*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

**Common draft terms of merger of Ferrovial, S.A. and Ferrovial Internacional, S.L.U.**

# Common draft terms of Merger of Ferrovial, S.A. (acquiring company) and Ferrovial Internacional, S.L.U. (company being acquired)

## 1. Introduction

This common draft terms of merger by absorption (the "**Terms of Merger**") is drawn up and signed by the governing bodies of the companies FERROVIAL, S.A. ("**Ferrovial**" or the "**Acquiring Company**") and FERROVIAL INTERNACIONAL, S.L.U. ("**Ferrovial Internacional**" or the "**Company being Acquired**") for the purposes of articles 30, 31 and concordant and articles 49 and 51 of Act 3/2009, on Structural Modifications of Commercial Enterprises (the "**Structural Modifications Act**").

These Terms of Merger are governed by the simplified regime provided for in articles 49 and 51 of the Structural Modifications Act, since the Company being Acquired is directly and wholly owned by the Acquiring Company.

## 2. Rationale for the merger

The planned merger forms part of the corporate reorganisation of the Ferrovial group started in 2014 and carried out with the aim of separating its national and international business and providing it with a more flexible structure that allows it to adapt quickly to changing financial, legal and regulatory conditions, allowing management by business divisions to be combined with differentiated management of national and international businesses and with a country and customer focus that maximizes cross-selling to common customers.

At present, the main function in the group of the Company being Acquired is to operate as a *holding* company or holder of shares in the international business, a function similar to that currently carried out by its wholly-owned subsidiary Ferrovial International plc, and no benefit of a corporate or business nature is derived to date from this duplicity so as to justify the maintenance of a double *holding* structure. Therefore, through the execution of the merger, the aim is also to simplify the corporate structure of the Ferrovial group, rationalise its management, eliminate duplication, facilitate the efficient allocation of resources and reduce the administrative costs associated with its management.

## 3. Structure of the transaction

The legal structure chosen to carry out the integration of Ferrovial Internacional into Ferrovial is a merger, under the terms foreseen in articles 22 et seq. of the Structural Modifications Act.

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The planned merger will entail the acquisition of Ferrovial Internacional by Ferrovial (the "**Merger**") in such a way that, once the Merger is completed, Ferrovial Internacional shall be extinguished, by dissolution without liquidation, and will transfer all its assets en bloc to the Acquiring Company. Ferrovial shall acquire, by universal succession, all of the rights and obligations of the Company being Acquired and the shares representing the share capital of the latter shall be amortised.

The Acquiring Company is currently the direct holder of all the shares in the share capital of the Company being Acquired. Consequently, since this is a merger by acquisition of a wholly-owned subsidiary, the simplified regime established in Articles 49 et seq. of the Structural Modifications Act is applicable.

In accordance with article 49.1 of the Structural Modifications Act, neither the report of an independent expert nor the reports of the directors regarding these Terms of Merger shall be necessary. Neither an increase in the share capital of the Acquiring Company or the approval of the Merger by decision of the sole shareholder of the Company being Acquired shall also be necessary. Likewise, the Terms of Merger shall not contain any information as to (i) the exchange ratio, methods of paying the exchange and the exchange procedure, (ii) the date from which the holders of the new shares are entitled to participate in the profits, (iii) the information on the valuation of the assets and liabilities of the patrimony of the Company being Acquired, or (iv) the dates of the accounts of the merging companies (the "**Merging Companies**") used to establish the terms and conditions under which the Merger is made.

Finally, according to article 51 of the Structural Modifications Act, the Merger may be made without the need for it to be approved by the General Shareholders' Meeting of the Acquiring Company, unless so requested by shareholders representing at least one per cent of its share capital through the legally established channel (see sections 11 and 13 of the Terms of Merger).

## 4. Identification of Merging Companies

**Acquiring Company:** FERROVIAL, S.A. is a Spanish public limited liability company with registered offices at C/ Príncipe de Vergara, 135, Madrid, it is registered with the Mercantile Register of Madrid at volume 12,774, page 196, sheet M-204,873 and 1st entry, and has Tax ID (N.I.F.) A-81939209.

At the date of these Terms of Merger, Ferrovial's share capital amounts to 147,691,167.40 euros, divided into 738,455,837 shares with a par value of 0.20 euros each, represented by book entries, with identical economic and political rights, fully

subscribed and paid up and admitted to trading on the Madrid, Barcelona, Valencia and Bilbao Stock Exchanges through the Stock Exchange Interconnection System (Continuous Market).

The records regarding the book entries representing the shares in Ferrovial are managed by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear).

**Company being Acquired**: FERROVIAL INTERNACIONAL, S.L.U. is a Spanish private limited liability company with registered office at C/ Príncipe de Vergara, 135, Madrid, it is registered with the Mercantile Register of Madrid at volume 32,294, page 125, sheet M-581,266 and 1st entry, and has Tax ID (N.I.F.) B-87124046.

At the date of these Terms of Merger, Ferrovial Internacional's share capital amounts to 624,926,436 euros, divided into 624,926,436 shares with a par value of 1 euro each, with identical economic and political rights, fully assumed and paid up.

## 5. Industry contributions, ancillary benefits, special rights and securities other than those representing the share capital

In relation to the provisions of sections 3 and 4 of article 31 of the Structural Modifications Act, it is hereby stated that there are no industry contributions, ancillary benefits, special privileged shares or persons with special rights other than the mere ownership of the shares in any of the Merging Companies, and therefore no special rights or options of any kind are to be granted.

## 6. Advantages attributed to the directors

In relation to article 31.5 of the Structural Modifications Act, it is stated that no advantage of any kind shall be attributed to the directors of the Merging Companies.

## 7. Date of the Merger for accounting purposes

In accordance with the provisions of section 2.2.2 of the 21st Registration and Valuation Standard of the Spanish Accounting Standards, as approved by virtue of Royal Decree 1514/2007, of 16 November (the "**Spanish Accounting Standards**"), the Merger shall have accounting effects as from the first day of the financial year in which the merger is approved. Therefore, unless the Merger has to be submitted for approval by Ferrovial's General Shareholders' Meeting (see sections 11 and 13 of the Terms of Merger), the Merger shall be deemed to have been approved by the respective Boards of Directors of the Merging Companies in the financial year 2018. In this case, the operations of the

Company being Acquired shall be considered to have been carried out for accounting purposes by Ferrovial as from 1 January 2018.

In the event that the Merger must be approved by Ferrovial's General Shareholders' Meeting (see sections 11 and 13 of the Terms of Merger), said Meeting would have to be held in the financial year 2019. If that were the case, and also in application of section 2.2.2 of the 21st Registration and Valuation Standard of the Spanish Accounting Standards, the operations of the Company being Acquired would be considered to have been carried out for accounting purposes by Ferrovial from 1 January 2019.

Finally, if the Merger is registered with the Mercantile Registry in the financial year 2019, after the Ferrovial's annual accounts for the financial year 2018 are drawn-up, the provisions of section 2.2 of Registration and Valuation Standard 19th of the Spanish Accounting Standards (by reference to Registration and Valuation Standard 21st) would apply.

It should be noted that the accounting retroaction thus determined is in accordance with the Spanish Accounting Standards.

## 8. Ferrovial's articles of association

As a result of the Merger there shall be no amendment to Ferrovial's articles of association. Therefore, once the Merger is completed, Ferrovial, in its capacity as acquiring company, shall continue to be governed by the articles of association then in force. The text of the articles of association, as in force on the date of signing these Terms of Merger and the text of which appears on Ferrovial's corporate website (www.ferrovial.com), is attached to these Terms of Merger as a **Single Annex** for the purposes of the provisions of article 31.8 of the Structural Modifications Act.

## 9. Merger balance sheets

The following are considered as merger balance sheets, according to article 36.1 and 36.3 of the Structural Modifications Act:

(i) In the case of the Company being Acquired: The balance sheet closed on 30 September 2018, which has been drawn up by the Board of Directors for the purposes of implementing the Merger, shall be considered the merger balance sheet of the Company being Acquired, for the purposes set forth in article 36.1 of the Structural Modifications Act. This balance sheet will be verified by the auditor of Ferrovial Internacional.

(ii) In the case of the Acquiring Company: in accordance with article 36.3 of the Structural Modifications Act and given that Ferrovial is a listed company, its merger balance sheet for the purposes set forth in article 36.1 of the Structural Modifications Act shall be deemed to have been replaced by Ferrovial's half-yearly financial report closed on 30 June 2018 and required by securities market regulations. This report was published on 26 July 2018 on the website of the Spanish National Securities Market Commission (CNMV).

## 10. Consequences of the Merger on employment, gender impact on the governing bodies and impact on corporate social responsibility

### 10.1 Possible consequences of the Merger on employment

For the purposes of article 31.11 of the Structural Modifications Act and in accordance with article 44 of the Revised Text of the Workers' Statute Act, Ferrovial shall be subrogated to the labour rights and obligations of the workers of the Company being Acquired.

The Merging Companies shall comply with their obligations to provide information and, where appropriate, to consult the legal representation of the workers of each of them, in accordance with the provisions of labour regulations.

Apart from the foregoing, the Merger shall have no effect on employment within Ferrovial.

### 10.2 Possible gender impact on the governing bodies. Auditors

It is not expected that there shall be any changes in the composition of Ferrovial's Board of Directors due to the Merger.

For the purposes of Article 228.1.2 of the Mercantile Registry Regulations, it is hereby stated that the auditor of Ferrovial's accounts corresponding to the current financial year is Deloitte, S.L.

### 10.3 Impact of the Merger on corporate social responsibility

The Merger shall have no impact on Ferrovial's corporate social responsibility policy.

## 11. Approval of the Merger

In accordance with Articles 51.1 and 49.1.4 of the Structural Modifications Act, neither the General Shareholders' Meeting of Ferrovial nor the sole shareholder of the Company being Acquired will have to approve the Merger, for which reason it shall be approved by the Board of Directors of Ferrovial and the Board of Directors of the Company being Acquired, provided that, with respect to Ferrovial, it is not necessary to call the General Shareholders' Meeting because shareholders representing at least one per cent of Ferrovial's share capital have requested it under the terms set forth in the aforementioned article 51 of the Structural Modifications Act.

