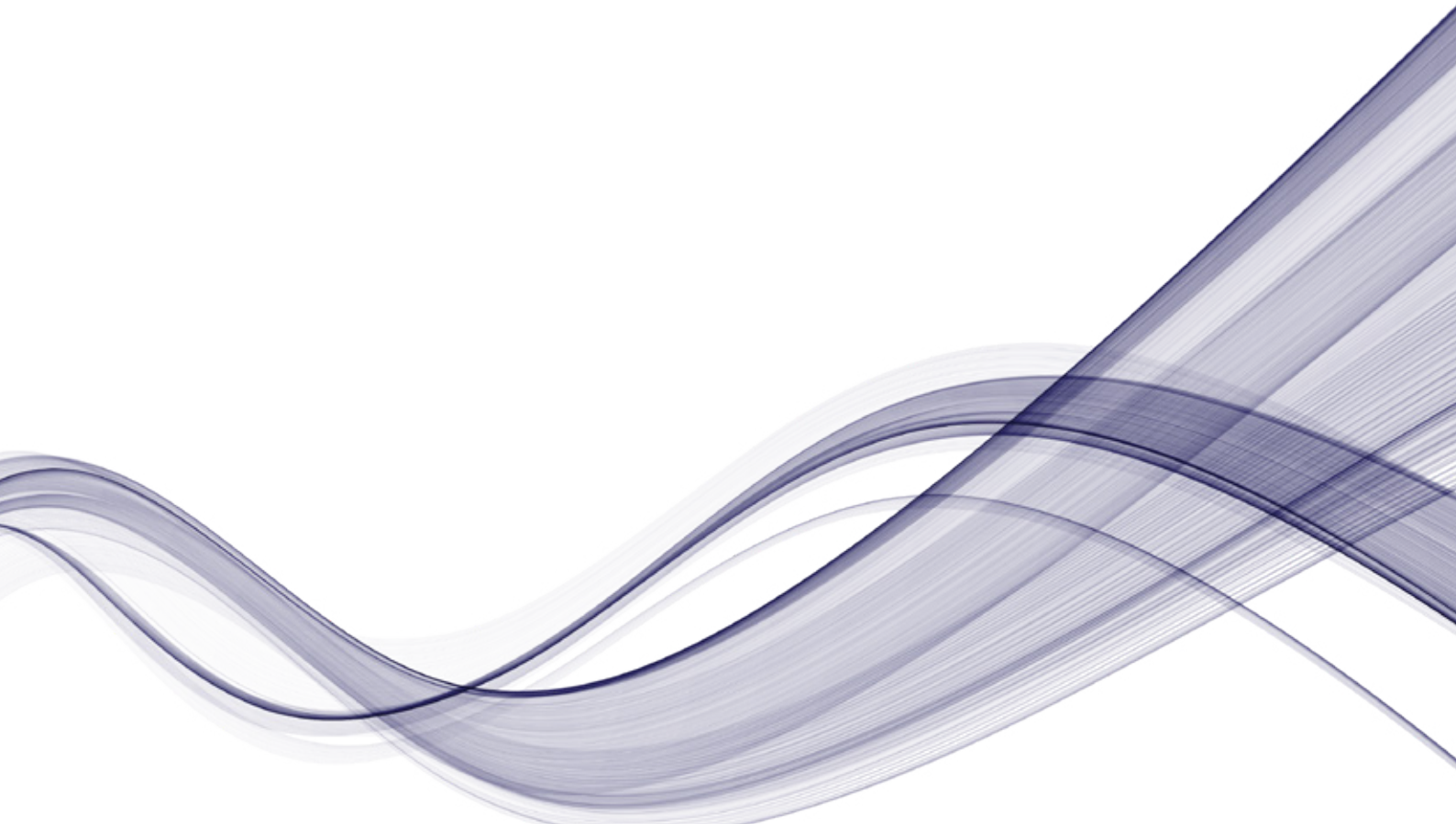




REGULATIONS OF THE BOARD OF DIRECTORS



01: PRELIMINARY

Article 1. Purposed

1. The purpose of these Regulations is to define the main action principles for TUBACEX, S.A. Board of Directors as well as basic rules for organization, operation and members' code of behavior.
2. The code of conduct set out in these Regulations for the Board Members will be applied in so far as they are compatible with their specific nature, to senior company directors.

