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REPORT PRESENTED BY THE BOARD OF DIRECTORS OF  
ENDESA, SA TO THE GENERAL SHAREHOLDERS' MEETING  
JUSTIFYING THE PROPOSALS TO CHANGE THE BY-LAWS

endesa

**Report presented by the Board of Directors of ENDESA, SA to the General Shareholders' Meeting justifying the proposals to change the By-laws included in points 8, 9 and 10 of the Agenda.**

**1 Introduction**

This report is issued by the Board of Directors of ENDESA, SA ("**ENDESA**" or the "**Company**") in accordance with the provisions of article 286 of the Capital Companies Act to justify the proposals submitted for the approval of the General Shareholders' Meeting convened for 27 April 2020, in a single call, under points 8, 9 and 10 of the agenda, relating to the changing of certain articles of the By-laws.

In order to facilitate the understanding of the changes submitted to the consideration of the Shareholders' Meeting, this report includes first a statement of their purpose and justification, and then the proposed resolution that is submitted for the approval of the Shareholders' Meeting and that includes the full text of the proposed change.

Furthermore, and to facilitate comparison between the new wording of the articles proposed and that which they currently have, a literal transcription of both texts is included as an **annex** to this report, in double column, in which the changes proposed to the current text, which is transcribed in the left column, are placed in the right column.

**2 Statement of the purpose and justification of the changes to the By-laws**

As stated in the Agenda, it has been considered convenient to group the voting on the proposed changes to the By-laws that are submitted to the consideration of the General Shareholders' Meeting in three different blocks, depending on their purpose, which correspond to the three items on the agenda, in order to facilitate their understanding and deliberation, in accordance with the provisions of article 197(2) of the Capital Companies Act.

In the first block of modifications (point 8 of the agenda), those that are intended to reform the regulation of the committees of the Board of Directors and provide for the creation of a new Sustainability and Corporate Governance Committee have been grouped.

The second block (point 9 on the agenda) groups those proposals that aim to set a minimum number of shares to attend the General Shareholders' Meeting and allow the remote and electronic participation of all of the company shareholders.

The third block (point 10 of the agenda) includes the proposal to change article 56 of the By-laws to include a reference to the status of non-financial information in the management report regulation.

Following this, with the same rationale, the purpose and justification of the proposed changes to the by-laws are exposed and detailed.

## **2.1 Purpose and justification of the changes proposed under point 8 of the Agenda**

- (i) The changes proposed under point 8 of the Agenda are generally intended to reform the regulation of the committees of the Board of Directors and to provide for the creation of a new Sustainability and Corporate Governance Committee, as well as to introduce other formal and technical improvements that facilitate the reading and understanding of the By-laws.
- (ii) Firstly, the grouping of the comprehensive articles of Title V ("COMPANY BODIES") into three chapters according to the company body to which they refer is proposed: under "Chapter I. GENERAL MEETING" it is proposed to include the statutory regulation regarding the General Shareholders' Meeting; under "Chapter II. BOARD OF DIRECTORS", the statutory regulation relating to the governing body; and under "Chapter III. BOARD COMMITTEES" the intention is to group the statutory provisions relating to the different committees of the Board of Directors.
- (iii) The proposal to delete the current article 17 results from the formal regrouping of the comprehensive articles of Title V, referred to above, which makes it unnecessary to maintain said provision. With this, the text is simplified and its organisation is improved.
- (iv) In line with the previous changes, it is proposed to change the current article 37 ("BOARD OF DIRECTORS. GENERAL FUNCTION") to limit its purpose and diction to the Board of Directors, while the regulation of the committees that depend on the Board of Directors itself is included in Chapter III of Title V.
- (v) The proposal to modify the current article 49 ("COMPOSITION OF THE EXECUTIVE COMMITTEE"), which concerns both the title of the aforementioned article and the wording of the precept itself, seeks to reflect the optional nature of said body, specifying that it is a power of the Board of Directors, which will assess the convenience of agreeing on its constitution, fundamentally for reasons of opportunity.
- (vi) The proposal for the inclusion of a new article 50 ("BOARD COMMITTEES") tries to contextualise and introduce the regulation of the different committees that report to the Board of Directors, giving a statutory reflection to the obligations and powers that the law includes in this area, clarifying the sources of their regulation, namely the law itself, the By-laws, the Regulations of the Board of Directors and the regulations of organisation and operation that the Board of Directors might approve for each committee.
- (vii) The purpose of the proposal that affects the current article 52 ("AUDIT AND COMPLIANCE COMMITTEE") is to simplify its wording, eliminating those references that, either by reproducing legal

provisions or being fundamentally formalistic in nature, lack substantive value based on the purposes, scope and object of the article.

- (viii) The changes proposed in relation to the current article 53 ("APPOINTMENTS AND REMUNERATIONS COMMITTEE") is to simplify its wording, eliminating those references that, either by reproducing legal provisions or being fundamentally formalistic in nature, lack substantive value based on the purposes, scope and object of the article.
- (ix) The proposal regarding the inclusion of a new article 53 ("SUSTAINABILITY AND CORPORATE GOVERNANCE COMMITTEE") reflects the commitment to integrate sustainability in the management of all the activities of the Endesa group, at the highest level, promoting the energy transition through the commitment to renewable energy, digitisation and innovation. For this reason, it is considered appropriate to give a statutory reflection to the possibility that the Board of Directors might create an advisory committee in this matter. Likewise, it is attributed the powers related to advice on corporate governance and good practices.
- (x) As a consequence of the proposals for the addition and deletion of articles referred to in the previous sections, it is appropriate to adjust the proposal to change the numbering of current articles 18 to 53 and update the cross references to other statutory provisions included in current articles 29 and 32.

## **2.2 Purpose and justification of the changes proposed under point 9 of the Agenda**

The second block contains the proposed statutory changes that aim to set at 100 the minimum number of shares to attend the General Shareholders' Meeting and allow the remote and electronic participation of all of the company shareholders.

In particular, the proposal to change articles 27, 28 and 31 of the By-laws (which, after the numbering change proposed in the previous point, would become articles 26, 27 and 30) and the proposed addition of a new article 26bis aims to facilitate and simplify the organisation of the Shareholders' Meetings from a logistic point of view and to promote their sustainability by favouring remote participation and promoting the reduction of the number of shareholders who physically attend the Shareholders' Meetings.

Specifically, the proposed changes are aligned with the conclusions of the report of the Committee of Experts on Corporate Governance created by the Cabinet Agreement of 10 May 2013, which, in relation to the right to attend the Shareholders' Meetings, proposed, as the Capital Companies Act stated, to limit the maximum number of shares that can be required to attend the

general shareholders' meetings of listed companies to one thousand. The Group of Experts pointed out that in practice and considering that the representations obtained may be added to the shares owned by the shareholder, this limit does not constitute a barrier to the exercise of the right to attendance.

The purpose of adding a new article 26bis in the By-laws is, in accordance with the provisions of articles 182 and 521 of the Capital Companies Act, to include the possibility of attending the Shareholders' Meeting electronically, if so agreed by Board of Directors.

Thus, in order to promote shareholders' remote participation, it is proposed to empower the Board of Directors so that, taking into account the current circumstances at all times, it might allow shareholders to attend the Shareholders' Meeting electronically.

The proposal of changes clarifies that, for remote participation, either by granting representation, attending electronically or voting remotely, either prior to the holding of the Meeting or during its course, it is not necessary to gather any minimum number of shares.

Note that the right to information is maintained, while the shareholders, regardless of the number of shares they own, may request the information and clarifications and ask the questions they deem pertinent, under the terms of current article 34 (which would become article 33 with the new numbering).

Additionally, the proposal includes the shareholders' right to group with other shareholders to reach at least 100 shares or to delegate their representation on a shareholder with the right to attend.

The proposed modification of articles 27, 28 and 31 of the By-laws and the addition of a new article 26bis is also complemented by the reform of the Regulations of the Endesa General Shareholders' Meeting, proposed under point 12 of the agenda, for which purpose the Board of Directors has formulated a specific report to justify it.

### **2.3 Purpose and justification of the changes proposed under point 10 of the Agenda**

The proposed amendment to article 56 is intended to include a reference to the statement of non-financial information as a document that, if the legally established parameters are met, must be included in the management report in light of the changes introduced by Law 11/2018, of 28 December, amending the Commercial Code, the consolidated text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, and Law 22/2015 of 20 July, Accounts Auditing, in matters of non-financial information and diversity.

### **3 Proposed agreements**

#### **POINT NUMBER EIGHT OF THE AGENDA**

Deletion of article 17 of the By-laws, insertion of two new articles, numbered 50 and 53, modification of the current articles 37, 49, 52 and 53, grouping of articles of title V into three new chapters, and modification of the numbering of articles 18 to 53, as well as cross references to other statutory precepts.