## 12. Taxation

Pursuant to Article 89.1 of Act on Corporate Income Tax 27/2014, of 27 November 2004, the Merger is subject to the tax regime established in chapter VII of title VII and in the second additional provision of said Act, as well as in Article 45, paragraph I.B.10. of Royal Legislative Decree 1/1993, of 24 September, approving the Consolidated Text of the Act on Tax on Capital Transfers and Documented Legal Acts; a system that allows corporate restructurings to be carried out under the concept of tax neutrality, provided that such operations are carried out for valid economic reasons, such as those set out in these Terms of Merger.

The Merger shall be notified to the Tax Administration under the terms set forth in Articles 48 and 49 of the Regulation on Corporate Income Tax, approved by Royal Decree 634/2015, of 10 July, within the period of three months following the registration of the merger public deed.

## 13. Compliance with disclosure and information obligations in connection with the Terms of Merger

In accordance with the obligations set forth in article 32 of the Structural Modifications Act, these Terms of Merger shall be inserted in Ferrovial's corporate website. Ferrovial shall present the corresponding certificate at the Mercantile Registry of Madrid so that the fact of the insertion of the Terms of Merger on the website is published in the Official Gazette of the Mercantile Registry, referring to Ferrovial's website, as well as the date of its insertion.

In turn, the Company being Acquired shall deposit a copy of the Terms of Merger with the Mercantile Registry of Madrid. The fact of the deposit and its date shall be published ex officio in the Official Gazette of the Mercantile Registry.

Likewise, in compliance with article 51.1 of the Structural Modifications Act, the Terms of Merger shall be announced (i) on Ferrovial's website and (ii) in the Official Gazette of the Mercantile Registry, stating in said announcement the right of the shareholders of the Acquiring Company and the creditors of the Merging Companies to examine at the registered office of the Merging Companies, as well as to be handed over or to be sent free of charge (a) the Terms of Merger; (b) the annual accounts and the management report of the last three financial years, with the audit reports, of the Merging Companies; (c) the merger balance sheet of Ferrovial Internacional and its corresponding audit report, as well as Ferrovial's half-yearly financial report closed on 30 June 2018; and (d) the merger resolutions adopted by the Boards of Directors of the Merging Companies. The announcement must also mention (i) the right of Ferrovial’s shareholders representing at least one per cent of the share capital to request a General Shareholders' Meeting of the Acquiring Company for the approval of the Merger, in accordance with the aforementioned article 51.1; and (ii) the right of the creditors of the Merging Companies to oppose the Merger until their credits are guaranteed, within one month from the publication of the Terms of Merger, in accordance with article 44 of the Structural Modifications Act.

The insertion of the Terms of Merger on Ferrovial's website, the deposit of the Terms of Merger by Ferrovial Internacional with the Mercantile Registry of Madrid, the publication of these facts in the Official Gazette of the Mercantile Registry and the publication of the merger announcement in the Official Gazette of the Mercantile Registry and on Ferrovial's website shall be made at least one month prior to the date scheduled for the execution of the merger public deed. The insertion on the website shall be maintained, for at least the time required by article 32 of the Structural Modifications Act.

It is also stated that, in accordance with the provisions of article 49.1.2 of the Structural Modifications Act, the Merger shall be made without a directors' report on these Terms of Merger.

The documents mentioned in the third paragraph of this section 13 shall be inserted, with the possibility of being downloaded and printed, on Ferrovial's website at least one month prior to the execution of the merger public deed. Likewise, they shall be available for examination at the registered office of the Merging Companies or to be handed over or sent free of charge.

* * * *

In accordance with the provisions of article 30 of the Structural Modifications Act, the directors of Ferrovial and Ferrovial Internacional, whose names are set out below, draft and sign these Terms of Merger.

*This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.*

**Common draft terms of merger of Ferrovial, S.A. and Ferrovial Internacional, S.L.U.**

In Madrid, on 18 December 2018

**Members of the Board of Directors of**
**Ferrovial, S.A.**

| ______________________________ | ______________________________ |
|---|---|
| Mr. Rafael del Pino y Calvo Sotelo | Mr. Santiago Bergareche Busquet |
| ______________________________ | ______________________________ |
| Mr. Joaquín Ayuso García | Mr. Íñigo Meirás Amusco |
| ______________________________ | ______________________________ |
| Ms. María del Pino y Calvo Sotelo | Mr. Santiago Fernández Valbuena |
| ______________________________ | ______________________________ |
| Mr. José Fernando Sánchez-Junco Mans | Mr. Joaquín del Pino y Calvo-Sotelo |
| ______________________________ | ______________________________ |
| Mr. Óscar Fanjul Martín | Mr. Philip Bowman |
| ______________________________ | ______________________________ |
| Ms. Hanne Birgitte Breinbjerg Sørensen | Mr. Bruno Di Leo |

**Common draft terms of merger of Ferrovial, S.A. and Ferrovial Internacional, S.L.U.**

In Madrid, on 20 December 2018

**Members of the Board of Directors of**
**Ferrovial Internacional, S.L.U.**

| | |
|---|---|
| Mr. Íñigo Meirás Amusco | Mr. Santiago Ortiz Vaamonde |
| Mr. Ernesto López Mozo | Mr. Alejandro de la Joya Ruiz de Velasco |
| Mr. Jorge Gil Villén | Mr. Fidel López Soria |
| Mr. Juan Ignacio Gastón Najarro | |

**NOTE FROM THE SECRETARY NON-DIRECTOR**

It is noted that Mr. de la Joya Ruiz de Velasco and Mr. Gastón Najarro were not able to attend the meeting of the Board of Directors of Ferrovial Internacional, S.L.U. held on 20 December 2018 at 13:00 due to unavoidable professional reasons, although they previously delegated their attendance and voting rights for said meeting in favor of Mr. Meirás Amusco, who acted on their behalf and voted in favor of the subscription and approval of these common draft terms of merger, which have therefore been subscribed and approved unanimously.

Madrid, 20 December 2018

Eduardo Apilánez Pérez de Onraita

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**Common draft terms of merger of Ferrovial, S.A. and Ferrovial Internacional, S.L.U.**

## Single Annex

## Articles of Association of Ferrovial, S.A.

*English translation for information purposes only. In the event of discrepancies between the English and the Spanish version, the Spanish version shall prevail.*

# BYLAWS

# FERROVIAL, S.A.

**Article 5 was amended on 30 November 2018 and registered with the Commercial Registry of Madrid on 17 December 2018**

## CHAPTER I. NAME, PURPOSE, TERM, CORPORATE ADDRESS

### Article 1. Legal name

The Company is named Ferrovial, S.A., and shall be governed by these Bylaws, the legislation applicable to public companies, and any other applicable laws and provisions.

### Article 2. Corporate purpose

1. The purpose of the Company is to perform the following activities, both in the Spanish territory and abroad:

    a) Design, build, execute, operate, manage, administer and conserve public and private works and infrastructures, either directly or through its participation in corporations, groups, consortia or any other similar legal figure legally allowed in the country of interest.

    b) Operate and provide all kinds of services related to urban and interurban transportation infrastructure, either land, sea or air.

    c) Operate and manage all kinds of complementary services and works that could be offered in the areas of influence of public and private works and infrastructures.

    d) Hold, in its own name, all kinds of concessions, subconcessions, authorisations and administrative licenses for works, services and mixed, granted by the State, Autonomous Communities, Provinces, Municipalities, Autonomous Bodies, and in general any foreign State or public administration and any international body or institution.

    e) Manage, administer, acquire, promote, transfer, urbanise, rehabilitate and operate in any form, lands, lots, residential developments, real estate zones or promotions, and in general all kinds of real properties.

    f) Manufacture, acquire, supply, import, export, lease, install, maintain, distribute and operate machinery, tools, vehicles, installations, materials, equipment and furnishings of all kinds, including urban utilities and furnishings.

    g) Acquire, operate, sell and assign intellectual and industrial property rights.

    h) Provide services related to the conservation, repair, maintenance, correction and cleaning of all kinds of works, installations and services, to both public and private entities.

    i) Provide engineering services such as making projects, studies and reports.

    j) Perform projects and studies for the construction, maintenance, operation and sale of all kinds of water and wastewater supply, discharge, transformation and treatment installations and waste products. Research and development in said fields.

    k) Provide services related to the environment such as smoke and noise control, integral waste disposal management including from pick up to purification, transformation and treatment.

l) Build, manage, operate, exploit and maintain energy production or carrier systems for any kind of energy, not including activities regulated by legal provisions that are not compatible with this part of the corporate purpose.

m) Research, design, develop, produce, operate and assign programs and in general computer, electronic and telecommunications products.

n) Research, operate and use of mineral deposits, as well as acquire, use and enjoy permits, licenses, concessions, authorisations and other rights to mine, industrialise, distribute and sell mineral products. These activities do not include activities related to minerals of strategic interest.

o) Provide management and administrative services to any kind of corporations and companies, as well as consulting and advisory services in the areas of accounting, legal, technical, financial, labour, tax and human resources.

p) Anything that does not violate activities that are legally reserved by special legislation, and in particular by legislation governing Institutions of Collective Investment and the Securities Market, coordinate and perform on its own all kinds of operations related to securities in any kind of market, national or international; to buy, sell, or in any other way acquire, transmit, swap, transfer, pledge and subscribe all kinds of shares, securities convertible into shares or which grant the right to acquire or subscribe to bonds, rights, payment notes, government bonds, or tradable securities and to acquire holdings in other companies.

2. The above listed activities may be undertaken by the Company indirectly, either totally or in part, by means of ownership rights in other companies having an equivalent purpose and with corporate address in Spain or abroad. Consequently, the managing and administering of securities representing the equity of companies, whether or not resident in Spain, through the corresponding organization of material and human resources, shall form part of the corporate purpose.

