persons to carry out the audit of the annual accounts shall be appointed by the General Meeting before the end of the fiscal year to be audited, for a specific period of time, which may not be less than three years or more than nine, counting from the date on which the first fiscal year to be audited begins, notwithstanding the provisions in the law regulating the activity of auditors with respect to the possible extension and duration of the contracts with companies classified as entities of public interest.

The General Meeting may appoint one or more natural or legal persons to act together.

If those appointed are natural persons, the General Meeting must appoint as many alternates as there are auditors appointed.

The General Meeting may not revoke the auditors before the end of the period for which they were appointed, without just cause.

#### **Article 55.- Approval of the annual accounts**

The annual financial statements and the management report must be approved by the Ordinary General Shareholders' Meeting, which will determine the appropriation of earnings for the fiscal year, in accordance with the balance sheet that has been closed.

#### **Article 56.- Filing the annual accounts**

Within the month following approval of the annual accounts and management report, these documents must be filed together with the other documents required by law, and with the certification of this approval and appropriation of earnings, for filing at the Commercial Registry in the form determined by law.

#### **Article 57.- Appropriation of annual earnings**

After covering the legal provision for reserves and other legally established contributions, the General Meeting may allocate from the net profit obtained each fiscal year the sum it considers appropriate to the voluntary reserves or any other legally permitted contribution. Any remainder will be distributed between the shareholders in the form of dividends in proportion to the capital they have disbursed. The dividends will be paid at the time determined by the General Meeting itself.

Dividends unclaimed after five years from the date specified for their collection will revert to the Company.

In general, once the items required by law are covered, dividends may only be distributed against earnings for the fiscal year or the freely allocated reserves, if the book equity is not or, as a result of the distribution, is no longer, less than the share capital.

If there are any losses from previous years, which make the Company's equity value lower than the share capital, the earnings will be allocated to offsetting these losses.

**Article 58.- Interim dividends**

The General Meeting or Board of Directors may agree to distribute interim dividends with the limitations and complying with the requirements established by law.

**TITLE VIII.- DISSOLUTION AND LIQUIDATION**

**Article 59.- Grounds for dissolution**

The Company will be dissolved:

- a) by resolution of the General Shareholders' Meeting called expressly for this purpose and adopted in accordance with law; and
- b) in any of the other cases provided for by the law.

**Article 60.- Liquidation**

Once the Company is dissolved, the liquidation period begins, except in the case of merger or complete spin-off, or any other global assignment of assets and liabilities.

The General Meeting at which the Company's dissolution is agreed shall determine the bases of the liquidation, which will be carried out by an odd number of liquidators, appointed for this purpose by the General Meeting.

From the time when the Company declares itself in liquidation, the administrative body will no longer have the powers to enter into new contracts or obligations, and the liquidators will assume the functions established by law.

The liquidation process, distribution of the surplus on liquidation and cancellation of the entry in the Commercial Registry will be carried out pursuant to the law and the Regulation of the Commercial Registry.

The General Meeting will maintain the same powers during the liquidation period as during the normal life of the Company, and will in particular have the power to approve the liquidation accounts and the final balance of liquidation.

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