*I. Delete article 17 of the By-laws.*

*II. Insert two new articles, numbered 50 and 53, with the following wording:*

*"ARTICLE 50. BOARD COMMITTEES.*

*The Board of Directors shall constitute, in accordance with the legal provisions, the Audit and Compliance Committee and the Appointments and Remuneration Committee.*

*Likewise, the Board of Directors may set up as many other Committees or Commissions as are necessary or consider convenient for the best performance of its functions.*

*The Board Regulations will establish, in accordance with the legal and statutory provisions, the general system of organisation, operation and powers of the different Commissions or Committees, which, where applicable, may be developed in their own Regulations, approved by the Board of Administration."*

*"ARTICLE 53. SUSTAINABILITY AND CORPORATE GOVERNANCE COMMITTEE.*

*The Sustainability and Corporate Governance Committee shall be composed of a minimum of three and a maximum of six non-executive Directors of the Board of Directors, the majority of whom must be Independent Directors.*

*The Chairman of the Appointments and Remuneration Committee shall be appointed by the Board of Directors from among the Independent Directors on the Committee.*

*The main function of the Sustainability and Corporate Governance Committee is to advise the Board of Directors on environmental and sustainability matters, on human rights and diversity, in relation to the strategy for social action, as well as in the scope of the corporate governance strategy of the Company."*

*III. To change the current articles 37, 49, 52 and 53 of the By-laws, which will henceforth have the wording:*

*ARTICLE 37. BOARD OF DIRECTORS. GENERAL FUNCTIONS.*

- 1. The Board of Directors is in charge of governing and administering the company. The Board of Directors shall be governed by the provisions of the law, these Corporate Bylaws and the Board of Directors Regulations. By way of the Board Regulations, the Board itself shall, within the framework provided by law and the Company's Bylaws, establish its structure and operation, functions, standard practices and rules regarding the composition of the Board, relations with shareholders, the General Shareholders' Meeting, Auditors and Senior Management, and the Statute applicable to Directors and other officers.*
- 2. The Board of Directors has the authority to adopt resolutions on all matters which are not prohibited by law, these Bylaws or the General Shareholders' Meeting Regulations.*
- 3. The Board of Directors, who shall have the broadest power and authority to manage, direct, administer and represent the Company, shall, as a general rule, delegate daily management of the Company to the delegated administrative bodies and shall focus its activities on supervising and discussing matters of particular importance to the Company and its group of companies.*
- 4. In particular, and without limiting the general nature of the preceding, the Board of Directors, acting on their own initiative or at the request of a relevant internal body and/or following a report by the relevant internal body, shall have the following general functions:*
  - a) To establish the corporate strategy and management guidelines.*
  - b) To monitor Senior Management performance, demand explanations for their decisions and assess their overall management.*
  - c) To ensure transparency regarding the company's relations with third parties.*
- 5. The Board, in undertaking the provisions of Article 2 hereof, shall set the general strategy for the group of companies over which the Company is the parent company in accordance with law.*
- 6. In any event, the Board of Directors shall directly exercise all rights which, by virtue of law, these Corporate Bylaws or the General Meeting Regulations, may not be delegated.*

*“ARTICLE 49. EXECUTIVE COMMITTEE.*

*There may be an Executive Committee which, where applicable, shall consist of a minimum of five and a maximum of seven Directors, including the Chairman, if an Executive, and the Managing Director.*

*The Chairman of the Board of Directors will chair the Executive Committee, when a member of the same, and the Secretary of the Board will act as*

*Secretary of the Committee. These positions shall be substituted in accordance with the regime set forth for the Board of Directors."*

#### **"ARTICLE 52. AUDIT AND COMPLIANCE COMMITTEE**

*The Audit and Compliance Committee will be made up of a minimum of three and a maximum of six non-executive Directors of the Board of Directors, the majority of whom, at least, must be independent Directors, and one will be appointed taking into account their knowledge and experience in accounting, auditing or both. As a whole, members of the Committee shall have relevant technical knowledge in the company's sector of activity.*

*The Chairman of the Audit and Compliance Committee will be appointed by the Board of Directors from among the independent Directors who form part of the Committee and must be replaced every four years. They may be re-elected once a period of one year has elapsed since their removal.*

*The main function of the Audit and Compliance Committee is advising the Board of Directors and supervising and controlling the processes of preparing and presenting the financial information of the independence of the auditor and the effectiveness of the internal control and risk management systems, and informing the Board of Directors related operations and in any case, will be entrusted with the functions which are attributed to it by law and such other duties as may be determined by the Board Regulations of Directors or the Committee."*

#### **"ARTICLE 53. APPOINTMENTS AND REMUNERATION COMMITTEE**

*The Appointments and Remuneration Committee shall be comprised of a minimum of three and a maximum of six non-executive Directors from the Board of Directors, at least two of whom shall be Independent Directors.*

*The Chairman of the Appointments and Remuneration Committee shall be appointed by the Board of Directors from among the Independent Directors on the Committee. The Chairman must be replaced every four years but may be re-elected after one year has elapsed after having vacated the office.*

*The main function of the Appointments and Remuneration Committee is to advise the Board of Directors on appointments and remuneration of directors and senior managers."*

- IV. *Change the numbering of articles 18 to 53 which, after the adoption of the agreements referred to in this agenda item, will be numbered sequentially from 17 to 53 and modify the cross references to other statutory provisions included in articles 28 and 31 (in accordance with the numbering resulting from this agreement, which will henceforth have the following wording:*

#### ARTICLE 28. CHAIRMANSHIP AND PANEL OF THE SHAREHOLDERS' MEETING

*The General Shareholders' Meeting will be chaired by the Chairman of the Board of Directors and, in his absence, by the relevant Vice Chairman in accordance with the provisions of Article 45 of the Corporate Bylaws and, in the absence of both, by the Chief Executive Officer chosen by the General Shareholders' Meeting.*

*The Chairman shall be assisted by a Secretary, who shall be the Secretary of the Board of Directors and, in his absence, by the Assistant Secretary, if any, and, in any other case, by the person appointed by the General Shareholders' Meeting.*

*The Presiding Panel will be composed of the Board of Directors."*

#### "ARTICLE 31. ADOPTION OF RESOLUTIONS.

*Resolutions must be adopted by a simple majority of the shareholders present or represented at the General Meeting. A resolution is deemed adopted when it receives more votes in favour than against the capital present or represented.*

*For the adoption of the resolutions referred to in Article 25 above, if the present or represented capital exceeds fifty percent, it will suffice for the resolution to be adopted by an absolute majority. However, the favourable vote of two-thirds of the capital present or represented at the General Meeting will be required when, on second call, shareholders representing twenty-five percent or more of the subscribed capital with the right to vote do not reach fifty percent.*

*The reinforced constitutional and voting quorums established in the Law and in these Bylaws are excluded.*

*For the adoption of resolutions, the voting determination system established in the General Meeting Regulations will be followed."*

- V. *Group the articles included under Title V ("Company Bodies") of the By-laws into three Chapters: "Chapter I. GENERAL SHAREHOLDERS' MEETING", comprising articles 17 to 35, both inclusive; "Chapter II. BOARD OF DIRECTORS", comprising articles 36 to 49, inclusive, and; "Chapter III. BOARD COMMITTEES", comprising articles 50 to 53, inclusive.*

#### **POINT NUMBER NINE OF THE AGENDA**

Changing of articles 27, 28 and 31 of the By-laws (which after the numbering change proposed in the previous point, would become articles 26, 27 and 30), and addition of a new article 26bis to fix a minimum number of shares for attending the General Shareholders' Meeting and to allow the remote and electronic participation of all the Company's shareholders.

- I. *Change articles 27, 28 and 31 of the By-laws (which after the numbering change proposed in the previous point, would become articles 26, 27 and 30), which will henceforth have the following wording:*

**"ARTICLE 26. RIGHT OF ATTENDANCE.**

*Shareholders holding at least 100 shares may attend the General Meeting in person, provided that they have their shares registered in the corresponding accounting record of book entries, five days prior to the holding of the General Meeting.*

*The shareholders holding the smallest number of shares may vote remotely or delegate their representation to a shareholder with the right to attend, as well as to group with other shareholders who are in the same situation until they gather the necessary shares, and the grouped shareholders must confer their representation on one of them. The grouping must be carried out on a special basis for each General Shareholders' Meeting and be in writing.*

*The members of the Board of Directors must attend the General Meetings.*

*The Chairman may authorise the attendance of any person he/she deems appropriate, although the General Meeting may revoke said authorisation."*

**"ARTICLE 27. REPRESENTATION.**

*Any shareholder who has his/her shares registered in the corresponding accounting record of book entries taken into account five days prior to the holding of the meeting may be represented at the General Meeting by another person, subject to the provisions of Article 26. The representation must be conferred in writing and with special character for each Meeting and observing the other legal dispositions on the matter.*

*This power of representation is understood without prejudice to the provisions of the Law for cases of family representation and the granting of general powers.*

*In any case, both for the cases of voluntary representation and for those of legal representation, only one representative may be held at the Meeting, except in the cases provided by law.*

*In addition, the entities that appear legitimated as shareholders by virtue of the accounting registry of the shares but who act on behalf of various persons, may divide the vote and exercise it in a divergent sense in compliance with different voting instructions, if they have received them."*

**“ARTICLE 30. VOTE AND REPRESENTATION BY REMOTE COMMUNICATION MEDIA.**

- a) *Shareholders who have their shares registered in the corresponding accounting record of book entries five days before the General Meeting (even those who are not holders of the minimum number of shares required to attend it in person) may cast their vote on proposals relating to items included in the agenda, by mail or by electronic communication, in accordance with the provisions of the General Meeting Regulations and in the complementary and development rules of the Regulations, established by the Board of Directors.*

*The Board of Directors, based on the technical and legal bases that make it possible and duly guarantee the identity of the subject exercising their right to vote, is empowered to develop and complement the regulations provided for in the General Meeting Regulations, establishing the Board, according to the stage and security offered by the technical means available, the moment from which the shareholders may cast their vote by remote means of communication.*

*The regulation, as well as any modification thereof, that the Board of Directors adopts pursuant to the provisions of this statutory provision, in development and complement of the General Meeting Regulations, and the determination by the Board of Directors of the moment from of which the shareholders may cast their vote at the General Meeting by remote means of communication, will be published on the Company's website.*

*Shareholders who cast their remote vote in accordance with the provisions of this section shall be understood to be present for the purposes of the constitution of the General Meeting in question.*

- b) *The provisions of section a) above shall also apply to the granting of proxy by the shareholder for the General Meeting by electronic communication or by any other means of remote communication.*
- c) *Attendance in person at the General Meeting by the shareholder shall have the effect of revoking the vote cast by post or electronic correspondence. Likewise, attendance in person at the General Meeting by the represented shareholder shall have the effect of revoking the representation granted by electronic correspondence or by any other means of remote communication provided for in the Regulations of the General Meeting.”*

- II. *Add a new article 26bis (TELEMATIC ATTENDANCE) to the By-laws with the following wording:*

"ARTICLE 26-BIS TELEMATIC ASSISTANCE.