## Article 3. Term

The Company is constituted for an indefinite period, and shall begin operations the day of the granting of the public deed of incorporation.

## Article 4. Corporate address

1. The corporate address is Madrid, at Calle Príncipe de Vergara número 135.

2. The corporate address can be moved to any other place within national territory, by resolution of the management body.

3. The governing body of the Company can agree to create, eliminate or transfer branches, offices, representatives, agencies, delegations, offices, or other dependencies, in Spain or abroad, as it deems appropriate.

# CHAPTER II. SHARE CAPITAL AND SHARES

## Section 1. Capital and shares

### Article 5. Capital

1. Share capital is ONE HUNDRED AND FORTY SEVEN MILLION SIX HUNDRED AND NINETY ONE THOUSAND ONE HUNDRED AND SIXTY SEVEN EURO WIH FORTY CENTS (€147,691,167.40), completely subscribed and paid in.

2. The share capital is represented by SEVEN HUNDRED AND THIRTY EIGHT MILLION FOUR HUNDRED AND FIFTY FIVE THOUSAND EIGHT HUNDRED AND THIRTY SEVEN (738,455,837) ordinary shares of a single class, with a nominal value of twenty cents of a euro (€0,20) each.

### Article 6. Share representations

1. Shares will be represented by book entries and will be created when recorded in the pertinent accounting register. The said book entry shall reflect the circumstances included in the public deed of issuance as well as whether or not the shares are fully paid in. The shares will be registered for the purposes of those applicable rules that require it, for which purposes the Company shall keep the corresponding share register and shall make use of the information services that the legally-authorised entity provides for the purposes of article 497 of the Capital Companies Act, or the article that may replace it. Shares shall be governed by provisions of the Securities Market Law and other complementary provisions.

2. The entries made in the books of the Company shall correspond to the entity or entities corresponding to said function, according to law.

3. Legalisation of the right to act as a shareholder, including, as applicable, transfer shares, is obtained through the inscription in the book entry that grants presumption of the legitimate owner and enables the registered owner to demand the Company to recognise him as shareholder. This legalisation could be accredited by exhibition of the appropriate certificates issued by the entity responsible for the book entries.

   The Company's provision of any benefit to the party presumed to be legalised shall release the Company from the corresponding obligation, even if said party is not the real owner of the share, if and when said act is in good faith and free of negligence.

4. In the event the person or entity appearing as legalised in the book entries bears said legalisation as fiduciary or another similar form, then the Company can request that it reveals the identity of the real owners of the shares, as well as the transfers and encumbrances of same.

### Article 7. Shareholder Rights

1. Share ownership grants its legitimate owner the condition of shareholder, attributing the individual and minority rights conferred by Law and in these Bylaws.

2. Under the terms established by Law and except in the cases described therein, the shareholder has at least the following rights:

   a) The right to participate in the distribution of profits and in the capital resulting from liquidation.

b) The pre-emptive subscription rights for shares or convertible bonds offered as new issues.

c) The right to attend and vote in the General Meetings and to challenge the corporate resolutions.

d) The right to be informed, as established by Law and in these Bylaws.

3. The shareholder shall exercise his rights with the Company loyally and as required by good faith.

**Article 8. Non-voting shares**

1. The Company can issue non-voting shares for a nominal value of not more than half of the paid in capital.

2. Owners of non-voting shares shall have the right to receive an annual dividend of minimum five per cent of the paid in capital for each non-voting share. Upon agreement on the minimum dividend the owners of the non-voting shares shall have the right to the same dividend corresponding to ordinary shares. Minimum dividends not paid in a period shall not accumulate in successive years.

3. Non-voting shares shall have the pre-emptive subscription right under the same terms as voting shares. However said right can be excluded as provided by law and in these bylaws for voting shares.

4. Successive issues of non-voting shares shall not require the approval of previous non-voting shareholders, through a separate voting or special Meeting.

5. Non-voting shares shall recover voting rights if the Company fails to fully satisfy the minimum dividend for five consecutive years.

**Article 9. Callable Shares**

1. The Company can issue callable shares in a nominal value that shall not exceed one fourth of share capital, and in accordance with other legally established requirements.

2. Callable shares shall grant their owners the rights established in the issue, in accordance with the law and the appropriate amendment of the Bylaws.

**Article 10. Multiple Owners**

1. Shares are indivisible.

2. Shares that are co-owned shall be recorded in the corresponding account in the name of all co-owners. However co-owners of a share shall appoint a single person who will exercise the rights as shareholders, and the co-owners shall be jointly liable to the Company for all obligations deriving as shareholders.

   The same rule shall apply to other conditions of co-ownership of share rights.

3. In the case of usufruct of shares, the condition of shareholder shall reside in the owner not benefiting from the shares; however the usufructuary shall in all events have the right to the dividends resolved by the Company during the usufruct. All other shareholder rights shall be exercised by the owner not benefiting from the share.

The usufructuary shall facilitate these rights to the shareholder not benefiting from the shares.

4. If the shares are pledged, then the share owner shall exercise the shareholder rights. The creditor holding the pledge shall facilitate the exercise of these rights to the shareholder.

   If the owner fails to comply with the obligation to pay in any outstanding capital, then the creditor pledge holder can comply with said obligation or proceed to execute the pledge.

5. If there are other limited real rights on the shares, then the owner in direct domain of the shares shall exercise the political rights.

## Article 11. Share Transfers

1. Shares and the economic rights deriving from same, including pre-emptive subscription rights, are transferable by all forms allowed by Law.

2. Transfers of new shares shall not be effective before the capital increase has been registered in the Mercantile Registry.

3. Share transfers shall be carried out in the form of book entries.

4. The transfer in favour of the acquiring party shall have the same effects as traditional transfers of the share certificate.

5. The constitution of real rights or other encumbrances on the shares shall be recorded in the corresponding account in the Company's books and accounts.

6. Inscription of the pledge is equivalent to transferring possession of the certificate.

## Article 12. Capital calls

1. When shares are partially paid in, the shareholder shall proceed to pay the portion not paid in, either in cash or in kind, in the form and within the period determined by the administration of the Company, which in any event shall not surpass 5 years from the date of the resolution to increase capital.

2. Any shareholder who fails to pay the capital calls cannot exercise his voting rights.

3. Without prejudice to effects of delinquency provided by law, any delay in the payment of capital calls shall accrue legal interest to the Company, beginning the day of expiration and without the need for judicial or extrajudicial proceedings, as well as filing of the proceedings authorised by law in these cases.

## Section 2. Capital Increase and Reduction

### Article 13. Capital Increase

1. Capital can be increased through the issue of new shares or by raising the nominal value of existing shares; in both cases the capital increase may be made for new cash contributions or non-cash contributions, including offsetting of debt claims against the Company, or by applying profits or reserves disclosed on the most recent approved balance sheet. Capital can be increased partly through new contributions and partly from available reserves.

2. If the capital increase has not been fully subscribed within the period set for said purpose, the capital shall be increased by the amount effectively subscribed, unless agreed otherwise.

### Article 14. Authorised Capital

1. The General Meeting may delegate to the corporate governing body the power to approve, one or more times, the capital increase to a determined amount, at such times and in such amounts as it may decide and within the limits established by law. Such delegations can include the power to exclude pre-emptive subscription rights. Unless the agreement for delegation provides otherwise, the Board of Directors shall be authorised to issue ordinary shares, voting, non-voting or callable.

2. The General Meeting may likewise delegate to the corporate governing body the power to determine the date when approved agreement to increase capital, already adopted, shall be carried out and to determine any conditions not previously determined by the Meeting.

### Article 15. Cancellation of pre-emptive subscription rights

1. The General Meeting or, as applicable, the Board of Directors approving the capital increase, can approve the cancellation of all or part of pre-emptive subscription rights for reasons of corporate interest.

2. Corporate interest may specifically justify the elimination of the pre-emptive subscription rights when required to allow the Company (i) to acquire assets (including shares or shareholdings in companies) appropriate for developing the corporate purpose; (ii) to allocate new shares on foreign markets that allow access to sources of financing; (iii) to obtain resources through the use of demand forecast placement techniques designed to maximise the share issue rate; (iv) to obtain an industrial or technological partner; or (v) in general, to carry out any operation that is appropriate for the Company.

3. Existing shareholders shall not have pre-emptive subscription rights for new shares when the capital increase is due to the conversion of bonds into shares, takeover of another company or part of the capital spin off from another company, or when the Company has made a public offering to buy securities to be paid either all or partially in documents to be issued by the Company.

### Article 16. Capital Reduction

1. Capital can be reduced by reducing the nominal value of the shares, by redeeming outstanding shares or by grouping them for exchange, and the purpose in both cases can be to return contributions, condone capital calls, constitute or increase reserves or re-establish the balance between share capital and net worth.

2. When capital is reduced by returning contributions, payment to shareholders can be made, either entirely or partially, in kind, if and when said return complies with the terms of Section 5 of Article 64.

### Article 17. Forced Redemption

1. The General Shareholders' Meeting may approve, pursuant to the law, a share capital reduction to redeem a specific group of shares, if and when said group is defined based on substantive, homogeneous, and non-discriminatory criteria. In that case, the measure shall be approved by the General Shareholders' Meeting and by the majority of the shares held by the shareholders belonging to the affected group, as well as by a majority of the shares held by the rest of the shareholders who remain in the Company.

2. The amount to be paid by the Company may not be less than the arithmetical average of the closing prices of the Company's shares on the Computerised Trading System of the Securities Market during the three months prior to the date on which the share capital reduction is approved.

## Section 3. Issue of Bonds and other securities

### Article 18. Bond Issues

1. The Company may issue simple, convertible or exchangeable bonds in compliance with all legally established terms and limits.

2. As applicable, the General Meeting may authorise the corporate governing body to issue, potentially including the power to exclude pre-emptive subscription rights held by shareholders of the Company. The Board of Directors may use said authorisation one or more times and during a maximum period of five years.