Article 2. Interpretation

These Regulations will be interpreted according to applicable legal and statutory regulations, as well as the principles and recommendations set out in the *Unified Good Governance Code*.

Article 3. Amendment

1. These Regulations may only be amended at the request of the Chairman, three Directors or the Audit and Compliance Committee who must provide a supporting memorandum with their proposal.
2. Any amendment proposals must be reported by the Audit and Compliance Committee.
3. The proposal text, the supporting memorandum by the authors and if any, the Report of the Audit and Compliance Committee must be attached to the call for the Board meeting where it should be discussed.

The call must be made with at least ten days prior to the meeting.

4. For any amendment to the Regulations to become effective the agreement of at least two thirds of the total number of Board members is required.

Article 4. Dissemination

1. Directors and senior directors are obliged to know, comply with and enforce compliance with these Regulations. For that purpose, the Board Secretary will make a copy of the regulations available to all members.
2. The Board of Directors shall implement any appropriate measures for the Regulations to be disseminated among the shareholders and investors in general.

02: THE BOARD'S MISSION

Article 5. General supervision role

1. Except for those matters reserved for the AGM, the Board of Directors is the highest decision-making body of the Company.
2. The Board's policy is to delegate daily Company management to the executive bodies and management team, and to specify their activity regarding general control and supervision.
3. Any legal power or institutionally reserved faculties to the direct knowledge of the Board, or any others required for the responsible exercise of the general supervision and control role will not be delegated.

For the latter purpose, the Board is obliged to directly fulfill in particular the following responsibilities:

- a) Supervision of the effective functioning of the committees it has set up and of the performance of the delegated bodies and of the executives it has appointed.
- b) Definition of the Company's general policies and strategies.
- c) Authorization or waiving of the obligations deriving from the duty of loyalty in accordance with the provisions set out in Article 230.
- d) Its own organization and functioning.
- e) Preparation of the annual accounts and their presentation to the General Meeting.
- f) Preparation of any reports that the administrative body is required by law to present when the operation to which the report refers cannot be delegated.
- g) The appointment and removal of the Company's managing directors and the establishment of the terms and conditions of their contracts.
- h) The appointment and removal of executives who report directly to the Board or to any of its members, as well as the establishment of the basic terms and conditions of their contracts, including their remuneration.
- i) Decisions on the remuneration of board members, within the framework of the bylaws and, where appropriate, the remuneration policy approved at the General Meeting.
- j) Calling the Shareholders' General Meeting and drawing up the agenda and the proposals.
- k) The policy regarding own shares or holdings.

- l) The powers delegated by the General Meeting to the Board of Directors, unless the Board has expressly been authorized to sub-delegate them.
- m) Approval of the strategic or business plan, management objectives and annual budgets, investment and financing policy, corporate social responsibility policy and dividend policy.
- n) Definition of the risk control and management policy, including tax risks, and supervision of the internal information and control systems.
- o) Definition of the corporate governance policy for the Company and the Group of which it is the controlling entity; its organization and functioning and, in particular, approval and amendment of its own regulations.
- p) Approval of the financial information which, as a listed company, the company must periodically disclose.
- q) Definition of the structure of the group of companies of which the Company is the controlling entity.
- r) Approval of all kinds of investments or transactions which are strategic in nature or involve a special tax risk due to the large amount or special characteristics thereof, unless their approval corresponds to the General Meeting.
- s) Approval of the creation or acquisition of shares in special-purpose entities or those registered in countries or territories considered to be tax havens, as well as any other transactions or operations of a similar nature which, due to their complexity, could undermine the transparency of the Company and its Group.
- t) Approval, subject to a report by the Audit Committee, of transactions that the Company or companies in its Group carry out with Board Members, under the terms set out in the Corporations Act.
- u) Definition of the Company's tax strategy.
- v) Supervision of the process of preparation and presentation of financial information and the management report, including, where appropriate, mandatory non-financial information, and the presentation of recommendations or proposals to the management body, addressing the management body and safeguarding its integrity.