1. *Shareholders who have their shares registered in the corresponding accounting record of book entries five days prior to the holding of the meeting may attend the General Meeting by electronic means that allow their connection in real time with the venue or venues where the General Meeting is held, provided that the Board of Directors so determines for each General Meeting.*

*For all purposes, the electronic attendance of the shareholder shall be equivalent to the attendance in person at the General Shareholders' Meeting.*

2. *In the notice of each Meeting, the advance notice regarding the beginning of the meeting with which the shareholder who wishes to attend the Meeting must make the connection in order to be considered as a present shareholder will be detailed. Shareholders must register through the computer application available on the corporate website before the time indicated in the announcement of the call. The shareholder making the connection after the established deadline will not be considered present.*
3. *In the meeting notice for each Meeting, the terms, forms and ways of exercising the shareholders' rights related to electronic attendance will be described.*
4. *The Board of Directors, in accordance with Article 182 of the Spanish Corporate Enterprises Act, may determine that the interventions and proposed resolutions that, pursuant to said law, those who are going to attend by electronic means intend to formulate are referred to the Company in the manner established in the computer application of the Company's website, prior to the time of the constitution of the meeting indicated in the text of the meeting notice.*
5. *The telematic assistance mechanism must have due guarantees of authenticity and identification of the shareholder who exercises the right to vote. The guarantees that the Board of Directors deems appropriate are the recognised electronic signature or any other type of guarantee that the Board of Directors deems appropriate to ensure the authenticity and identification of the shareholder, without prejudice also to the other requirements and conditions that it may establish.*
6. *The Company shall not be liable for any damages that may be caused to the shareholder as a result of breakdowns, overloads, line failures, connection failures or any other event of the same or similar nature, beyond the control of the Company, that prevents the use of the mechanisms described in this article for telematic assistance."*

## **POINT NUMBER TEN OF THE AGENDA**

Changing of article 56 of the By-laws to include a reference to the Statement of Non-Financial Information in the regulation of the management report.

To change article 56 of the By-laws, which will have the following wording:

**"ARTICLE 56. MANAGEMENT REPORT.**

*The Management Report must at least contain a true and fair view on the development of the business and situation of the company and, where appropriate, the Non-Financial Information Statement. It must also include indications on the most important events for the company that occurred subsequent to the close of the year, the expected development of the company, research and development activities and the acquisition of treasury stock, in accordance with the Law."*

## **Annex**

CURRENT DRAFTING	PROPOSED CHANGE
<p>Article 17. Company bodies.</p> <p>The company organs are the General Shareholders' Meeting , the Board of Directors and the delegated bodies created within it.</p> <p>The Board of Directors shall, in accordance with the provisions of the law and its powers of organisation, constitute the Audit and Compliance Committee, the Appointments and Remuneration Committee and any other Committees or Commissions that are necessary or deemed convenient for the best performance of its functions.</p> <p>The Board of Directors may also establish Advisory Boards in order to contribute to greater efficiency in the exercise of its functions.</p> <p>The Board Regulations will, in accordance with the legal and statutory provisions, develop the regime of the different Commissions or Committees and of the Advisory Boards.</p>	<p>Article 17. <del>Company bodies.</del></p> <p><del>The company organs are the General Shareholders' Meeting, the Board of Directors and the delegated bodies created within it.</del></p> <p><del>The Board of Directors shall, in accordance with the provisions of the law and its powers of organisation, constitute the Audit and Compliance Committee, the Appointments and Remuneration Committee and any other Committees or Commissions that are necessary or deemed convenient for the best performance of its functions.</del></p> <p><del>The Board of Directors may also establish Advisory Boards in order to contribute to greater efficiency in the exercise of its functions.</del></p> <p><del>The Board Regulations will, in accordance with the legal and statutory provisions, develop the regime of the different Commissions or Committees and of the Advisory Boards.</del></p> <p>GENERAL SHAREHOLDERS' MEETING</p> <p>The shareholders constituted at the duly called Shareholders' Meeting will decide by majority over the matters within the competence of the Meeting.</p>

	<p>It will be convened and developed in accordance with the legal and statutory provisions and, where appropriate, in the Regulations of the Shareholders' Meeting that it approves at the proposal of the Board of Directors.</p> <p>All partners, including dissidents and those who have not participated in the meeting, are subject to the agreements of the Shareholders' Meeting.</p>
<p>ARTICLE 27. RIGHT OF ATTENDANCE.</p> <p>Shareholders may attend the General Shareholders' Meeting who have their shares registered in the corresponding accounting record of book entries, five days prior to its holding.</p> <p>The members of the Board of Directors must attend the Shareholders' Meetings.</p> <p>The Chairman may authorise the attendance of any person he deems appropriate, although the Board may revoke said authorisation</p>	<p>ARTICLE <del>27</del>26. RIGHT OF ATTENDANCE.</p> <p>Shareholders <b>holding at least 100 shares</b> may attend the General Meeting in person, provided that they have their shares registered in the corresponding accounting record of book entries, five days prior to the holding of the General Meeting.</p> <p>The shareholders holding the smallest number of shares may vote remotely or delegate their representation to a shareholder with the right to attend, as well as to group with other shareholders who are in the same situation until they gather the necessary shares, and the grouped shareholders must confer their representation on one of them. The grouping must be carried out on a special basis for each General Shareholders' Meeting and be in writing.</p> <p>The members of the Board of Directors must attend the General Meetings.</p> <p>The Chairman may authorise the attendance of any person he/she deems appropriate, although the General Meeting may revoke said authorisation."</p>
	<p>Article 26bis TELEMATIC ASSISTANCE</p> <ol style="list-style-type: none"> <li>1. Shareholders who have their shares registered in the corresponding accounting record of book entries five days prior to the holding of the</li> </ol>

	<p>meeting may attend the General Meeting by electronic means that allow their connection in real time with the venue or venues where the General Meeting is held, provided that the Board of Directors so determines for each General Meeting.</p> <p>For all purposes, the electronic attendance of the shareholder shall be equivalent to the attendance in person at the General Shareholders' Meeting.</p> <p>2. In the notice of each Meeting, the advance notice regarding the beginning of the meeting with which the shareholder who wishes to attend the Meeting must make the connection in order to be considered as a present shareholder will be detailed. Shareholders must register through the computer application available on the corporate website before the time indicated in the announcement of the call. The shareholder making the connection after the established deadline will not be considered present.</p> <p>3. In the meeting notice for each Meeting, the terms, forms and ways of exercising the shareholders' rights related to electronic attendance will be described.</p> <p>4. The Board of Directors, in accordance with Article 182 of the Spanish Corporate Enterprises Act, may determine that the interventions and proposed resolutions that, pursuant to said law, those who are going to attend by electronic means intend to formulate are referred to the Company in the manner established in the computer application of the Company's website, prior to the time of the constitution of the meeting indicated in the text of the meeting notice.</p> <p>5. The telematic assistance mechanism must have due guarantees of authenticity and identification of the shareholder who exercises the right to vote. The guarantees that the Board of Directors deems appropriate are the recognised electronic signature or any other type of guarantee that the Board of Directors deems appropriate to ensure the authenticity and identification</p>
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	<p>of the shareholder, without prejudice also to the other requirements and conditions that it may establish.</p> <p>6. The Company shall not be liable for any damages that may be caused to the shareholder as a result of breakdowns, overloads, line failures, connection failures or any other event of the same or similar nature, beyond the control of the Company, that prevents the use of the mechanisms described in this article for telematic assistance.</p>
<p>ARTICLE 28. REPRESENTATION.</p> <p>Any shareholder who has the right to attend may be represented at the Shareholders' Meeting by another person. The representation must be conferred in writing and specially for each Meeting and observing all other legal provisions on the matter.</p> <p>This power of representation is understood without prejudice to the provisions of the Law for cases of family representation and the granting of general powers.</p> <p>In any case, both for the cases of voluntary representation and for those of legal representation, only one representative may be had at the Meeting, except in the cases provided by law.</p> <p>Furthermore, the entities that appear legitimated as shareholders by virtue of the accounting registry of the shares but who act on behalf of various persons, may divide the vote and exercise it in a divergent sense in compliance with different voting instructions, if they have received them</p>	<p>ARTICLE <del>28</del>27. REPRESENTATION.</p> <p>Any shareholder who has his/her shares registered in the corresponding accounting record of book entries taken into account five days prior to the holding of the meeting may be represented at the General Meeting by another person, subject to the provisions of Article 26. The representation must be conferred in writing and with special character for each Meeting and observing the other legal dispositions on the matter.</p> <p>This power of representation is understood without prejudice to the provisions of the Law for cases of family representation and the granting of general powers.</p> <p>In any case, both for the cases of voluntary representation and for those of legal representation, only one representative may be held at the Meeting, except in the cases provided by law.</p> <p>In addition, the entities that appear legitimated as shareholders by virtue of the accounting registry of the shares but who act on behalf of various persons, may divide the vote and exercise it in a divergent sense in compliance with different voting instructions, if they have received them."</p>