3. The General Meeting can likewise authorise the Board to establish the time when the issue agreed shall be carried out and to determine other conditions not indicated in the agreement of the Board.

### Article 19. Convertible and Exchangeable Bonds

Convertible or exchangeable bonds may be issued at a fixed exchange ratio (determined or to be determined) or at a variable exchange rate.

### Article 20. Bondholders Syndicate

1. The syndicate of bondholders shall be constituted, after inscription of the issue, by those acquiring the bonds as the securities are received or the corresponding book entries are made.

2. Normal costs caused by the Syndicate shall be the responsibility of the Company, and shall not in any case exceed 1 per cent of the annual interest earned by the issued bonds.

### Article 21. Other Securities

1. The Company may issue notes, warrants, preferential shares or other negotiable securities apart from those described in previous articles.

2. As applicable, the General Meeting may authorise the corporate governing body to issue said securities. The corporate governing body may use this power one or various times and during a maximum period of five years.

3. The General Meeting may further authorise the corporate governing body to establish the date when the issue agreed is to take place, and to determine the other conditions not provided in the resolution of the General Meeting, according to law.

4. The Company may also guarantee the issues of securities made by its subsidiaries.

## CHAPTER III. CORPORATE GOVERNANCE

### Section 1. Company Bodies

### Article 22. Distribution of responsibilities

1. The governing bodies of the Company are the General Shareholders' Meeting, the Board of Directors and the delegated bodies created within the Company.

2. The General Shareholders' Meeting shall decide on all matters attributed to it by law or the bylaws, including but are not limited to:

   a) Grant discharge to the Board of Directors;

   b) Approve, as applicable, the annual accounts, both individual and consolidated, and resolve on the application of the result;

   c) Appoint and remove members of the Board of Directors, and ratify or revoke appointments of members of the Board made by co-optation

   d) Approve the policy of the remuneration of board members in the terms provided by law;

   e) Appoint and remove the auditor of the Company;

   f) Agree on capital increases and reductions, transformations, mergers, spin offs, segregations, transfer the corporate offices abroad, and in general any amendment to the Bylaws;

   g) Approve the acquisition, disposal or contribution to another company of essential assets. An asset is deemed to be essential when the amount of the transaction exceeds twenty-five per cent of the total balance sheet assets;

   h) Agree to the transfer to entities dependent on the Company of essential activities performed to that time by the Company, including when the Company maintains full domain of said entities;

   i) Agree on the dissolution and liquidation of the Company or any other operation whose result is equivalent to liquidating the Company;

j) Authorise the Board of Directors to increase share capital;

k) Resolve on matters submitted to it for deliberation and approval by the corporate governing body; and

l) Approve the Regulations of the General Shareholders' Meeting and any subsequent amendments.

3. Powers not legally or statutorily attributed to the General Shareholders' Meeting correspond to the corporate governing body.

4. The General Shareholders' Meeting may only give instructions to the Board of Directors or subject decision-making by the Board of Directors on management matters to its approval by means of resolutions that meet the information and quorum requirements for amendments of the Bylaws.

## Article 23. Principles for action

1. All the bodies of the Company shall oversee the corporate interest, understood as the common interest of all shareholders.

2. With regard to the shareholders the corporate bodies shall respect the principle of equal treatment.

# Section 2. General Shareholders' Meeting

## Article 24. General Meeting

1. The General Meeting is the supreme body of the Company and its resolutions are binding on all shareholders, including those absent, dissenting, abstaining and those with no right to vote, without prejudice to the rights and actions that may correspond to them.

2. The shareholders convened in General Meeting shall resolve, by majority vote, on the matters attributed to it by law.

3. The General Meeting is governed by these Bylaws and the Law. Legal and statutory regulations of the Meeting shall be drafted and completed through the Regulation of the General Meeting, which shall detail the regime for calling, preparation, information, reporting attendance, development and exercise of political rights by shareholders during the Meeting. The Regulation shall be approved by the Meeting at the motion of the corporate governing body.

## Article 25. Types of General Meetings

1. General Meetings of Shareholders can be ordinary or extraordinary.

2. A General Ordinary Meeting must be called within the first six months of each financial year in order to grant discharge to the Board of Directors, if appropriate, to approve the annual accounts of the previous year, as the case may be, and to resolve on the distribution of results. A General Ordinary Meeting shall be valid even if called or held outside this term.

3. Any Meeting different from those described in the above paragraph shall be considered Extraordinary. However the General Shareholders' Meeting, although called Ordinary, may also deliberate and resolve on any matter within its jurisdiction, if it complies with applicable law.

4. All Meetings, either ordinary or extraordinary, shall be subject to the same rules of procedure and competences.

**Article 26. Entitlement and obligation to Call Meetings**

1. The Board of Directors shall call a General Shareholders' Meeting:

   a) When appropriate pursuant to the provisions in the foregoing article for the ordinary General Shareholders' Meeting.

   b) At the request of a number of shareholders owning at least three (3%) of share capital, in which they state the items to be submitted for approval by the General Shareholders' Meeting; in this case, the Meeting shall be held within two months from the date on which the request to the directors to call the meeting was received by notarial service of notice.

   c) Whenever it deems it appropriate in the interest of the Company or whenever required by law.

2. The Board of Directors shall prepare the agenda, necessarily including the items that were the purpose of the request.

3. If the Ordinary General Meeting is not called within the legal period, then a Judge of the Mercantile Courts of the Company's registered office can do so at the request of the shareholders and after hearing the directors.

4. In the event of death or removal of a majority of the members of the Board of Directors, any shareholder may apply to the Mercantile Court corresponding to the Company's registered office in order to request the call of a Shareholders' Meeting to appoint directors. Any remaining director may also call a Shareholders' Meeting for that sole purpose.

**Article 27. Call of the General Meeting**

1. Both ordinary and extraordinary General Shareholders' Meetings shall be called by publishing an announcement at least one month before the date scheduled for the Meeting, unless the law establishes another notice period, in which case that period shall rule. The call of the meeting must be announced using, as a minimum, the following media:

   a) The Official Bulletin of the Mercantile Register or one of the most widely-circulated newspapers in Spain.

   b) The National Securities Market Commission's website.

   c) The Company's website.

   When the Company offers shareholders the effective possibility of voting by electronic means available to all, extraordinary General Shareholders'' Meetings may be called with advance notice of at least fifteen days. The shorter call period will require an express agreement (which will only be valid until such Meeting is held) adopted by the Meeting by at least two-thirds of capital with voting rights.

2. The announcement shall indicate the name of the Company, the date, place and time of the Meeting on first call, and the position of the person or persons publishing such announcement, together with all the items to be discussed and any other items that are to be included in the announcement pursuant to the provisions of the law and the Regulations of the General Shareholders' Meeting. Furthermore, the announcement may also indicate the date on which the Meeting may be held on second call.

3. Shareholders representing at least three per cent of the share capital may request that a supplement be published in addition to the call of an Ordinary General Shareholders' Meeting, including one or more items on the agenda, provided that such new items are accompanied by a justification or, where appropriate, a reasoned motion. Exercise of this right shall be made by certified notice served at the registered office of the Company within five days following publication of the call. The complementary document to the call of the meeting shall be published at least fifteen days prior to the date scheduled for the Meeting. Failure to publish the complementary document to the call within the term established shall render the Meeting null and void in accordance with the law.

4. Shareholders representing at least three per cent of the share capital may, within the same period provided in the preceding article, present reasoned motions on items that are already on the agenda or which ought to be on the agenda for the scheduled meeting.

5. The provisions of this article shall be null and void whenever a legal provision establishes different requirements for Meetings held to discuss certain items, in which case any specific provisions shall be met.

6. The notice shall mention the shareholders' right to examine the proposed resolutions that are to be submitted to the Meeting for approval, the necessary or mandatory documents or reports and any others which, not being mandatory, are determined by the governing body in each case, at the registered office, to consult them on the Company's website and, as the case may be, to obtain them free of charge and immediately.

## Article 28. Right to attend

1. All shareholders, including those without a right to vote, who individually or collectively with other shareholders own at least one hundred (100) shares, may attend the General Shareholders' Meeting.

2. In order to attend the General Shareholders' Meeting each shareholder must have recorded ownership of its shares in the corresponding accounting records of book entries, five days prior to the date scheduled for the Meeting, and must hold the corresponding attendance card.

3. Shareholders with a right of attendance may attend the General Meeting by remote communication means, pursuant to the provisions established in the Shareholders' Meeting Regulations and in the following paragraphs.

   The governing body shall consider the technical means and legal bases that permit and ensure attendance by telematic means, and shall assess, when calling each Shareholders' Meeting, the possibility of organising attendance to the meeting through telematic means.

   To this effect, the governing body shall ensure, amongst other issues, that shareholders' identity and status are duly guaranteed, as well as the adequate exercise of their rights, the suitability of the telematic means and adequate progress of the meeting, and, all pursuant to the provisions established in the Shareholders' Meeting Regulations. When

deemed appropriate, the call shall include the specific telematic means available to the shareholders, as well as the instructions they should follow in this regard. Furthermore, if so determined by the governing body, the call may indicate that any interventions and proposed resolutions to be made by those attending by telematic means must be sent to the Company before the Meeting is constituted.

4. The members of the governing body shall attend any General Meetings held, although the fact that any one of them is unable to attend for any reason shall in no event prevent the Meeting from being validly constituted.

5. The Chairman of the Meeting of Shareholders may authorise Managers and Technicians to attend, as well as other people with an interest in corporate matters, and may invite any other persons he/she deems appropriate.

### Article 29. Representation in the General Meeting

1. Notwithstanding attendance of legal entities that are shareholders through proxy, any shareholder entitled to attend may be represented at a Shareholders' Meeting through another person, even if not a shareholder. Proxies shall be conferred specifically for each Meeting, in writing or by other means of remote communication that duly guarantee the identity of the represented party and representative, which the governing body may determine, where appropriate, when each Meeting is called, pursuant to the provisions established in the Company's Shareholders' Meeting Regulations.