Article 6. Value creation for shareholders

1. The criterion to regulate the Board of Directors' activity at all times must be to maximize company value, i.e.: create value for the shareholders, taking into account other interest set out in article 7.
2. For the application of the above criterion, the Board shall determine and review the company business and financial strategies according to the following guidelines:

- a) The company strategic planning will be based on profitability, security and liquidity criteria;
 - b) Implementation of new investment projects must be based on a suitable investment return in relation to the company capital expenditure; and
 - c) Review of dividends, capital reduction and capital increase policies will be appropriate at the time in favor of shareholders and without prejudice to the company financial structure.
3. Within the scope of corporate organization, the Board will undertake any measures necessary to ensure that:
- a) the company management pursues generating value for shareholders keeping in mind other corporate interests included in article 7;
 - b) the company management is under the effective supervision of the Board;
 - c) no person or reduced group of people shall hold decision making power free from counterbalance and controls; and
 - d) no shareholder receives privileged treatment over the rest.

Article 7. Other interests

The Board of Directors shall maximize the company value in the interest of their shareholders, observing any legal requirements, in compliance with the good faith of implicit and explicit agreements subscribed to with employees, suppliers, finance providers, customers and generally, observing any ethical obligations which may be reasonably enforced by the responsible business governance.

03: BOARD COMPOSITION

Article 8. Qualitative composition

1. In exercising their powers of proposal to the AGM and co-option to cover any vacancies, the Board of Directors shall ensure external or non-executive board members represent a wide majority in relation to the number of executive members in the Board composition.

To this effect, managing directors and other directors under different denominations carrying out management responsibilities in the company will be considered executive directors.

2. The Board shall also ensure that substantial and stable shareholders or board members representing substantial shareholders and professionals of renowned business prestige who are not associated with the executive team or significant shareholders (independent board members) are integrated in the majority group.

In this respect, the Board will strive to ensure that independent Board members account for at least fifty percent of the total members at any time, thereby ratifying the Company historical policy of having a professional and mostly independent Board.

3. To implement a reasonable balance between the number of board directors representing substantial shareholders and independent board members, the Board must also analyze the company property structure so the ratio between both types of board members reflects the stable capital and floating capital ratio.

Article 9. Quantitative composition

1. The Board of Directors shall comprise the number of board members specified at the AGM within the limits set out by the company articles of association.
2. The Board shall propose to the General Meeting the most appropriate number to ensure due representation and effective operation of the body according to the changeable circumstances of the company. The number proposed must not be lower than five nor exceed twelve in any case.

04: BOARD OF DIRECTORS' STRUCTURE

Article 10. Chairman of the Board

1. The Chairman of the Board of Directors will be selected among the members and may not hold a top executive role in the company.
2. Furthermore, a Vice-Chairman may be appointed among independent board members to replace the Chairman in the event of illness or absence. In any event, the Vice-Chairman will be empowered to request any information and call the Board of Directors' meetings.
3. The Chairman is empowered to call the Board of Directors and define the meeting agenda as well as leading the discussions. However, the Chairman must convene the Board meeting and include in the agenda any issues to be discussed at the request of three board members.

If there is a tie, the Chairman's vote shall be the casting vote.

Article 11. The Chairman and the CEO

1. Should the Chairman also hold the top executive role in the Company, all competences which may be delegated must be done pursuant to Law, the Articles of Association and these Regulations; likewise, the Chairman shall have effective management of the company businesses always according to the decisions and criteria set out by the AGM and Board of Directors within their own areas of competence.
2. The Board of Directors may resolve to appoint a Chief Executive Officer as well as to grant powers as chief executive to another of its members with a two-thirds majority of the total number of its members. In this case, the Chairman's functions shall be limited to those set out in the third paragraph of the above article and any competence which may be delegated will be delegated to the top company executive as referred to in the foregoing paragraph of this article.
3. As well as the Chairman of the Board of Directors, the CEO is also empowered to represent the Company.
4. Should the CEO be missing or absent due to illness or impossibility to exercise his/her functions, these will be temporarily undertaken by the Chairman of the Board of Directors who will call an urgent Board of Directors' Meeting to discuss and resolve the appointment of a new CEO, where appropriate.