<p>ARTICLE 29. CHAIR AND TABLE OF THE MEETING.</p> <p>The Meeting will be chaired by the Chairman of the Board of Directors, and in his absence, by the corresponding Vice-Chairman in accordance with the provisions of article 46 of the By-laws and, in the absence of both, by a Director chosen by the Meeting.</p> <p>The Chairman will be assisted by a Secretary, who will be the Secretary of the Board of Directors and, failing that, by the Vice-Secretary, if any, and, in any other case, by a person designated by the Meeting.</p> <p>The Table of the Meeting will be constituted by the Board of Directors.</p>	<p>ARTICLE <del>29</del>28. CHAIRMANSHIP AND PANEL OF THE SHAREHOLDERS' MEETING</p> <p>The General Shareholders' Meeting will be chaired by the Chairman of the Board of Directors and, in his absence, by the relevant Vice Chairman in accordance with the provisions of Article <del>46</del> 45 of the Corporate Bylaws and, in the absence of both, by the Chief Executive Officer chosen by the General Shareholders' Meeting.</p> <p>The Chairman shall be assisted by a Secretary, who shall be the Secretary of the Board of Directors and, in his absence, by the Assistant Secretary, if any, and, in any other case, by the person appointed by the General Shareholders' Meeting.</p> <p>The Presiding Panel will be composed of the Board of Directors."</p>
<p>ARTICLE 31. VOTING AND REPRESENTATION BY MEANS OF REMOTE COMMUNICATION.</p> <p><b>d)</b> Shareholders with the right to attend and vote may cast their vote on the proposals relating to items included in the agenda, by mail or by electronic communication, in accordance with the provisions of the Regulations of the Shareholders' Meeting and in the regulations complementing and developing the Regulations, established by the Board of Directors.</p> <p>The Board of Directors, based on the technical and legal bases that make it possible and duly guarantee the identity of the subject exercising their right to vote, is empowered to develop and complement the regulations provided for in the Regulations of the Shareholders' Meeting, the Board, according to the stage and security offered by the technical means available, establishing the</p>	<p>ARTICLE <del>31</del>30. VOTE AND REPRESENTATION BY REMOTE COMMUNICATION MEDIA</p> <p>a) Shareholders who have their shares registered in the corresponding accounting record of book entries five days before the General Meeting (even those who are not holders of the minimum number of shares required to attend it in person) may cast their vote on proposals relating to items included in the agenda, by mail or by electronic communication, in accordance with the provisions of the General Meeting Regulations and in the complementary and development rules of the Regulations, established by the Board of Directors.</p> <p>The Board of Directors, based on the technical and legal bases that make it possible and duly guarantee the identity of the subject exercising their right to vote, is empowered to develop and complement the regulations provided for in the General Meeting Regulations, establishing the Board, according to the stage and security offered by the technical means available, the moment from which the shareholders may cast their vote by remote means of communication.</p>

<p>time from which the shareholders may cast their vote by remote means of communication.</p> <p>The regulation, as well as any modification thereof, that the Board of Directors adopts pursuant to the provisions of this statutory provision in developing and complementing the Regulations of the Shareholders' Meeting, and the determination by the Board of Directors of the time from of which the shareholders may cast their vote at the Shareholders' Meeting by remote means of communication, will be published on the Company's website.</p> <p>Shareholders entitled to attend, who cast their remote vote in accordance with the provisions of this section, shall be understood to be present for the purposes of constituting the Shareholders' Meeting in question.</p> <p><b>e)</b> The provisions of section a) above shall also apply to the granting of proxy by the shareholder for the Shareholders' Meeting by electronic communication or by any other means of remote communication.</p> <p><b>f)</b> The personal attendance of the shareholder at the Shareholders' Meeting will have the effect of revoking the vote cast by postal or electronic correspondence. Likewise, personal attendance at the Shareholders' Meeting of the represented shareholder shall have the effect of revoking the representation granted by electronic correspondence or by any other means of remote communication provided for in the Regulations of the Shareholders' Meeting.</p>	<p>The regulation, as well as any modification thereof, that the Board of Directors adopts pursuant to the provisions of this statutory provision, in development and complement of the General Meeting Regulations, and the determination by the Board of Directors of the moment from of which the shareholders may cast their vote at the General Meeting by remote means of communication, will be published on the Company's website.</p> <p>Shareholders <del>entitled to attend</del> who cast their remote vote in accordance with the provisions of this section shall be understood to be present for the purposes of the constitution of the General Meeting in question.</p> <p><b>b)</b> The provisions of section a) above shall also apply to the granting of proxy by the shareholder for the General Meeting by electronic communication or by any other means of remote communication.</p> <p><b>c)</b> Attendance in person at the General Meeting by the shareholder shall have the effect of revoking the vote cast by post or electronic correspondence. Likewise, attendance in person at the General Meeting by the represented shareholder shall have the effect of revoking the representation granted by electronic correspondence or by any other means of remote communication provided for in the Regulations of the General Meeting."</p>
<p>ARTICLE 32. ADOPTION OF AGREEMENTS.</p>	<p>ARTICLE <del>32</del><b>31</b>. ADOPTION OF AGREEMENTS.</p>

The agreements must be adopted by a simple majority of the shareholders present or represented at the Shareholders' Meeting, understanding that an agreement has been adopted when it obtains more votes in favour than against of the capital present or represented.

For the adoption of the agreements referred to in article 26 above, if the capital present or represented should exceed fifty percent, it will be sufficient for the agreement to be adopted by an absolute majority. However, the favourable vote of two thirds of the capital present or represented at the Shareholders' Meeting will be required when, on second call, shareholders attend representing twenty-five percent or more of the subscribed capital with the right to vote without reaching reach fifty percent.

The reinforced quorums for constituting and voting established in the Law and in these By-laws are safeguarded.

In reaching agreements, the system established in the Regulations of the Shareholders' Meeting will be followed in determining the voting.

Resolutions must be adopted by a simple majority of the shareholders present or represented at the General Meeting. A resolution is deemed adopted when it receives more votes in favour than against the capital present or represented.

For the adoption of the resolutions referred to in Article ~~26~~ 25 above, if the present or represented capital exceeds fifty percent, it will suffice for the resolution to be adopted by an absolute majority. However, the favourable vote of two-thirds of the capital present or represented at the General Meeting will be required when, on second call, shareholders representing twenty-five percent or more of the subscribed capital with the right to vote do not reach fifty percent.

The reinforced constitutional and voting quorums established in the Law and in these Bylaws are excluded.

For the adoption of resolutions, the voting determination system established in the General Meeting Regulations will be followed.”

#### ARTICLE 37. BOARD OF DIRECTORS. GENERAL FUNCTIONS

1. The Board of Directors is in charge of governing and administering the company. The Board of Directors shall be governed by the provisions of the law, these Corporate Bylaws and the Board of Directors Regulations. By way of the Board Regulations, the Board itself shall, within the framework provided by law and the Company's Bylaws, establish its structure and operation, functions, standard practices and rules regarding the composition of the Board and its Commissions and Committees, relations with shareholders, the General Shareholders' Meeting, Auditors and Senior Management, and the Statute applicable to Directors and other officers.
2. The Board of Directors has the authority to adopt resolutions on all matters which are not prohibited by law, these Bylaws or the General Shareholders' Meeting Regulations.
3. The Board of Directors, who shall have the broadest power and authority to manage, direct, administer and represent the Company, shall, as a general rule, delegate daily management of the Company to the delegated administrative bodies and shall focus its activities on supervising and discussing matters of particular importance to the Company and its group of companies.
4. In particular, and without limiting the general nature of the preceding, the Board of Directors, acting on their own initiative or at the request of a relevant internal body and/or following a report by the relevant internal body, shall have the following general functions:
  - a) To establish the corporate strategy and management guidelines.
  - b) To monitor Senior Management performance, demand explanations for their decisions and assess their overall management.
  - c) To ensure transparency regarding the company's relations with third parties.

#### Article 3736. Board of Directors. General Functions.

1. The Board of Directors is in charge of governing and administering the company. The Board of Directors shall be governed by the provisions of the law, these Corporate Bylaws and the Board of Directors Regulations. By way of the Board Regulations, the Board itself shall, within the framework provided by law and the Company's Bylaws, establish its structure and operation, functions, standard practices and rules regarding the composition of the Board, ~~and of its Commissions and Committees~~, relations with shareholders, the General Shareholders' Meeting, Auditors and Senior Management, and the Statute applicable to Directors and other officers.
2. The Board of Directors has the authority to adopt resolutions on all matters which are not prohibited by law, these Bylaws or the General Shareholders' Meeting Regulations.
3. The Board of Directors, who shall have the broadest power and authority to manage, direct, administer and represent the Company, shall, as a general rule, delegate daily management of the Company to the delegated administrative bodies and shall focus its activities on supervising and discussing matters of particular importance to the Company and its group of companies.
4. In particular, and without limiting the general nature of the preceding, the Board of Directors, acting on their own initiative or at the request of a relevant internal body and/or following a report by the relevant internal body, shall have the following general functions:
  - a) To establish the corporate strategy and management guidelines.
  - b) To monitor Senior Management performance, demand explanations for their decisions and assess their overall management.
  - c) To ensure transparency regarding the company's relations with third parties.