2. Prior to his/her appointment, the proxy must inform the shareholder in detail if there is a conflict of interest. If the conflict arises after the proxy is appointed and he/she did not warn the shareholder of its possible existence, the shareholder must be informed immediately. In both cases, if the proxy did not receive specific voting instructions for each of the items on which he/she must vote on behalf of the shareholder, the proxy shall abstain from voting.

3. The Chairman, Secretary of the Meeting, or the individuals appointed on their behalf, shall be entitled to determine the validity of the proxies conferred and the compliance of the attendance requirements for the Meeting.

4. The power to represent shall be without prejudice to the provisions of the law with regard to family representation and the execution of general powers of attorney.

5. Representations obtained by public request shall be governed by Law and the General Shareholders' Meeting Regulations.

### Article 30. Time and Place of Meeting

1. The General Meeting will be held at the place indicated in the notice within the municipality in which the Company is domiciled.

2. The Shareholders' Meeting Regulation may establish the conditions for attending the meeting via simultaneous videoconference or other analogous forms of connection with various places.

3. If the notice calling the meeting does not mention the location at which it will be held, it shall be understood to be held at the corporate address.

4. The General Shareholders' Meeting may approve its own extension for one or more consecutive days, at the proposal of the directors or of a number of shareholders representing at least one quarter of the capital present at the meeting. Whatever the number of sessions, the General Shareholders' Meeting will be considered to be a single

meeting, and a single minutes will be kept for all sessions. The General Shareholders' Meeting may likewise be temporarily suspended in the events and manner established in its own Regulations.

## Article 31. Quorum. Special Cases

1. The General Meeting shall be validly constituted on the first call when the shareholders present either personally or by proxy own at least twenty five percent of subscribed capital with voting rights. On the second call, the quorum will consist of whatever number of shareholders is present.

2. For the General Meeting, be it ordinary or extraordinary, to validly approve a bond issue, a capital increase or reduction, limit or eliminate the pre-emptive right to acquire, as well as approve the transformation, merger or spin-off, global assignment of assets and liabilities and transfer of the corporate domicile abroad, and in general, any amendment of the Bylaws, the presence of shareholders representing at least fifty percent of the subscribed share capital with voting rights shall be required on the first call.

   On the second call, the presence of twenty five percent of the share capital will suffice.

   Regarding the adoption of resolutions referred to in this paragraph, if the share capital present either personally or by proxy exceeds fifty per cent, it will suffice for the resolution to be adopted with an absolute majority. However, an affirmative vote of two-thirds of the share capital present at the General Meeting either personally or by proxy shall be required when the shareholders present on second call represent twenty-five per cent or more of the subscribed share capital with voting rights without reaching fifty per cent.

3. Shareholders casting their votes by means of remote communication shall be considered as present for quorum purposes.

4. Absences that may occur after the General Meeting has been convened shall not affect the validity of the meeting.

5. If the attendance of a determined quorum is required to validly adopt a resolution regarding one or various points on the agenda for the General Meeting, pursuant to applicable law or these Bylaws, and said quorum is not achieved, then the agenda shall be reduced to only include the points that do not require said quorum for valid adoption.

## Article 32. Board of the General Shareholders' Meeting

1. The General Meeting's board shall be constituted, at least, by the Chairman and the Secretary of the General Meeting. The members of the Company Board of Directors present at the session shall also form part of the board.

2. The General Meeting shall be chaired by the Chairman of the Board of Directors, and in the event of absence, illness, or indisposition, by the Vice Chairman. If there are several vice chairmen they shall follow in their numerical order; and if all are absent, the Board Member designated by the attendants shall chair the meeting.

3. The Chairman shall be assisted by the Secretary. The Secretary of the Board of Directors shall act as Secretary of the Meeting; in the event he does not personally attend the meeting, then the Vice Secretary shall serve. If they are both absent then the person designated by the attendants shall act as Secretary of the Meeting.

## Article 33. List of Attendees

1. Before starting with the Agenda, the Secretary of the Meeting shall draw up a list of the attendants, expressing each one's nature or proxy and the number of shares with which they attend, either owned by them or third parties.

   At the end of the list, the number of shareholders present either personally or by proxy shall be established (indicating separately those who have casted their vote by remote communication), as will the amount of capital owned by them, specifying which shareholders have voting rights.

2. If the list of attendants is not the first item in the minutes of the General Shareholders' Meeting, it shall be attached as an annex signed by the Secretary with the approval of the Chairman.

3. The list of attendance may also be created in a file or using a computer program. In such cases, the minutes must mention the system used, and the sealed cover of the file or computer medium must bear the pertinent inspection signature of the Secretary, and the approval of the Chairman.

## Article 34. Deliberation and adoption of resolutions

1. Once the list of attendance has been drawn up, the Chairman, if applicable, will declare the General Shareholders' Meeting validly constituted and will determine whether the Meeting can deal with all the matters included in the Agenda or whether, instead, it has to deal only with some of them.

2. The Chairman will submit the matters included in the Agenda for deliberation, and will direct the debates so that the meeting takes place in an orderly manner. He will have authority for order and discipline, and may order that anyone who disturbs the normal progress of the meeting be expelled and even approve the temporary interruption of the session.

3. Shareholders may request information in the terms established in the following article.

4. All shareholders may also take part, at least once, in deliberations on items on the Agenda, although the Chairman, in use of his powers, is authorised to adopt measures such as limiting speaking time, setting up turns, or closing the list of speakers.

5. Once the matter has been sufficiently debated, the Chairman will call for a vote.

6. Shareholders with voting rights may exercise them by mail, e-mail or any other means of remote communication which duly guarantees the identity of the shareholder exercising his right to vote, as determined by the Board at the time each Meeting is called, pursuant to the Company's Regulation for General Shareholders' Meetings.

7. A shareholder may not exercise the right to vote inherent in his shares when the vote is on a resolution that releases him from an obligation or grants him a right, provides him any type of financial assistance, including the provision of any guarantees in his favour, or waives any of his obligations arising from his duty of loyalty.

   The shares of a shareholder with any of the conflicts of interest listed in the preceding paragraph shall be deducted from share capital when computing the majority of votes required in each case.

8. Motions will be passed by a simple majority vote of the shareholders present, either personally or by proxy, such that a motion will be regarded as passed when there are

more votes in favour than votes against in the share capital personally present or represented by proxy in the General Meeting, without prejudice to the cases in which the law or these Bylaws stipulate a greater majority. Each share confers one vote.

9. The votes shall be counted in the form regulated in the Shareholders' Meeting Regulation. The Chairman shall decide on the voting system that he considers most appropriate and direct the corresponding process.

## Article 35. Right to Information

1. From the date of publication of the call of the General Shareholders' Meeting and until the fifth day prior to the date on which the General Shareholders' Meeting is scheduled to be held, or verbally at the Meeting, the shareholders may request the directors any information or clarification that they consider pertinent or ask written questions as they deem appropriate regarding the items included on the agenda, the information available to the public that the Company has filed with the National Securities Market Commission since the date on which the last Shareholders' Meeting was held, or regarding the account auditor's report.

2. Directors must provide the information requested in accordance with the foregoing paragraph, and within the period set by law, except when this is legally inadmissible and, in particular, when this information is unnecessary for safeguarding the shareholder's rights, there are objective reasons to believe that it could be used for non-company business or its publication is detrimental to the company or its related companies. Refusal to provide information shall not apply when the request is made by shareholders representing at least twenty-five per cent of the share capital.

3. The Shareholders' Meeting Regulations shall describe the applicable regime to the right to information. The Company shall include the pertinent information on its web page, so that the shareholder can exercise his right to be informed.

## Article 36. Minutes of the Meeting and Certifications

1. Resolutions adopted during the General Meeting shall be reflected in the Minutes which will be written or transcribed into the pertinent Minutes Book. The Minutes may be approved by the General Meeting itself, or failing that, within fifteen days by the Chairman and two Controllers, one representing the majority, and the other representing the minority.

   The Minutes approved in either of those two ways will be enforceable as of the date of approval.

2. The Board of Directors shall request the presence of a Notary Public who shall prepare the Minutes of the Meeting; this shall be required when so established by law. The notarial minutes need not be approved.

3. Certifications of the resolutions shall be issued by the Secretary or by the Vice- Secretary of the Board of Directors, with the approval of the Chairman or the Vice- Chairman, as appropriate.

4. The public formalisation of the Company resolutions corresponds to the individuals with the authority to certify them. This can also be done by any of the members of the Board of Directors whose office is in force and recorded with the Mercantile Registry, without the need for an express delegation. The public formalization by any other person shall require the relevant deed of powers of attorney, which may be general powers of attorney for all types of resolutions.

## Section 3. Corporate governing body

### Article 37. Structure of the Board of Directors

1. The Company shall be governed and managed by a Board of Directors.

2. The Board of Directors shall be governed by all applicable legal standards and by these Bylaws. The Board shall develop and complete such rules in the appropriate Board of Directors Regulations, the approval and subsequent amendments of which will be notified to the General Shareholders' Meeting.

### Article 38. Administrative and Supervisory Powers

1. The Board of Directors shall have the broadest powers to manage the Company and, except in the matters reserved to the competence of the General Meeting, shall be the maximum deciding body of the Company.