Article 12. Secretary of the Board

1. The Board of Directors shall appoint a Secretary, who need not be a Board member. Both the appointment and dismissal of the Secretary must be notified by the Appointments and Remunerations Committee and approved by the Board in a plenary session.
2. The Board Secretary shall assist the Chairman in his/her work and shall ensure that the Board operates efficiently, specifically ensuring that Board members receive advice and any necessary information, safeguarding company documents, correctly reflecting sessions in the minutes and witnessing the board's agreements.
3. The Secretary will ensure at all times that the formal and material legality of the Board's activity is upheld ensuring that procedures and governance rules are observed and regularly reviewed. Furthermore, the Secretary will supply the information to be uploaded to the corporate website pursuant to the obligations set out by Law and the Unified Good Governance Code.
4. The Board of Directors can appoint a Vice-Secretary to replace the Secretary in case of incapacity or impossibility to perform the role.
5. The Secretary of the Board of Directors shall also act as secretary on existing delegate committees.

Article 13. The Coordinating Board Member

The Board of Directors shall take the necessary measures to ensure that the Chairman of the Board of Directors and the Chief Executive Officer are under its effective supervision.

The appointment of an executive director as Chairman of the Board of Directors shall require at least two thirds of the members of the Board of Directors to vote in favor.

Should the Chairman of the Board of Directors be an executive director, the Board of Directors must appoint a coordinating board member from among the independent directors and at the proposal of the Appointments and Remuneration Committee with the abstention of the executive directors, who, when deemed appropriate, shall be empowered to:

- a) Request the Chairman of the Board of Directors to call meetings and participate jointly in the planning of the annual schedule of meetings.
- b) Participate in drawing up the agenda for each meeting of the Board of Directors and request the inclusion of items on the agenda of Board meetings that have already been called.
- c) Coordinate, collect and echo the concerns of the non-executive directors.
- d) Direct the periodic evaluation of the Chairman of the Board of Directors and lead, where appropriate, the succession process.

Furthermore, the Coordinating Board Member shall be in contact with shareholders when so agreed by the Board of Directors.

The revocation of any of the aforementioned powers shall require a prior report from the Appointments and Remuneration Committee, except in the case of powers recognized by law, in which case they may not be revoked.

Article 14. Bodies delegated by the Board of Directors

1. Notwithstanding the individual delegation of powers to the Chairman or to any other Board Member and the power entitling the Chairman to set up delegated Committees by specified areas of activity, the Board of Directors shall set up a Strategy and Monitoring Committee, an Audit and Compliance Committee, an Appointments and Remuneration Committee and a Sustainability and Good Governance Committee with powers of information, guidance and proposal on the matters defined in their own regulations.
2. The Board will appoint the members of the above-mentioned Committees always taking into account the specific knowledge, skills and incompatibility of the Board members and the roles of each Committee.
3. The Committees shall regulate their own functioning in accordance with their own Regulations and they shall appoint a Chairman from among their members and shall meet when convened to do so. These Committees will record minutes after every meeting and can request external advice if necessary. In all matters not specifically provided for in their Regulations, the operating rules established by these Regulations in relation to the Board shall apply.
4. In all aspects that fall within the competence of several delegated bodies, their actions shall be coordinated so that the result complies with all the guarantees of supervision.