<p>5. The Board, in undertaking the provisions of Article 2 hereof, shall set the general strategy for the group of companies over which the Company is the parent company in accordance with law.</p> <p>6. In any event, the Board of Directors shall directly exercise all rights which, by virtue of law, these Corporate Bylaws or the General Meeting Regulations, may not be delegated.</p>	<p>5. The Board, in undertaking the provisions of Article 2 hereof, shall set the general strategy for the group of companies over which the Company is the parent company in accordance with law.</p> <p>6. In any event, the Board of Directors shall directly exercise all rights which, by virtue of law, these Corporate Bylaws or the General Meeting Regulations, may not be delegated.</p>
<p>ARTICLE 49. COMPOSITION OF THE EXECUTIVE COMMITTEE.</p> <p>The Executive Committee shall consist of a minimum of five and a maximum of seven Directors, including the Chairman.</p> <p>ARTICLE 50. EXECUTIVE COMMITTEE POSITIONS.</p> <p>The Chairman of the Board of Directors shall chair the Executive Committee and the Secretary of the Board shall also act as Secretary for the Executive Committee. These positions are substituted in accordance with the regime set forth for the Board of Directors.</p>	<p>ARTICLE 49<del>48</del>. COMPOSITION OF THE EXECUTIVE COMMITTEE.</p> <p><del>The</del> There may be an Executive Committee which, where applicable, shall consist of a minimum of five and a maximum of seven Directors, including the Chairman, if an Executive, and the Managing Director.</p> <p>The Chairman of the Board of Directors will chair the Executive Committee, when a member of the same, and the Secretary of the Board will act as Secretary of the Committee. These positions shall be substituted in accordance with the regime set forth for the Board of Directors.”</p>
	<p>“Article 52<del>50</del>. Board committees.</p> <p>The Board of Directors shall constitute, in accordance with the legal provisions, the Audit and Compliance Committee and the Appointments and Remuneration Committee.</p> <p>Likewise, the Board of Directors may set up as many other Committees or Commissions as are necessary or consider convenient for the best performance of its functions.</p> <p>The Board Regulations will establish, in accordance with the legal and statutory provisions, the general system of organisation, operation and powers of the</p>

	different Commissions or Committees, which, where applicable, may be developed in their own Regulations, approved by the Board of Administration.”
<p>ARTICLE 52. AUDIT AND COMPLIANCE COMMITTEE</p> <p>The Audit and Compliance Committee will be made up of a minimum of three and a maximum of six non-executive Directors of the Board of Directors, the majority of whom, at least, must be independent Directors, and one will be appointed taking into account their knowledge and experience in accounting, auditing or both. As a whole, members of the Committee shall have relevant technical knowledge in the company's sector of activity.</p> <p>The chairman of the Audit and Compliance Committee will be appointed by the Board of Directors from among the independent Directors who form part of the Committee and must be replaced every four years. They may be re-elected once a period of one year has elapsed since their removal.</p> <p>The main function of this Committee will be to ensure compliance with good corporate governance and transparency in all company actions in the economic-financial and external audit and compliance and internal audit fields, and in any case, it will be entrusted with the following functions:</p> <ul style="list-style-type: none"> <li>a) Reporting to the General Shareholders’ Meeting regarding any matters arising under the responsibility of the Committee and, in particular, regarding audit results, explaining how the audit has contributed to the comprehensiveness of the financial information and what role the Committee played in this process.</li> <li>b) Supervising the effectiveness of the Company’s internal controls, internal audit and risk management systems, as well as discussing with the auditor any significant weaknesses in the internal control system detected during the audit, all without undermining its independence. For such purpose, and as the case may be, recommendations or proposals, including the periods</li> </ul>	<p>ARTICLE <del>52</del> 51. AUDIT AND COMPLIANCE COMMITTEE</p> <p>The Audit and Compliance Committee will be made up of a minimum of three and a maximum of six non-executive Directors of the Board of Directors, the majority of whom, at least, must be independent Directors, and one will be appointed taking into account their knowledge and experience in accounting, auditing or both. As a whole, members of the Committee shall have relevant technical knowledge in the company's sector of activity.</p> <p>The chairman of the Audit and Compliance Committee will be appointed by the Board of Directors from among the independent Directors who form part of the Committee and must be replaced every four years. They may be re-elected once a period of one year has elapsed since their removal.</p> <p><del>The main function of this Committee will be to ensure compliance with good corporate governance and transparency in all company actions in the economic-financial and external audit and compliance and internal audit fields, and in any case, it will be entrusted with the following functions:</del></p> <ul style="list-style-type: none"> <li><del>a) Reporting to the General Shareholders’ Meeting regarding any matters arising under the responsibility of the Committee and, in particular, regarding audit results, explaining how the audit has contributed to the comprehensiveness of the financial information and what role the Committee played in this process.</del></li> <li><del>b) Supervising the effectiveness of the Company’s internal controls, internal audit and risk management systems, as well as discussing with the auditor any significant weaknesses in the internal control system detected during the audit, all without undermining its independence. For such purpose, and as the case may be, recommendations or proposals, including the periods</del></li> </ul>

<p>established for compliance therewith, may be submitted to the governing body.</p> <p>c) Supervising the preparation and presentation of the required financial information and presenting recommendations or proposals to the governing body aimed at safeguarding the integrity thereof.</p> <p>d) Making recommendations to the Board of Directors for the selection, appointment, reappointment and replacement of the auditor, assuming responsibility for the selection process, as set out in the applicable regulations, and the terms of its engagement, and obtain regular information from the auditor on audit plan and its execution, as well as preserving its independence in the exercise of its functions.</p> <p>e) Establishing the opportune relations with the external auditor to receive information on all matters that may pose a threat to their independence, for examination by the Committee, and any other matters relating to the audit process and, when applicable, authorise services other than those prohibited, in the terms set out in the applicable regulations, on independence, as well as the other communications provided by account auditing laws and auditing standards. In any case, the Committee shall receive an annual statement from the External Auditors on their independence in relation to the company or any of its directly or indirectly related entities, including detailed and itemised information on additional services of any nature that were provided together with the applicable fees received from such entities by either the External Auditor or other persons or entities related thereto, in accordance with the applicable regulations governing statutory auditing.</p> <p>f) Issuing an annual report, prior to publication of the auditors' report, expressing an opinion on whether the independence of the statutory auditors or audit firms has been compromised. This report shall, in any case, include a justified assessment of each of the additional services referred to in the preceding letter, accounted for both on a stand-alone and collective basis, which were provided apart from the legal auditing and in relation to</p>	<p>established for compliance therewith, may be submitted to the governing body.</p> <p><del>e) Supervising the process of the Audit and Compliance Committee is advising the Board of Directors and supervising and controlling the processes of preparing and presenting the mandatory financial information and presenting recommendations or proposals to the management body, aimed at safeguarding its integrity.</del></p> <p><del>d) Making recommendations of the independence of the auditor and the effectiveness of the internal control and risk management systems, and informing the Board of Directors for the selection, appointment, reappointment and replacement of the auditor, assuming responsibility for the selection process, as set out in the applicable regulations, and the terms of its engagement, and obtain regular information from the auditor on audit plan and its execution, as well as preserving its independence in the exercise of its functions.</del></p> <p><del>e) Establishing the opportune relations with the external auditor to receive information on all matters that may pose a threat to their independence, for examination by the Committee, and any other matters relating to the audit process and, when applicable, authorise services other than those prohibited, in the terms set out in the applicable regulations, on independence, as well as the other communications provided by account auditing laws and auditing standards. In any case, the Committee shall receive an annual statement from the External Auditors on their independence in relation to the company or any of its directly or indirectly related entities, including detailed and itemised information on additional services of any nature that were provided together with the applicable fees received from such entities by either the External Auditor or other persons or entities related thereto, in accordance with the applicable regulations governing statutory auditing.</del></p> <p><del>f) Issuing an annual report, prior to publication of the auditors' report, expressing an opinion on whether the independence of the statutory auditors or audit firms has been compromised. This report shall, in any case, include a justified assessment of each of the additional services referred to in the</del></p>
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<p>independence requirements or regulations governing statutory audit activities.</p> <p>g) Providing the Board of Directors with advance notice regarding all matters provided for by law, the By-laws, and the Board Regulation, and particularly about:</p> <ol style="list-style-type: none"> <li>1. the financial information that the company must periodically make public,</li> <li>2. the creation or acquisition of shares in special purpose vehicles or companies incorporated in foreign countries or territories which are classified as tax havens, and</li> <li>3. operations with related parties.</li> </ol> <p>The Committee will not exercise the functions set forth in this letter g) when they are attributed in the By-laws to another committee and this is composed only of non-executive Directors and by at least two Independent directors, one of whom must be the chairman.</p> <p>These duties shall be deemed to be without limitation and notwithstanding such other duties as may be entrusted to the Committee by the Board of Directors.</p> <p>The Board Regulations may develop the powers of the Committee and its scheme of organisation and operation. The Audit and Compliance Committee may have its own regulations, which will be approved by the Board of Directors.</p>	<p><del>preceding letter, accounted for both on a stand alone and collective basis, which were provided apart from the legal auditing and in relation to independence requirements or regulations governing statutory audit activities.</del></p> <p><del>g) Providing the Board of Directors with advance notice regarding all matters provided for by law, the By-laws, and the Board Regulation, and particularly about:</del></p> <ol style="list-style-type: none"> <li><del>1. the financial information that the company must periodically make public,</del></li> <li><del>2. the creation or acquisition of shares in special purpose vehicles or companies incorporated in foreign countries or territories which are classified as tax havens, and</del></li> <li><del>3. related with operations parties .</del></li> </ol> <p><del>The Committee will not exercise and in any case, will be entrusted with the functions set forth in this letter g) when they are attributed in the By-laws to another committee and this is composed only of non-executive Directors and at least two independent Directors, one of whom must be the chairman.</del></p> <p><del>These duties shall be deemed to be without limitation and notwithstanding which are attributed to it by maw and such other duties as may be determined by the Board of Directors.</del></p> <p><del>The Board Regulations may develop the powers of the Committee and its scheme of organisation and operation. The Audit and Compliance Committee may have its own regulations, which will be approved by the Board of Directors or the Committee</del></p>
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ARTICLE 53. APPOINTMENTS AND REMUNERATION COMMITTEE

The Appointments and Remuneration Committee shall be comprised of a minimum of three and a maximum of six non-executive Directors from the Board of Directors, at least two of whom shall be independent Directors.