2. The following functions are reserved directly for the Board of Directors and may not be delegated:

   a) Supervision of the effective functioning any of its committees that may be formed and the performance of the delegated bodies and any directors it may designate.

   b) Determining the Company's general policies and strategies.

   c) Authorising or waiving the obligations derived from the duty to be loyal as stipulated by law.

   d) Preparing the annual financial statements and presenting them to the General Shareholders' Meeting.

   e) Preparing any type of reports required from the Board of Directors by law, provided that the operation referred to in the report cannot be delegated.

   f) Appointing and terminating the Managing Directors of the company and setting the conditions of their contracts.

   g) Appointing and terminating directors reporting directly to the Board or one of its members and setting the basic conditions of their contracts, including their remuneration.

   h) Decisions regarding remuneration of board members within the framework of the By-Laws, and if applicable, the remuneration policy approved by the General Shareholders' Meeting.

   i) Calling the General Shareholders' Meeting, preparing the agenda and proposing resolutions

   j) The policy regarding own shares.

   k) Any functions delegated by the Shareholders' Meeting, unless the Board was expressly authorised to further delegate said functions.

   l) Approving the strategic or business plan, the management objectives and the annual budgets, the investment and financing policy, the corporate social responsibility policy and the dividend policy.

m) Determining the risk control and management policy, including tax risk, and monitoring the information and internal control systems.

n) Determining the corporate governance policy for the Company and the group in which it is the parent company; its organisation and operation, and in particular, approving and amending its internal regulations.

o) Approving the financial information that the company must publish periodically as a publicly traded company.

p) Defining the structure of the group of companies in which the Company is the parent company.

q) Approving all manner of investments or transactions that, due to their high amounts or special characteristics, are strategic in nature or entail special tax risks, unless same must be approved by the General Shareholders' Meeting.

r) Approving the creation or of holdings in companies with special purposes or which are domiciled in countries or territories considered to be tax havens, as well as any other transactions or operations of a similar nature whose complexity could undermine the transparency of the Company and its group.

s) Approving, after a report from the Auditing Committee, any transactions that the company or companies may conduct with directors, in the terms specified by law, and shareholders who individually or together with others possess a significant shareholding, including shareholders represented on the board of directors of the company or other companies in its same group or individuals related to them. The affected board members or those who represent or are related to the affected shareholders must refrain from participating in the deliberations and voting on the issue in question. The Regulation of the Board of Directors shall regulate any transactions that do not require this approval in accordance with the pertinent legal provisions.

t) Determining the Company's tax strategy.

3. In the cases permitted by law, in duly substantiated urgent circumstances, decisions on the aforementioned matters may be adopted by the delegated bodies or persons, and they must be ratified in the first meeting of the board held after said decision is adopted.

4. The Regulation of the Board may extend the list of functions reserved for the Board.

## Article 39. Powers to Represent

1. The power to represent the Company, in and out of court or elsewhere, resides in the Board of Directors collectively and by majority.

2. The provisions of this Article are understood to be without prejudice to any other powers to represent that may be granted, both general as well as special.

## Article 40. Creation of value for the shareholder

1. The Board of Directors, its delegated bodies and the management team of the Company shall exercise their powers and in general, carry out their duties in order to maximise the value of the Company in the long term and in a sustainable manner at the shareholders' interest.

2. The Board of Directors shall likewise see that the Company faithfully complies with current legislation regarding the uses and good practices of sectors or countries where the Company performs its activities and observe the principles of social responsibility which were voluntarily accepted.

## Article 41. Quantitative Board Membership

1. The Board of Directors will consist of a minimum of five members and a maximum of fifteen, elected by the General Meeting, or by the Board itself, pursuant to current legislation.

2. The General Meeting shall determine the number of Board members within the range established above. For such purposes, it shall either directly establish such a number by express resolution or, indirectly, by filling vacancies or appointing new Board members.

3. Members of the Board can renounce to their position; the appointment can be revoked, and members can be re-elected.

4. It is not necessary to be a shareholder to be appointed as a director; both individuals and companies may be appointed.

5. Persons who incur in the prohibitions and incompatibilities established by current legislation may not be members of the Board nor be appointed to positions in the Company.

6. Board Members shall not be required to provide the Company with any guarantees.

7. Should vacancies occur during the term for which the Directors were appointed, the Board may appoint the persons to fill such vacancies, until the first Shareholders' Meeting is held.

## Article 42. Qualitative Board Membership

1. The Board of Directors, using its power to propose to the General Meeting and co-optation in order to fill vacancies, shall endeavour to ensure that external or non-executive directors form the majority.

2. The Board shall also endeavour that the majority group of non-executive directors of the Company shall include proprietary and independent directors.

3. In any event, at least one third of all directors shall be independent directors.

4. The provisions of the preceding paragraphs do not affect the sovereignty of the General Meeting, nor do they reduce the efficacy of the proportional system, which is mandatory when share groupings occur as provided by law.

5. For purposes of these Bylaws, the term non-executive director, proprietary director, independent director and executive director shall have the meaning given to them in the applicable legislation.

## Article 43. The Chairman of the Board

1. The Board will appoint a Chairman from among its members following a report from the Nomination and Remuneration Committee.

2. The Chairman has ultimate responsibility for the effective functioning of the Board. Without prejudice to other functions attributed to him by law or the internal rules of the

company, the Chairman shall call and preside over meetings of the Board of Directors, set the agenda and direct the discussions and deliberations.

3. The position of Chairman of the Board of Directors may be held by an executive director. In this case, the appointment of the Chairman shall require a favourable vote by two-thirds of the members of the Board of Directors.

4. Should the Chairman be an executive director, the Board of Directors must appoint, with the executive directors abstaining, a coordinating director between the independent directors, who shall be especially empowered to call meetings of the Board of Directors or include new items in the agenda of an already convened meeting, coordinate and gather the non-executive directors and direct, as the case may be, the periodic assessment of the Chairman of the Board of Directors.

## Article 44. The Vice Chairman or Vice Chairmen of the Board

1. The Board shall appoint a Vice Chairman, or multiple Vice Chairmen, who shall be correlatively numbered. In both cases, it shall previously require a report from the Nomination and Remuneration Committee.

2. The Vice Chairman or Vice Chairmen, in the order established, and in their absence the director corresponding according to the numbering fixed by the Board, shall substitute the Chairman in the event of absence, illness, or indisposition.

## Article 45. The Secretary of the Board

1. Following a report from the Nomination and Remuneration Committee, the Board shall appoint a Secretary, and can also appoint a Vice Secretary, who need not be directors.

2. The Secretary shall attend the meetings of the Board and shall have the right to speak but not vote, unless he is also a director.

3. The Vice Secretary shall act as Secretary in the event that the position is vacant, or in the event the Secretary is absent or ill. The Vice Secretary may further attend meetings of the Board together with the Secretary when so decided by the Chairman.

## Article 46. Meetings of the Board

1. The Board shall meet as often as necessary for the correct performance of its functions, when called by the Chairman. Without prejudice to the contents of the Regulations of the Board of Directors, the Chairman shall call the Board to meet on his own initiative or when the Lead Director so requests. If, following such a request, the Chairman fails to call the meeting within one month for no justified reason, Directors comprising at least one-third of the members of the Board of Directors may call a meeting, indicating the agenda, to be held in the city where the Company has its registered office.

2. The call of ordinary meetings shall be made in any written form, including e-mail, and shall be authorised by the Chairman or the Secretary or the Vice Secretary by order of the Chairman. The call shall be served minimum forty eight hours in advance and include the agenda.

3. The Chairman may call the members to an extraordinary meeting of the Board by telephone and without the advance period nor any other requirements established in the foregoing paragraph when, in the opinion of the Chairman, circumstances justify so.

4. Meetings shall ordinarily be held in the registered office, but can also be held in the place determined by the Chairman.

5. The Chairman may, in justifiable cases, authorise the participation in the meeting of all or part of the Directors simultaneously from different places using technical means, provided that the attendees recognise each other and they can all listen and speak to each other, permitting a single event. In such case, the session will be deemed to have celebrated in the place where are physically the majority of the attendance Directors or, otherwise, at the registered office.

6. As an exception and if no member opposes, the Board can also be validly celebrated without session and in writing. In this case the members can send via email their votes and considerations to be included in the minutes.

7. The Secretary of the Board of Directors shall certify in the minutes that the meeting was validly convened and held, listing the number of members attending, if they attended in person or by proxy, and, as applicable, the form of remote participation used.

## Article 47. Board Meeting Procedures

1. The Board of Directors shall be validly constituted when more than half of its members are present either personally or by proxy.

2. Notwithstanding the above, the Board will also be validly constituted without prior notice, when all of its members are present either personally or by proxy.

3. Members must personally attend the meetings of the Board; when they cannot do so, they may grant their proxy to another member of the Board. Non-executive members may only grant their proxy to another non-executive member.

4. Unless the Law or the bylaws have specifically established reinforced majorities, agreements shall be adopted by an absolute majority of directors that are present. In case of a tie, the Chairman shall have the deciding vote. The Board of Directors Regulations may raise the legally or statutorily established majority required for specific matters.

5. When due to a legal or statutory prohibition one or more of the directors may not vote on a given matter, the quorum of Board Meeting attendees required to handle that matter shall be reduced by the number of directors who are affected by that prohibition; the majority needed to adopt the agreement shall be calculated on the basis of the new, reduced quorum.

## Article 48. Minutes and Certifications of the Board Meetings

1. The discussions and resolutions of the Board Meeting shall be extended or transcribed into the Minutes Book. The minutes of each Board Meeting shall be prepared by the Secretary of the Board or, in his absence by the Vice Secretary; in the event both are absent then the minutes shall be prepared by the person appointed by the attendants as Secretary of the meeting.

2. The minutes shall be approved by the Board at the end of or immediately following the meeting, or by the Chairman together with at least the Vice Chairman and another member of the Board.

3. The minutes shall be signed by the Secretary or Vice Secretary of the Board or Secretary of the meeting, with the approval of the person who chaired the meeting. In order to facilitate implementation of the resolutions and to make them public as needed, the minutes may be approved partially, with each approved part containing one or more resolutions.

4. Resolutions adopted by the Board shall be certified by the Secretary of the Board or, as appropriate, the Vice Secretary, with the approval of the Chairman or, as appropriate, the Vice Chairman.

5. The formalization in public document may be carried out by any of the members of the Board, as well as the Secretary or Vice Secretary of the Board, even if they are not directors, pursuant to existing legislation.