05: BOARD OPERATION

Article 15. Meetings of the Board of Directors

1. The Board of Directors shall meet at least six times a year and as convened by the Chairman as often as considered appropriate by the Chairman for the smooth operation of the company.
2. Ordinary meetings will be convened by post, fax, telegram or email and authorized with the Chairman or Secretary or Vice-Secretary's signature at the Chairman's request. Calls for meetings will be issued at least five days in advance and must include the meeting agenda.
3. An effort will be made to ensure that the call or due notice is accompanied with relevant information conveniently summarized and drafted.
4. Extraordinary meetings of the Board can be convened by telephone and the notice period and other requirements specified in the above point will not be applicable, should the Chairman or Vice-Secretary consider that circumstances justify it.
5. The Board will prepare an annual schedule of ordinary meetings. The Board will dedicate at least one meeting a year to assess its operation and quality of its work, as well as appraising the role of the Chairman and if necessary, of the highest Company director when both posts are held by different people. Furthermore, the activity carried out by the Committees will be reviewed once a year.

Article 16. Development of the Meetings

1. The Board will be deemed when at least half the members plus one other member attend the meetings or are represented.

Members will endeavor to attend Board meetings and if not possible in person, they must ensure that they empower by proxy another Board member who is part of same group and that the appropriate instructions are included. Non-executive directors may only delegate in another non-executive director.
2. The Chairman will lead the debate aiming to encourage participation of all members in the discussions.
3. Except in cases in which other voting quorums have been specifically established, resolutions shall be adopted by a majority of those attending.

06: MEMBER APPOINTMENT AND DISMISSAL

Article 17. Member Appointment

1. The Directors shall be appointed by the General Meeting or by the Board of Directors, according to the provisions set out in the Corporations Act.
2. Director appointment proposals submitted by the Board of Directors for approval at the AGM and appointment decisions made by virtue of legally granted co-option powers shall be preceded by the corresponding proposal of the Appointments and Remunerations Committee.

Should the Board deviate from the recommendations made by the Appointments and Remunerations Committee, a justification of their decision must be given and recorded in the minutes.

Article 18. Appointment of External Members

1. The Board of Directors and Appointments and Remuneration Committee, within the scope of their powers, shall ensure that the chosen candidates are people of renowned solvency, competence and experience, being especially rigorous when seeking to cover the post of independent advisor as foreseen in Article 8 of these Regulations.
2. The Board of Directors may not propose or appoint as independent board member anybody who has any relationship with the company management or who are found to have family, professional or commercial links to the executive directors or other members of the company senior management.
 - a) individuals who have been employees or executive directors in companies of the group unless a period of 3 or 5 years has elapsed since their termination.
 - b) those who are or have been partners of the company external auditor or any other group company in the last three years;
 - c) effective directors or senior officers of another company in which an executive director or senior manager of the company is an external director.
 - d) any amount or benefit other than director's remuneration from the company or its group, unless it is insignificant.
 - e) individuals who have or have had a significant business relationship with the company on their own behalf or through a company in which they are significant shareholders;

- f) individuals who have directly or indirectly made or received payments or donations from the company through companies in which they are significant shareholders during the past three years and which may compromise their independence;
- g) people who have other relationships within the company which in the view of the Appointments and Remunerations Committee may impair their independence; and
- h) spouses or individuals with a similar relationship of affection or second-degree relatives of an executive director or senior manager of the company.
- i) people who have not been proposed either for appointment or renewal by the Appointments and Remunerations Committee.

Independent directors may no longer be considered as such when they have been independent for a continuous period of more than 12 years.

Article 19. Re-appointment of Board Members

1. Proposals for reappointment of Board members made at the request of the Board of Directors to be put forward to the AGM approval are subject to a formal process. As part of this preparation process, a report issued by the Appointments and Remunerations Committee will be an essential part where the quality of work and commitment to the post by the Board members proposed during the previous term of office will be appraised.
2. The Board of Directors shall try to organize for external Board members who are reappointed to not always be assigned to the same Committee.

Article 20. Term of the post

1. Board members shall carry out their duties for a maximum term of four years, whereby they may be re-elected. Directors may not be appointed once they have reached the age of 70 or the age of 65 for executive directors, although they may complete the term of office for which they were appointed. This limitation shall not apply to proprietary directors.
2. Board members appointed for co-option shall carry out their duties until the date of the first AGM ratifying their appointment.
3. Board members who come to the end of their term of office or for whatever other reason finish in their post, shall not be able to work for any other entity whose corporate purpose is similar to that of the Company's for a two-year period.