The Chairman of the Appointments and Remuneration Committee shall be appointed by the Board of Directors from among the independent Directors on the Committee. The Chairman must be replaced every four years but may be re-elected after one year has elapsed from his vacating the office.

In the Chairman's absence, they will be replaced by the Independent Director of the Committee provisionally designated by the Board of Directors or, failing this, the oldest Independent Director on the Committee.

The Appointments and Remuneration Committee shall meet as often as convened by its Chairman, when so resolved by the majority of its members or at the request of the Board of Directors. Committee meetings shall take place at the Company's registered offices or at such other location as may be determined by the chairman and stated in the meeting notice.

ARTICLE ~~53~~52. APPOINTMENTS AND REMUNERATION COMMITTEE.

The Appointments and Remuneration Committee shall be comprised of a minimum of three and a maximum of six non-executive Directors from the Board of Directors, at least two of whom shall be independent Directors.

The Chairman of the Appointments and Remuneration Committee shall be appointed by the Board of Directors from among the independent Directors on the Committee. The Chairman must be replaced every four years but may be re-elected after one year has elapsed from his vacating the office.

The main function of the Appointments and Remuneration Committee is to advise the Board of Directors on appointments and remuneration of directors and senior managers.

~~In the Chairman's absence, they will be replaced by the Independent Director of the Committee provisionally designated by the Board of Directors or, failing this, the oldest Independent Director on the Committee.~~

~~The Appointments and Remuneration Committee shall meet as often as convened by its Chairman, when so resolved by the majority of its members or at the request of the Board of Directors. Committee meetings shall take place at the Company's registered offices or at such other location as may be determined by the chairman and stated in the meeting notice.~~

~~Committee meetings will be validly constituted when the majority of its members are present.~~

<p>Committee meetings will be validly constituted when the majority of its members are present.</p> <p>Resolutions must be passed by a majority vote of the Directors attending the meeting. In the event of a tie, the Chairman or acting Chairman shall have the casting vote.</p> <p>The Board Secretary shall serve as the Secretary of the Committee, who shall draw up minutes of all meetings and resolutions passed, which shall be reported to the Board.</p> <p>Without prejudice to the other functions attributed to it by law, these By-laws or, in accordance with them, the Regulations of the Board of Directors, the Appointments and Remuneration Committee shall have at least the following:</p> <ul style="list-style-type: none"> <li>a) To assess the skills, knowledge and experience needed on the Board of Directors. To this end, it will define the necessary functions and skills in the candidates that must fill each vacancy and will assess the time and dedication necessary for them to carry out their tasks effectively.</li> <li>b) To establish a representation goal for the least-represented gender on the Board of Directors and develop guidelines on how to reach such objective.</li> <li>c) To raise all proposals for the appointment of Independent Directors to the Board of Directors for their appointment by co-option or by submission to the decision of the General Shareholders' Meeting, as well as all proposals for the reappointment or removal of said directors by the General Shareholders' Meeting.</li> </ul>	<p><del>Resolutions must be passed by a majority vote of the Directors attending the meeting. In the event of a tie, the Chairman or acting Chairman shall have the casting vote.</del></p> <p><del>The Board Secretary shall serve as the Secretary of the Committee, who shall draw up minutes of all meetings and resolutions passed, which shall be reported to the Board.</del></p> <p><del>Without prejudice to the other functions attributed to it by law, these By-laws or, in accordance with them, the Regulations of the Board of Directors, the Appointments and Remuneration Committee shall have at least the following:</del></p> <ul style="list-style-type: none"> <li><del>a) To assess the skills, knowledge and experience needed on the Board of Directors. To this end, it will define the necessary functions and skills in the candidates that must fill each vacancy and will assess the time and dedication necessary for them to carry out their tasks effectively.</del></li> <li><del>b) To establish a representation goal for the least-represented gender on the Board of Directors and develop guidelines on how to reach such objective.</del></li> <li><del>c) To raise all proposals for the appointment of Independent Directors to the Board of Directors for their appointment by co-option or by submission to the decision of the General Shareholders' Meeting, as well as all proposals for the reappointment or removal of said directors by the General Shareholders' Meeting.</del></li> </ul>
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<p>d) To provide notification of all proposals for appointment of the remaining directors for their appointment by co-option or by submission to decision of the General Shareholders' Meeting, as well as all proposals for their reappointment or removal by the General Shareholders' Meeting.</p> <p>e) To report the proposals for appointment and removal of senior managers and the basic conditions of their contracts.</p> <p>f) To assess and organise the succession of the Chairman of the Board of Directors and of the Company's CEO and, if applicable, make proposals to the Board of Directors for such succession to occur in a seamless and orderly fashion.</p> <p>g) To propose to the Board of Directors the remuneration policy for Directors and general managers or those who carry out their senior management duties under the direct dependence of the board, of Executive Committees or CEOs, as well as individual remuneration and other contractual conditions of the executive Directors, ensuring their observance.</p> <p>These duties shall be deemed to be without limitation and notwithstanding such other duties as may be entrusted to the Committee by the Board of Directors.</p> <p>The Board Regulations may develop the powers of the Committee and its scheme of organisation and operation.</p>	<p><del>d) To provide notification of all proposals for appointment of the remaining directors for their appointment by co-option or by submission to decision of the General Shareholders' Meeting, as well as all proposals for their reappointment or removal by the General Shareholders' Meeting.</del></p> <p><del>e) To report the proposals for appointment and removal of senior managers and the basic conditions of their contracts.</del></p> <p><del>f) To assess and organise the succession of the Chairman of the Board of Directors and of the Company's CEO and, if applicable, make proposals to the Board of Directors for such succession to occur in a seamless and orderly fashion.</del></p> <p><del>g) To propose to the Board of Directors the remuneration policy for Directors and general managers or those who carry out their senior management duties under the direct dependence of the board, of Executive Committees or CEOs, as well as individual remuneration and other contractual conditions of the executive Directors, ensuring their observance.</del></p> <p><del>These duties shall be deemed to be without limitation and notwithstanding such other duties as may be entrusted to the Committee by the Board of Directors.</del></p> <p><del>The Board Regulations may develop the powers of the Committee and its scheme of organisation and operation.</del></p>
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-	<p>“ARTICLE 53. SUSTAINABILITY AND CORPORATE GOVERNANCE COMMITTEE.</p> <p>The Sustainability and Corporate Governance Committee shall be composed of a minimum of three and a maximum of six non-executive Directors of the Board of Directors, the majority of whom must be Independent Directors.</p> <p>The Chairman of the Appointments and Remuneration Committee shall be appointed by the Board of Directors from among the Independent Directors on the Committee.</p> <p>The main function of the Sustainability and Corporate Governance Committee is to advise the Board of Directors on environmental and sustainability matters, on human rights and diversity, in relation to the strategy for social action, as well as in the scope of the corporate governance strategy of the Company.”</p>
<p>ARTICLE 56. MANAGEMENT REPORT.</p> <p>The management report must contain, at least, the fair statement on the evolution of the business and the situation of the company. The report must also include indications on the important events for the company that occurred after the end of the financial year, its foreseeable evolution, the activities in the field of research and development and the acquisition of treasury stock, in accordance with the Law</p>	<p>ARTICLE 56. MANAGEMENT REPORT.</p> <p>The Management Report must at least contain a true and fair view on the development of the business and situation of the company <a href="#">and, where appropriate, the Non-Financial Information Statement</a>. It must also include indications on the most important events for the company that occurred subsequent to the close of the year, the expected development of the company, research and development activities and the acquisition of treasury stock, in accordance with the Law.</p>

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

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# BYLAWS

ENDESA, S.A.

*5 May 2020*

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# **TITLE I. CORPORATE NAME, PURPOSE, DURATION AND REGISTERED OFFICE**

## **ARTICLE 1. CORPORATE NAME**

The company shall be named ENDESA, S.A. and shall be governed by these Corporate Bylaws, by the provisions of the Spanish Corporations Law and by any other applicable laws.

## **ARTICLE 2. PURPOSE**

1. The purpose of the company is:

- a) The electricity business including its different industrial and commercial areas of business.
- b) The exploitation of all types of primary energy resources.
- c) The provision of industrial services and, especially, telecommunications, water and gas services, in addition to those preparatory or complementary services of the business areas included in the purpose of the company.
- d) The management of the Group of Companies, formed by means of shareholdings in other companies.

2. Both domestically and internationally, the company will carry on those activities that integrate its purpose directly or through its shareholdings in other companies.

## **ARTICLE 3. TERM**

The duration of the company is indefinite and its operations began on the date on which its deed of incorporation was executed.

## **ARTICLE 4. ADDRESS**

The registered office shall be located in Madrid, at calle de Ribera del Loira, number 60. The Board of Directors shall be empowered to change the domicile within the national territory.

Likewise, the Board of Directors shall have the power to create, shutdown or transfer company branches, agencies, representative offices or any other offices of the company.