## Section 4. Delegation and Board Committees

### Article 49. Delegation of powers

1. The Board of Directors may appoint from among its members an Executive Committee and one of more Managing Directors, specifying the persons who will hold those positions and the manner in which they shall act. The Board may delegate in them, totally or partially, temporarily or permanently, all delegable powers, as established by law and the Company's internal regulations.

2. When a member of the Board of Directors is appointed Managing Director or is attributed executive functions under another title, he must enter into a contract with the Company detailing his remuneration. This contract must be approved by the Board of Directors in compliance with applicable legal rules.

3. The Regulation of the Board of Directors shall establish the composition of the Executive Committee and determine its rules of operation, if one is formed.

4. The Board of Directors may likewise appoint and revoke representatives or attorneys.

### Article 50. Board Advisory Committees: common rules

1. The Board of Directors shall establish an Audit and Control Committee and a Nomination and Remuneration Committee.

2. The Audit and Control Committee and the Nomination and Remuneration Committee shall each consist of a minimum of three and a maximum of six directors. All committee members must be non-executive directors and the majority, must be independent directors.

3.- The Board of Directors shall appoint one of themselves to be the chairman of each committee, who must be an independent director. The Chairman of the Committees shall chair over meetings and direct deliberations on the matters discussed.

4. The Board of Directors shall appoint a Secretary to each Committee, who need not be a committee member.

5. The Audit and Control Committee and Nomination and Remuneration Committee shall meet whenever convened by their respective Chairman, who, in turn, must do so whenever so requested by the Board of Directors or the Board Chairman as well as in the situations provided for in regulations and, in all cases, whenever advisable for the proper performance of their functions.

6. The Committees shall be regarded as validly constituted when more than half of their members are present, either in person or by proxy.

7. The Board of Directors may also create other specialised consultative or advisory Committees of directors.

8. The minutes of the Committees shall be distributed to all members of the Board of Directors for their knowledge.

9. The Board of Directors may develop and complete the rules governing Board Advisory Committees in its Regulation in compliance with the provisions of these Bylaws and the law. However, until the Board has determined or regulated the functioning of its Committees, the terms of these Bylaws for the operation of the Board of Directors shall apply, except when that is not compatible with the nature and function of the Committee in question.

## Article 51. Audit and Control Committee

1. At least one of the independent directors who forms part of the Audit and Control Committee will be appointed in consideration of his knowledge and experience in accounting and/or account auditing.

   As a whole, the members of the Committee will have the appropriate technical knowledge in relation to the sector of activity to which the Company belongs.

2. The maximum term of office of the Chairman shall be 4 years; he may be re-elected after one year has passed from the date of his cessation.

3. The Audit and Control Committee shall have the rights to be informed, to supervise, advise and propose matters within its jurisdiction. In particular, without prejudice to other tasks that may be assigned to it by the Board of Directors, it will be responsible for the following:

   a) Informing the Shareholders' Meeting about the matters raised by shareholders within the scope of its functions and, in particular, on the outcome of the audit, explaining how it has contributed to the integrity of financial information and the function performed by the Committee in this process.

   b) Monitoring the effectiveness of the Company's internal control, internal audit and risk management systems, and discussing with the Company's auditor any significant weaknesses detected in the internal control system during the audit, all without jeopardising is independence. To such end, and where appropriate, it may submit recommendations or proposals to the management body and the corresponding period to monitor them.

   c) Supervising the process of drawing up and presenting the mandatory financial information and submitting recommendations or proposals to the management body, to safeguard its integrity.

   d) Submitting proposals to the Board of Directors regarding the selection, appointment, re-election and substitution of the auditor, holding it responsible for the selection process, in accordance with the applicable legislation, as well as the conditions for his hiring and regularly gathering information from him about the audit plan and implementation thereof, in addition to safeguarding his independence in the exercise of his functions.

   e) Liaising with the external auditor in order to receive information about matters that may pose a threat to their independence, for examination by the Committee, and any other matters related to the audit process and, where appropriate, the

authorisation of other services different from those prohibited, in the terms set out in the applicable legislation on independence, together with the communications indicated in the auditing legislation, as well as any other matters envisaged in the audit standards. In any event, each year it must receive from the external auditor a statement of his independence with respect to the Company and entities directly or indirectly related to the Company, as well as detailed or itemised information on any additional services of any type provided and the corresponding honoraria received from those entities by the external auditor or by persons or entities related to the auditor in accordance with the regulations ruling audits.

f) Issuing a statement on whether the independence of the auditors or audit companies has been compromised each year prior to the issuance of the auditor's report. In any event, that statement must contain the amount charged (with justification) for the provision of each of the additional services referred to in the preceding section, taken individually and together, other than the legal audit and in conjunction with the provisions of independence or with the regulations on audit activities.

g) Inform the Board of Directors in advance on all matters envisaged in the law, the Company Bylaws and the Regulation of the Board, in particular those concerning (i) financial information that the Company must periodically make available to the public, (ii) the creation or acquisition of shareholdings in entities with a special purpose or that are domiciled in countries or territories regarded as tax havens and (iii) transactions with related parties.

4. Any member of the management team or other Company personnel who is requested to do so shall attend the Audit and Control Committee meetings, and shall collaborate and facilitate the access to any information under his or her control. The Audit and Control Committee may also request the attendance of auditors at its meetings.

## Article 52. Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall have, at least, the following responsibilities:

a) Assess the skills, knowledge and experience necessary in the Board of Directors. For these purposes, it shall define the functions and aptitudes needed of the candidates to cover each vacancy and shall assess the time and dedication required for them to perform their role effectively.

b) Establish a representation goal for the sex less represented in the Board of Directors and prepare guidelines on how to achieve this goal.

c) Make proposals to the Board of Directors regarding appointments of independent directors, so that the Board can directly proceed with their appointment (co-optation) or submit the decision to the Shareholders' Meeting, as well as those regarding re-election or termination of such directors by the Shareholders' Meeting.

d) Report on the proposals for appointment of the remaining directors, so that they may be appointed directly (co-optation) or so that the decision can be submitted to the Shareholders' Meeting, as well as on proposals for their re-election or termination by the Shareholders' Meeting.

e) Report on proposals to appoint natural persons to represent a director that is body corporate.

f) Reporting on the appointment of the Chairman and the Vice Chairman or Vice Chairmen of the Board of Directors.

g) Report on the appointment of Secretary and Vice Secretary to the Board of Directors.

h) Report on proposals to appoint and terminate senior management.

i) Examine and organise the succession of the Chairman of the Board of Directors and of the Company's senior executive and, in any case, make proposals to the Board of Directors to ensure that this succession occurs in an orderly and planned fashion.

j) Propose to the Board of Directors the remuneration policy for directors and general management and anyone who carries out a senior management function that directly reports to the Board, the Executive Committee or the Managing Director(s), as the case may be, as well as the individual remuneration and other contract conditions of the executive directors, further ensuring that these are observed.

## Section 5. Directors' Bylaws

### Article 53. Term

Directors will be appointed for three years, but may be re-elected for one or more additional periods of the same duration. Once the period has expired, the appointment will be terminated when the next General Shareholders' Meeting has been held, or when the legal period for holding the Meeting that must approve the accounts for the previous financial year has elapsed.

### Article 54. Termination of directors

1. Directors shall be terminated from their position when so decided by the General Meeting, when they notify the Company of their resignation and at the expiration of the period for which they were appointed. The effective date in this last case shall be the date of the first General Meeting.

2. Directors shall make their position available to the Board of Directors and formalise the corresponding resignation, if the Board considers it appropriate, in the following cases: (a) when the executives removed from their positions were appointed as directors based on their position; (b) when they incur any of the causes of incompatibility or prohibition provided by law; (c) when they have committed a serious violation of their obligations as director; or (d) when their stay on the Board may endanger the interests of the Company, negatively affect the credit or reputation of the Board, or when the reasons for which they were appointed disappear (for example when a proprietary director transfers or reduces its shareholding in the Company).

### Article 55. General obligations of directors

1. Pursuant to the provisions of Article 40, the directors are responsible for guiding and controlling company management in order to maximise its value to the benefit of shareholders.

2. The director shall perform the functions of the position with the diligence of an orderly businessman and with the loyalty of a faithful representative, acting in good faith and in the best interest of the company. The duty to loyalty requires that he place the interests of the Company before his own interests, and specifically to observe the rules contained in the applicable regulations.

3. The Regulation of the Board of Directors shall describe the specific obligations of the directors deriving from the duties for diligence and loyalty in accordance with the law. As such, particular attentions shall be given to situations representing a conflict of interest, possibly providing the procedures and requirements necessary to authorise or dispense according to the terms established in the applicable regulations. The authorisation must come from the Shareholders' Meeting when the objective is to dispense with the prohibition against securing an advantage or third-party remuneration, affects the obligation to not compete with the Company or involves a transaction whose value is greater than ten per cent of the corporate assets.

## Article 56. Remuneration of members of the Board of Directors

1. Members of the Board of Directors shall receive, in their capacity as such, remuneration pursuant to the Bylaws, in a maximum yearly amount for the whole of the Board of Directors which will be determined by the General Shareholders' Meeting and reviewed and updated accordingly in keeping with the indices or criteria established by the General Shareholders' Meeting. Said remuneration will comprise the following items: (i) a fixed payment; and (ii) allowances for effective attendance at the meetings of the Board of Directors and its delegate or advisory committees.

   The Board of Directors shall, for each financial year, define the method and time of payment and shall likewise agree upon the exact allocation among its members of the total remuneration prescribed by the Bylaws, as described in paragraph one above. Said allocation may be calculated individually, taking into account the functions and responsibilities allotted to each director, membership in the Board's Committees and any other objective circumstances that the Board of Directors deems relevant.

2. For performing the executive functions delegated or entrusted by the Board of Directors, the executive directors shall receive remuneration as determined by the Board. This remuneration must be in line with the policy for remuneration of directors approved by the Shareholders' Meeting and be reflected in the contract between the director and the Company referenced in section 2 of Article 49.