The Board of Directors, if it considers appropriate, can exempt the outgoing member from this obligation or shorten its length of application.

Article 21. Removal of Board Members

1. Board members shall be dismissed from the post when the period for which they were appointed has lapsed and when the AGM or the Board of Directors decides to terminate their position, exercising the powers legally or statutorily conferred on them.

Appointments of Board members will terminate when, after mandate expired, the next AGM has been held or legal period for holding the AGM that should determine approval of the previous year accounts has lapsed.

2. Board members should offer their resignation to the Board of Directors and should formalize their corresponding resignation, if the Board deem it appropriate, in the following cases:
 - a) When they cease to hold the executive positions to which they were appointed.
 - b) When they are involved in any incompatible or prohibited situations set out by law.
 - c) When they are convicted of a criminal offense or are responsible for serious or very serious misconduct by a final decision of the supervisory authorities.
 - d) When they are seriously reprimanded by the Audit and Compliance Committee for having breached their obligations as Board Members.
 - e) When their presence on the Board may jeopardize the interests of the Company or when the reasons for which they were appointed cease to exist.

Article 22. Objectivity and secrecy of vote

1. According to the provisions set forth in Art. 31 of these Regulations, any board members affected by appointment, re-appointment or dismissal proposals will abstain from taking part in discussions and voting related such matter.
2. All the votes of the Board of Directors regarding the appointment, re-appointment or dismissal of the Board members will be secret.

07: BOARD MEMBER INFORMATION

Article 23. Powers of information and inspection

1. Board members are granted the highest power to be informed regarding any company matter. The right to information extends to national and foreign subsidiaries.
2. To prevent any disruption to daily company management, information power will be exercised through the Chairman or Secretary of the Board of Directors who will respond to the Committee's requests by directly facilitating the information, offering the appropriate correspondents at the relevant organization level or acting as a referee for the measures so that any examination or inspection procedures intended may be carried out on site.

08: BOARD MEMBER REMUNERATION

Article 24. Remuneration for Board Members

1. Board Members shall be entitled to obtain the remuneration approved by the Shareholders' General Meeting in accordance with the provisions of the Articles of Association and in accordance with the recommendations submitted by the Appointments and Remuneration Committee to the Board of Directors.
2. The Board will ensure that Board member remunerations are moderate in relation to market demands, taking into account Company commitment and responsibility attached.
3. The Board of Directors will draft an annual report on remuneration for Board Members in accordance with the legal terms and conditions, which will be made available to shareholders during the Ordinary General Meeting and shall be submitted to a vote as a separate item on the agenda.
4. Likewise, the Shareholders' General Meeting must approve the remuneration policy of the Board of Directors every three years.

Article 25. Remuneration for external Board Members

The Board of Directors and the Appointments and Remunerations Committee shall implement any measures within their power to ensure that remuneration of external board members is pursuant to the following guidelines:

- a) External board members receive a stable remuneration based on their effective commitment, professional qualifications and responsibility in the company.
- b) External board members must be excluded from the welfare systems financed by the company for dismissal, death or any other circumstance.
- c) The remuneration of external members must be calculated to provide incentives for their commitment while not hindering their independence.

09: BOARD MEMBER DUTIES

Article 26. General Duties of Board Members

1. Pursuant to the provisions of Arts. 5, 6 and 7, the role of a board member is to guide and monitor the company management to maximize the company value in favor of shareholders.
2. Board Members shall comply with the duties imposed by law. In particular, they shall act with the diligence of a responsible businessman and the loyalty of a faithful and loyal representative, taking into account the nature of the office and the functions attributed, acting in good faith and safeguarding the corporate interest.
3. In the field of strategic and business decisions, subject to the discretion of the company, the standard of diligence of a responsible businessman shall be deemed to be met when the Board Member has acted in good faith without personal interest in the matter being decided, with sufficient information and in accordance with an appropriate decision-making procedure.
4. In the performance of their duties, Board Members shall be specifically obliged to:
 - a) Be informed and appropriately prepare any meetings of the Board and delegated bodies he/she is part of;
 - b) To attend meetings of bodies he/she is part of playing an active part in discussions to make his/her criteria effectively count in decision making processes.