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

## **ARTICLE 5. SHARE CAPITAL**

The company has a share capital of €1,270,502,540.40 that is fully subscribed and paid up.

## **ARTICLE 6. SHARES**

The share capital of the company comprises 1,058,752,117 shares, each having a par value of €1.20. They are represented by book-entries and belong to the same class.

The 1,058,752,117 shares that comprise the share capital, represented by account entries, are considered to be securities and are governed by the provisions of the Securities Market Act (Ley del Mercado de Valores).

## ARTICLE 7. SHAREHOLDERS' RIGHTS

The share confers upon its holder legitimate shareholder status and attributes to such shareholder the rights provided by Law and by these Corporate Bylaws. The company must give equal treatment to shareholders who are subject to identical conditions.

As provided by Law and save in the cases provided therein, a shareholder has at least the following rights:

- a) The right to share in the distribution of profits and in the distribution of the equity resulting from the winding-up of the Company.
- b) The right to preferred subscription in the issuance of new shares or convertible bonds.
- c) The right to attend and vote at General Shareholders' Meetings and to contest corporate resolutions.
- d) The right to be informed.

## ARTICLE 8. NON-VOTING, REDEEMABLE AND PREFERRED SHARES

1. The company may issue non-voting shares for a par value not exceeding half of the paid-in share capital.

The holders of non-voting shares will have the right to receive a minimum annual dividend equal to 5% of the paid-in share capital for each non-voting share. Once the minimum dividend has been declared, holders of non-voting shares will have the right to the same dividend pertaining to the common shares.

2. The company may issue redeemable shares upon request by the issuing company, by the holders of said shares or by both, for a par value not exceeding a quarter of the share capital. The issue resolution will establish the terms according to which the right to redeem may be exercised. If said right is exclusively attributable to the issuing company, it may not be exercised until after a period of three years as from the date of issue.

Redeemed shares must be paid for in full at the time of subscription.

These shares must be redeemed on account of profits or earned surplus or as a result of the new issue of shares resolved by the General Shareholders' Meeting or, as the case may be, by the Board of Directors, with the aim of financing the redemption transaction. If these shares are redeemed on account of profits or surplus reserves, the company must create a reserve for the par value of the redeemed shares. In the event there is neither a sufficient amount of profits or earned surplus nor have new share been issued to finance the transaction, the shares may only be redeemed in compliance with the requirements established for share capital reduction by means of the return of contributions.

3. The company may issue shares that confer a privilege against common shares, which shall not acquire any of the modes foreseen in Articles 96.1 and 96.2 of the Spanish Capital Corporations Law (Ley de Sociedades de Capital), in compliance with the requisites foreseen for the amendment of Corporate Bylaws.

In the event the privilege consists of the right to obtain a preferred dividend, the company will be obliged to agree on the distribution of the dividend if there are distributable profits. At the time when the shares are issued, the General Shareholders' Meeting or the Board of Directors will decide if the holders of the preferred shares have the right to the same dividend as the common shares, once the preferred dividend has been agreed upon, and if necessary, will amend the Corporate Bylaws consequently.

In the event there are no distributable profits or these do not suffice, the part of the unpaid preferred dividend will be accumulated or not, in accordance with the terms that the General Shareholders' Meeting agrees at the time it decides on the issue of shares.

Under no circumstance may common shares receive dividends on account of the profits of a financial year, as long as the relevant preferred dividend pertaining to the same financial year has not been paid for.

## ARTICLE 9. REPRESENTATION OF SHARES

Shares shall be represented by book entries and will be constituted as such by virtue of their registration in the relevant accounting record, which will show the references in the deed of issue and whether or not they have been fully paid in.

The right to legally act as shareholder is obtained by registration in the accounting record, which establishes the legal ownership and gives the registered holder the right to demand that the company acknowledge him as a shareholder. This right may be proven by means of the relevant certificates, issued by the entity responsible for the accounting records.

In the event the company performs some service in favor of an alleged shareholder, although the latter may not be the true owner of the share, it will be exempt from liability, provided it was performed in good faith and without gross negligence.

## ARTICLE 10. TRANSFER OF SHARES

Shares may be transferred in accordance with the provisions of the laws in force and these Corporate Bylaws. However, shares may not be transferred until the company and, as the case may be, the capital increase of the company, has been registered with the Mercantile Registry.

# TITLE III. INCREASE OR REDUCTION OF SHARE CAPITAL

## ARTICLE 11. MODES OF INCREASE

The share capital may be increased by means of the issue of new shares or by increasing the par values of the shares that already exist.

In both cases, the capital increase may be carried out against new cash or non-cash contributions to the corporate equity, including the contribution of credits against the company or against reserves or profits that already appeared on the latest approved balance sheet.

## ARTICLE 12. POWER CONFERRED TO THE DIRECTORS TO INCREASE THE SHARE CAPITAL

In accordance with the requirements established for the amendment of the Corporate Bylaws, the General Shareholders' Meeting may empower the Board of Directors as described below.

- a) Once a specific amount has been resolved for the capital increase, the General Shareholders' Meeting may empower the Board of Directors to:
  - 1) Execute the foregoing resolution, within a maximum period of one year, save in the case bonds are converted into shares.
  - 2) Fix the date on which the foregoing increase in the amount resolved must be carried out.
  - 3) Establish the initiation and closing date of the subscription period.
  - 4) Issue shares in accordance with the increase.
  - 5) Declare the amounts subscribed in the capital increase.
  - 6) Demand the payment and disbursement of capital calls.

- 7) Amend Articles 5 and 6 of the Corporate Bylaws related to the share capital, replacing them with the new figure after the increase, in accordance with the amounts actually subscribed and,
  - 8) In general, establish the terms of the capital increase in relation to everything not foreseen in the resolution by the General Shareholders' Meeting.
- b) The power to resolve, once or several times, on the capital increase, up to a specific amount, when and for the amount decided, without the need for prior consultation with the General Shareholders' Meeting. These increases may under no circumstance exceed the equivalent of one-half of the share capital at the time of authorization, and must be made by means of cash contributions, within a maximum period of five years as from the resolution of the General Shareholders' Meeting.

In this case, once the increase has been resolved and executed, the Board of Directors will also have the power to amend the articles of the Corporate Bylaws related to the share capital.

### ARTICLE 13. CUM PRE-EMPTIVE RIGHTS

In capital increases where new common or preferred shares are issued and charged to cash contributions, each shareholder may exercise the right to subscribe to a number of shares in proportion to the par value of the shares they own, within the period set for such purpose by company management, which may not be less than fifteen days following publication in the Official Mercantile Registry Bulletin (Boletín Oficial del Registro Mercantil) of the subscription offer over the new shares

The pre-emptive right may be transferred under the same conditions as would apply to the shares giving rise to such right. In the case of a capital increase on account of the reserves, the same rule will be applicable to the free right of assignment of the new shares.

### ARTICLE 14. EX PRE-EMPTIVE RIGHTS

In the event it is in the interest of the company, when deciding on the capital increase, the General Shareholders' Meeting may resolve to totally or partially remove the pre-emptive subscription right. For this agreement to be valid, it must comply with the requisites for the amendment of Corporate Bylaws and must necessarily comply with the requirements provided for to this end in the Spanish Capital Corporations Law (Ley de Sociedades de Capital).

Under no circumstance will there be a pre-emptive right when the capital increase is due to the take-over of another company or to all or part of the split assets of another company or is due to the conversion of bonds into shares.

### ARTICLE 15. SHARE CAPITAL REDUCTION

Subsequent to fulfilling, and in accordance with, the requirements established by Law, the General Shareholders' Meeting may reduce the share capital of the company and return of contributions, condone capital calls, create or increase the legal reserve or voluntary reserves or re-establish the balance between capital and the company's net equity that has been reduced due to losses.

Reduction of capital will be compulsory in the event losses have decreased the company's equity to two-thirds of the share capital and a fiscal year has lapsed without the equity having been recovered.

## **TITLE IV. BONDS**

### **ARTICLE 16. BOND ISSUE.**

The company may issue numbered series of bonds or other securities to honor or create a debt in the terms set forth in the Capital Corporations Law and other provisions in force on this subject matter.

## **TITLE V. STATUTORY BODIES OF THE COMPANY**

### **CHAPTER I. GENERAL MEETING**

#### **ARTICLE 17. GENERAL MEETING**

All matters of the competency of the General Shareholders' Meeting shall be decided by majority vote of the shareholders that constitute the duly convened General Shareholders' Meeting.

It will be called and it will proceed in accordance with legal and statutory provisions and with the General Shareholders' Meeting Regulations proposed by the Board of Directors and approved by Shareholders' Meeting.

All shareholders, including dissenters and those not participating at the meeting, will be subject to the resolutions of the General Shareholders' Meeting.

#### **ARTICLE 18. TYPES OF MEETINGS**

The General Shareholders' Meeting may be annual or special.

#### **ARTICLE 19. ANNUAL GENERAL MEETING**

Subsequent to the duly given notice, the Annual General Meeting shall meet within the first six months of each fiscal year, to assess the management of the company, and approve, as the case may be, the financial statements for the previous year and decide on the distribution of profits.

#### **ARTICLE 20. SPECIAL GENERAL MEETING**

Any meeting not contemplated in the previous article shall be deemed to be a Special Meeting.

#### **ARTICLE 21. NOTICE OF GENERAL MEETING**

1. The General Meeting shall be called by the Board of Directors or, as the case may be, by the liquidators of the Company by way of public announcement with the minimum notice as required by law.

The official meeting notice shall be published, at least, through the following channels:

- a) The Official Mercantile Registry Bulletin or one of the highest-circulating newspapers in Spain.
- b) The Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores) website.
- c) The Company's website.