   In particular and without limitation, the remuneration provided in this section, and subject to the policy of remunerations referred to above, may consist of any fixed salaries, variable remunerations (based on reaching corporate objectives and/or personal performance), board members' severance pay for reasons other than a failure to fulfil duties; pensions; insurance; forecast systems; differed payment plans; and retirement plans consisting of provision of shares or purchase options for shares, or which are indexed to the value of shares, established for those members of the Board of Directors who perform executive functions.

3. The Company can purchase civil liability insurance for its directors.

## Article 57. Board member remuneration policy

1. The policy regarding remuneration of Board members shall be approved by the Shareholders' Meeting at least once every three years as a separate item on the agenda in accordance with the applicable legislation.

2. With respect to the remuneration of the Board members as such, the remuneration policy, which must be in line with the remuneration scheme envisaged in section 1 of Article 56, shall establish the maximum annual remuneration payable to all members of the Board of Directors for this purpose.

3. With respect to the remuneration of the executive functions, the policy of retributions shall envisage the amount of the fixed annual remuneration and its variation during the period to which the policy refers, the different parameters to set the variable components and the main terms and conditions of the contracts signed with executive directors, comprising, particularly, its duration, compensations for early termination or termination of the contractual relation and exclusivity agreements , post-contractual non-competition and permanence or loyalty.

4. If the annual report on directors' remuneration is rejected in the advisory vote of the ordinary Shareholders' Meeting, the remuneration policy applicable for the subsequent fiscal year must be submitted for approval by the Shareholders' Meeting before being applied, even if the three-year period mentioned in the previous point has not yet elapsed. Exception is made of circumstance where the remuneration policy is approved during the same ordinary General Shareholders' Meeting.

## Section 6. Annual corporate governance report, annual Board member remuneration report and Web page

## Article 58. Annual Corporate Governance Report

1. The Board of Directors shall prepare a corporate governance report and publish it on an annual basis. This report shall provide, in the legally defined terms, a detailed explanation of the structure of the Company's governance system and how it functions in practice.

2. The corporate governance report shall be sent to the National Securities Market Commission (CNMV) and be disseminated as a relevant fact. It shall also be made available to shareholders on the Company web page no later than the date of publication of the call to the Ordinary General Meeting which shall resolve on the annual accounts for the year referred to in the report.

## Article 59. Annual Board member remuneration report

1. The Board of Directors shall prepare a report on the remuneration of its Board members, including any remuneration they receive or should receive in their capacity as such and, if applicable, for performing executive functions, and shall publish this report on an annual basis.

2. The annual Board member remuneration report shall include, in the legally defined terms, (i) complete, clear and comprehensible information about the Board member remuneration policy applicable to the current year and (ii) an overall summary of the application of the remuneration policy during the concluded fiscal year as well as a

detailed list of the individual remuneration accrued for all items over the year by each of the Board members.

3. The annual Board member remuneration report shall be disseminated as a relevant fact together with the annual corporate governance report and shall made accessible electronically on the Company's corporate Web page.

4. The annual Board member remuneration report shall be submitted for advisory vote as a separate point on the agenda during the ordinary General Shareholders' Meeting.

### Article 60. Web page

1. The Company shall have a corporate web page where it shall inform its shareholders, investors and the market in general of the economic and all other significant facts occurred with regard to the Company.

2. The web page address will be www.ferrovial.com.

3. The Board of Directors may decide to move the corporate website, and it is empowered to amend the second section of this article and to register that modification in the Mercantile Register. In any event, the change of website shall be noted on the transferred website for the first thirty days following the decision to change the address.

4. Without prejudice to the additional documentation required by applicable regulations, the corporate web page shall include at least the following information and documents:

   a) The rules regulating the organisation and corporate governance of the Company, and identification of the structure and composition of the corporate governing body;

   b) The internal code of conduct in the securities markets;

   c) The annual accounts corresponding to the year in progress and at least the previous two financial years;

   d) The annual corporate governance report;

   e) Documents relating to the Ordinary and Extraordinary General Shareholders' Meetings held during the periods stated by the CNMV for said purposes;

   f) Communication channels open between the Company and shareholders, and in particular, the pertinent explanations for the exercise of the shareholder right to information;

   g) Regulatory disclosures relating to the period stated by the CNMV; and

   h) The average time to payment of suppliers and, if applicable, the measures to be taken in the following financial year to reduce this time to achieve the maximum established in the regulations on defaults.

# CHAPTER IV. ANNUAL ACCOUNTS

## Article 61. Financial Year

The financial year shall begin on January 1 and end on December 31 of each calendar year.

## Article 62. Preparation of the annual accounts and application of the results

1. Within the established legal deadlines, the corporate governing body will prepare the annual accounts, the management report and the proposal for distribution of results once these have been reviewed and reported by the Company auditor and presented to the General Meeting, as applicable.

2. The Board of Directors will try to prepare the accounts in such a way as to avoid audit reservations. Nevertheless, when the Board feels that it should stand by its criteria, it will publicly explain the contents and scope of the discrepancies.

## Article 63. Verification of the Annual Accounts

The Company's annual accounts and management report shall be reviewed by the auditor appointed by the General Shareholders' Meeting, before the closing of the financial year to be audited, for a determined period which shall not be less than three nor more than nine years, from the beginning date of the year to be audited without prejudice to the provisions of the audit regulations with respect to the possibility of an extension.

## Article 64. Approval of the Annual Accounts

1. The annual accounts will be submitted for the approval of the General Shareholders' Meeting.

2. Once the annual accounts are approved, the General Meeting will decide on the financial year's application of result.

3. Dividends may be issued against the year's profits or assigned to unrestricted reserves only if the considerations foreseen by Law and in the Bylaws have been attended to, and the net worth is not or, as a consequence of the distribution, will not be less than the share capital. If there are losses from prior financial years which make the Company's net worth lower than the share capital, profits shall be allocated to cover the losses.

4. If the General Meeting agrees to pay out dividends, it shall determine the amount, payment date and method of payment. The determination of these details may be delegated to the governing body, as well as any other details that may be needed or suitable to execute the agreement.

5. The General Shareholders' Meeting may approve that the dividend be paid totally or partially in kind, if and when:

   (i) the assets or securities to be distributed are homogeneous;

   (ii) they are traded on an official market at the time of the agreement, or pertinent mechanisms have been put in place to make them liquid within maximum one year; and

   (iii) they are not distributed for less than the value that appears in the Company's books.

6. The General Meeting and the Board of Directors may approve the distribution of interim dividends, with the limitations and requirements established by Law.

### Article 65. Other forms of shareholder remuneration

The General Meeting can likewise resolve on shareholder remuneration programs based on reinvestment of dividends in new shares, in share repurchasing programs, on the delivery of shares released to repurchase free assignment rights or other equivalent forms, all prior to the adoption of any resolutions to increase or reduce capital.

### Article 66. Deposit of the annual accounts

Within one month of the approval of the annual accounts, the Board of Directors will submit for deposit in the Mercantile Register corresponding to the Company's address, certification of the resolutions adopted by the General Meeting approving the annual accounts and the distribution of profits. The certification will be accompanied by a copy of each of such accounts, as well as, if pertinent, the management report and the auditor’s report.

## CHAPTER V. DISSOLUTION AND LIQUIDATION OF THE COMPANY

### Article 67. Dissolution

1. The Company may be dissolved by resolution of the General Shareholders’ Meeting adopted at any time, in accordance with the Law and for the reasons foreseen therein.

2. If the Company has to be dissolved for a legal cause that requires the approval of the General Meeting, the corporate governing body shall call a meeting within two months from the time said cause arises, so that the Meeting may adopt the dissolution agreement; if an agreement is not reached, whatever the reason, it shall proceed pursuant to Law.

3. If the Company is to be dissolved because its net worth falls below half the share capital, dissolution can be avoided by resolution increasing or reducing capital or through the appropriate reintegration of net worth. Such adjustment shall be effective provided that it is carried out before the Company’s dissolution has been decreed by the Court.

### Article 68. Liquidation

1. If the General Shareholders' Meeting, resolves to dissolve the Company it shall then appoint and determine the powers to be granted to the receiver or receivers, with the powers established by law and any others which may have been granted by the General Shareholders' Meeting when approving the appointment. If the General Shareholders’ Meeting that resolves to dissolve the Company does not appoint receivers, the directors at the time that the Company is dissolved shall be the receivers.

2. If the Company is dissolved, the receivers shall jointly and severally represent the Company.

### Article 69. Supervening Assets and Liabilities

1. Once the Company's book entries have been cancelled, if any corporate assets should subsequently appear, the receivers shall assign the corresponding additional amounts to the ex-shareholders, once the assets have been converted into cash if necessary.

2. After six months have elapsed from the time the receivers were required to comply with the assignment established in the previous paragraph, and if the additional amounts have not been assigned to the ex-shareholders, or if there are no receivers, any interested party may ask the Courts pertaining to the last corporate address to appoint someone to replace the receiver and fulfill his functions.

3. Ex-shareholders will be jointly and severally liable for any corporate debts that have not been settled, up to the limit of what they would have received as their liquidation stake, without prejudice to the liability of the receivers in case of negligence or gross negligence.

4. To comply with requirements relating to legal acts prior to the cancellation of the entries of the Company, or whenever necessary, existing receivers may formalize the legal documents necessary in the name of the extinguished Company, after the cancellation of the Company's registration. If there are no receivers, then any interested party can request the formalisation from the Court sitting in the domicile of the former company.

## CHAPTER VI. GENERAL PROVISIONS

### Article 70. Jurisdiction

The shareholders, waiving jurisdictions to which they have a right, expressly submit themselves to the jurisdiction of the Company address.

### Article 71. Communications

Without prejudice to the provisions of these Bylaws, communications and information, mandatory or voluntary, between the Company, the shareholders and the directors, regardless of who is the issuer and who the addressee of same, may be made via electronic and telematic media, except in the cases expressly excluded by law and in all cases respecting the security guarantees and shareholders' rights. As such, the Board of Directors may establish the technical and pertinent mechanisms, reporting same through the web page.



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