In the event that they are unable to attend the meetings to which they have been called with justified grounds, they shall instruct the director who is to represent them.

To guarantee the commitment of Board members, they can be part of a maximum of five Boards of Directors and are required to request authorization from the Appointments and Remunerations Committee to increase the above-mentioned number.

For this purpose, the Boards of Directors of Group subsidiaries or similarly operating structures will be excluded.

- c) To carry out any specific task ordered by the Board of Directors and reasonably included in his/her dedication commitment.
- d) To investigate any irregularity in the company management which may have come to their attention and monitor any risk situation.
- e) To encourage people empowered to convene to call an extraordinary Board meeting or to include any issues he/she may consider relevant in the agenda of the first meeting to be held.

Article 27. Board Members' Duty of Confidentiality

1. Board members will uphold secrecy regarding any discussions of the Board of Directors and delegated bodies he/she are part of and in general board members should refrain from revealing any information they may have accessed during the exercise of their post.
2. Confidentiality obligation shall remain even after the post held has finished.

Article 28. Non- competition obligation

1. Board members must not render professional services for companies whose corporate purpose is wholly or partially equivalent to that of the company. Posts which can be performed in the Group's companies are an exception.
2. Before accepting any executive post in another company or institution, the board member must consult the Appointments and Remunerations Committee.

Article 29. Conflicts of interest

1. Board members should refrain from contributing to or becoming involved in discussions related to issues where they have a personal interest.

A Board member will also be considered to have a personal interest when the issue affects his/her spouse, direct family members, or when the issue affects a company where the Board member or the above-mentioned members of his/her family holds an executive post or has a significant share in the company.

Board members shall not directly or indirectly carry out professional or commercial transactions with the company, unless they have previously reported the conflict of interests and the Board, prior to reporting the transaction to the Appointments and Remunerations Committee, approves the transaction.

Article 30. Use of corporate assets

1. Board members cannot make use of the company assets or use their position in the company to obtain financial benefit unless they have made an appropriate consideration.
2. As an exception, a board member can be released from the obligation to make a consideration but in that case the financial benefit will be considered as an indirect remuneration and must be authorized by the Board, once a report from the Appointments and Remunerations Committee is issued

If the benefit is perceived as a member, it will only be appropriate if the parity of treatment given to shareholders is observed.

Article 31. Non-public information

1. The use of the company non-public information by board members for private purposes will only be appropriate provided the following conditions are met:
 - a) such information shall not be used in relation to the acquisition or sale of company stock;
 - b) its use will not be detrimental to the company; and
 - c) the company has no exclusivity right or legal position of equivalent meaning over the information to be used.
2. As a supplement to the provisions set out in the previous a) section, board members must observe any codes of behavior set out by the stock market legislation and in particular any provisions upheld by the Internal Behavior Regulations of the Company stock markets.

Article 32. Business opportunities

1. Board members or their relatives may not receive personal benefit from a business opportunity in the company unless this is previously offered to the company and the company refuses to exploit it and the benefit is authorized by the Board, after a report by the Audit and Compliance Committee is issued.
2. For the purposes described in the previous section, a business opportunity is understood as any possibility to make an investment or commercial transaction which may arise or may have been detected in relation to the performance of the post by board members or through the use of the company resources and information or under circumstances which may reasonably lead to believe that the third-party offer was in fact aimed at the company.

Article 33. Indirect transactions

A board member will breach his/her loyalty obligations with the company if with prior knowledge, he/she allows or fails to reveal the existence of transactions carried out by relatives with the degree of family relationship specified in Art. 31 or by companies where they hold management posts or substantial stock, which were not subject to the conditions and control specified in previous articles.

Article 34. Board Members' Duty of Disclosure

1. Board members must inform the company of any company activity where board members are direct holders or through companies where they may hold a substantial stake. Moreover, board members must inform of any other held in property directly or indi-

rectly by their closest relatives, always in compliance with the provisions of the Internal Behavior Code.

2. A board member must inform the company of all posts held and activities undertaken by him/her in other companies or institutions and generally of any event or situation which may be relevant for their activity as company administrator.

Article 35. Transactions with significant shareholders

1. The Board of Directors formally reserve the knowledge of any company transaction with a substantial shareholder.
2. Under no circumstances will the transaction be authorized unless a report by the Appointments and Remunerations Committee is issued, assessing the transaction from the point of view of parity of treatment for shareholders and the market conditions.
3. In the case of ordinary transactions, general authorization of the transaction line and operation conditions will suffice.

Article 36. Transparency Principle

The Board of Directors will publish a summary of transactions undertaken by the company with board members and substantial shareholders in the company annual public information. The purpose of the information will be the global volume of the transactions and the nature of the most relevant transactions.

10: BOARD RELATIONSHIPS

Article 37. Relaciones con los accionistas

1. The Board of Directors shall decide on the appropriate channels to find out about any proposals made by shareholders in relation to the company management.
2. The Board, through some of its members and with the co-operation of the senior management members considered appropriate, may organize informative meetings regarding the Company and the Group progress for shareholders residing in the most relevant financial centers in Spain and abroad.
3. Any public request for vote by proxy made by the Board of Directors or any member thereof must provide detailed justification of the representative's vote, should the shareholder fail to provide instructions and where applicable, reveal the existence of conflicts of interests.
4. The Board of Directors will promote the informed participation of shareholders in AGMs and shall implement as many measures as considered appropriate to enable the AGM to effectively exercise the roles awarded by Law and the Articles of Association.
5. In particular, the Board of Directors shall implement the following measures:
 - a) Endeavor to make available to shareholders as much information as legally required and any information which although not legally required may be of interest and can be reasonably supplied prior to the Meeting.
 - b) Respond with maximum promptness to information requests made by shareholders prior to the Meeting.

Article 38. Relations with institutional investors

1. The Board of Directors shall also implement appropriate mechanisms for regular information exchange with institutional investors who are part of the company shareholders.
2. Under no circumstances shall the relationship between the Board of Directors and institutional shareholders be translated into the communication of any information which may offer institutional shareholders a privileged or advantageous situation in relation to other shareholders.

Article 39. Market relations

1. The Board of Directors shall immediately inform the public regarding:

- a) relevant facts capable of significantly influencing stock market prices.
 - b) changes to the property structure of the company such as substantial stock variations, share syndication agreements and other coalition procedures which may come to the company attention;
 - c) significant modifications to the company's rules of governance;
 - d) holding of own shares policies intended to be undertaken by the company as a result of the authorizations obtained at the AGM.
2. The Board of Directors shall implement any accurate measures to ensure that financial information is made available to the markets - once every six months, every quarter and at any other reasonable time as required by markets - according to the same principles, criteria and professional practices used to prepare annual accounts and with the same reliability. For that purpose, information shall be reviewed by the Audit and Compliance Committee.
 3. The Board of Directors shall include in the annual public documentation, information regarding the company governance rules and degree of compliance with the Good Governance Code. If deemed inappropriate to follow the recommended guidelines, the decision must be reasonably justified.

Article 40. Relations with the auditors

1. Relationships between the Board and external Company auditors will be channeled through the Audit and Compliance Committee.
2. The Board of Directors will refrain from hiring any audit firms if the fees to be compensated in exchange for all the items exceed five percent of their total income during the previous financial year.
3. The Board of Directors shall make public information regarding global fees paid by the Company to the audit firm in exchange for the different audit services provided.
4. The Board of Directors shall provide a final version of the accounts so there is no room for any discrepancy with the auditor. Nevertheless, if the Board believes its criteria should be upheld, the contents and extent of the discrepancy will be explained in public.

Llodio, January 26, 2022