The official meeting notice shall, at a minimum, include all information as required by law. The notice may also set out the date on which the meeting is to be held, if necessary, in second call.

There shall be a period of at least 24 hours between the first and second meeting.

If the General Meeting, duly convened, was not held in first call, and the official meeting notice provided no date for a meeting in second call, such date shall be announced, with the same agenda and following the same publicity requirements applicable to the first call, within 15 days following the date on which the General Meeting was to be held and at least 10 days before the new meeting date.

2. Shareholders who represent at least three percent of share capital may request that a supplement to the Annual General Meeting notice be published, including one or more agenda items, provided that the new items are accompanied by a justification or, as the case may be, a justified proposed resolution. Under no circumstances may this right be exercised in relation to special general shareholder meeting notices.

The exercise of this right must be carried out by attestable notice which must be received at the registered offices within five days following publication of the official meeting notice. The supplement to the official meeting notice shall be published at least 15 days in advance of the date established for the general meeting. Failure to publish the meeting notice supplement within such period may cause the General Meeting to be challenged.

3. Shareholders representing at least three percent of share capital may, within the same period set forth in the previous section, present justified proposed resolutions on topics which are or which may be included on the agenda for the meeting called. The company shall ensure that all such proposed resolutions, as well as any accompanying documentation, are sent to the remaining shareholders in accordance with the provisions of law and the General Meeting Regulations.

## ARTICLE 22. POWER AND OBLIGATION TO CALL THE MEETING

The directors and, as the case may be, liquidators, may call a Special General Shareholders' Meeting whenever they deem it to be in the interests of the company.

Likewise, they shall call a meeting when requested by a number of shareholders representing at least three percent of the share capital, stating the business to be transacted at the Meeting. In this case, the General Shareholders' Meeting shall be called to meet within two months following the date on which the directors were given duly attested notice to call the meeting. The directors shall prepare the agenda, which must include the items for which the meeting is called.

## ARTICLE 23. UNIVERSAL GENERAL MEETING

Notwithstanding the provisions of the previous sections, the General Shareholders' Meeting will be deemed to be called and will be validly assembled to transact any business, provided all the share capital is present and the attendees unanimously accept to hold a Shareholders' Meeting. A Universal General Meeting may be held anywhere.

## ARTICLE 24. ASSEMBLY OF THE GENERAL SHAREHOLDERS' MEETING

A Shareholders' Meeting will be validly assembled in first call, when the shareholders, present or represented, hold at least 25% of the subscribed voting shares.

The assembly of a General Shareholders' Meeting in second call will be valid no matter the share capital represented.

## ARTICLE 25. SPECIAL RESOLUTIONS. QUORUM

In order for the Annual or Special General Shareholders' Meeting to validly resolve upon, in first call, the issuance of bonds, the increase or reduction of capital, the transformation, merger, spin-off, or total transfer of assets and liabilities of the company, the elimination or restriction of pre-emptive rights over new shares, the transfer of the registered offices abroad and, in general, any amendment

to the Corporate Bylaws, shareholders representing at least 50% of the subscribed capital with voting rights must be present. In second call, only 25% of said capital must be represented.

## ARTICLE 26. RIGHT OF ATTENDANCE

Shareholders holding at least 100 shares may attend the General Meeting in person, provided that they have their shares registered in the corresponding accounting record of book entries, five days prior to the holding of the General Meeting.

The shareholders holding the smallest number of shares may vote remotely or delegate their representation to a shareholder with the right to attend, as well as to group with other shareholders who are in the same situation until they gather the necessary shares, and the grouped shareholders must confer their representation on one of them. The grouping must be carried out on a special basis for each General Shareholders' Meeting and be in writing.

The members of the Board of Directors must attend the General Meetings.

The Chairman may authorise the attendance of any person he/she deems appropriate, although the General Meeting may revoke said authorisation.

## ARTICLE 26-BIS TELEMATIC ASSISTANCE

1. Shareholders who have their shares registered in the corresponding accounting record of book entries five days prior to the holding of the meeting may attend the General Meeting by electronic means that allow their connection in real time with the venue or venues where the General Meeting is held, provided that the Board of Directors so determines for each General Meeting. For all purposes, the electronic attendance of the shareholder shall be equivalent to the attendance in person at the General Shareholders' Meeting.
2. In the notice of each Meeting, the advance notice regarding the beginning of the meeting with which the shareholder who wishes to attend the Meeting must make the connection in order to be considered as a present shareholder will be detailed. Shareholders must register through the computer application available on the corporate website before the time indicated in the announcement of the call. The shareholder making the connection after the established deadline will not be considered present.
3. In the meeting notice for each Meeting, the terms, forms and ways of exercising the shareholders' rights related to electronic attendance will be described.
4. The Board of Directors, in accordance with Article 182 of the Spanish Corporate Enterprises Act, may determine that the interventions and proposed resolutions that, pursuant to said law, those who are going to attend by electronic means intend to formulate are referred to the Company in the manner established in the computer application of the Company's website, prior to the time of the constitution of the meeting indicated in the text of the meeting notice.
5. The telematic assistance mechanism must have due guarantees of authenticity and identification of the shareholder who exercises the right to vote. The guarantees that the Board of Directors deems appropriate are the recognised electronic signature or any other type of guarantee that the Board of Directors deems appropriate to ensure the authenticity and identification of the shareholder, without prejudice also to the other requirements and conditions that it may establish.
6. The Company shall not be liable for any damages that may be caused to the shareholder as a result of breakdowns, overloads, line failures, connection failures or any other event of the same or similar nature, beyond the control of the Company, that prevents the use of the mechanisms described in this article for telematic assistance."

## ARTICLE 27. REPRESENTATION

Any shareholder who has his/her shares registered in the corresponding accounting record of book entries taken into account five days prior to the holding of the meeting may be represented at the General Meeting by another person, subject to the provisions of Article 26. The representation must be conferred in writing and with special character for each Meeting and observing the other legal dispositions on the matter.

This power of representation is understood without prejudice to the provisions of the Law for cases of family representation and the granting of general powers.

In any case, both for the cases of voluntary representation and for those of legal representation, only one representative may be held at the Meeting, except in the cases provided by law.

In addition, the entities that appear legitimated as shareholders by virtue of the accounting registry of the shares but who act on behalf of various persons, may divide the vote and exercise it in a divergent sense in compliance with different voting instructions, if they have received them.

## ARTICLE 28. CHAIRMANSHIP AND PANEL OF THE SHAREHOLDERS' MEETING

The General Shareholders' Meeting will be chaired by the Chairman of the Board of Directors and, in his absence, by the relevant Vice Chairman in accordance with the provisions of Article 45 of the Corporate Bylaws and, in the absence of both, by the Chief Executive Officer chosen by the General Shareholders' Meeting.

The Chairman shall be assisted by a Secretary, who shall be the Secretary of the Board of Directors and, in his absence, by the Assistant Secretary, if any, and, in any other case, by the person appointed by the General Shareholders' Meeting.

The Presiding Panel will be composed of the Board of Directors.

## ARTICLE 29. LIST OF ATTENDEES

Prior to commencing the agenda, an attendance list shall be prepared, which will include the nature or proxy of each attendee and the number of shares, own or third party, that he/she is representing.

The attendance list may also be prepared by file or computer. In the foregoing cases the medium used will be stated in the minutes and it will be duly identified on the sealed cover of the file or relevant medium and will be signed by the Secretary, with the Chairman's approval.

The number of shareholders, present or represented, will be stated at the end of the list, as well as the amount of capital they own, with specification of the capital belonging to shareholders with voting rights.

If he deems necessary, the Chairman will appoint two or more scrutineer shareholders, who will sit on the panel to assist in the preparation of the list and, if necessary, to count the votes.

During the General Shareholders' Meeting, any shareholder having the right to attend may consult the attendance list, without this delaying or slackening the normal progress of the General Meeting once the Chairman has declared it to be legally assembled. The Panel will neither be under the obligation to read the foregoing list nor to provide a copy of it in the course of the Meeting.

## ARTICLE 30. VOTE AND REPRESENTATION BY REMOTE COMMUNICATION MEDIA

- a) Shareholders who have their shares registered in the corresponding accounting record of book entries five days before the General Meeting (even those who are not holders of the minimum number of shares required to attend it in person) may cast their vote on proposals relating to items included in the agenda, by mail or by electronic communication, in accordance with the provisions of the General Meeting Regulations and in the complementary and development rules of the Regulations, established by the Board of Directors.

The Board of Directors, based on the technical and legal bases that make it possible and duly guarantee the identity of the subject exercising their right to vote, is empowered to develop and complement the regulations provided for in the General Meeting Regulations, establishing the Board, according to the stage and security offered by the technical means available, the moment from which the shareholders may cast their vote by remote means of communication.

The regulation, as well as any modification thereof, that the Board of Directors adopts pursuant to the provisions of this statutory provision, in development and complement of the General Meeting Regulations, and the determination by the Board of Directors of the moment from which the shareholders may cast their vote at the General Meeting by remote means of communication, will be published on the Company's website.

Shareholders who cast their remote vote in accordance with the provisions of this section shall be understood to be present for the purposes of the constitution of the General Meeting in question.

- b) The provisions of section a) above shall also apply to the granting of proxy by the shareholder for the General Meeting by electronic communication or by any other means of remote communication.
- c) Attendance in person at the General Meeting by the shareholder shall have the effect of revoking the vote cast by post or electronic correspondence. Likewise, attendance in person at the General Meeting by the represented shareholder shall have the effect of revoking the representation granted by electronic correspondence or by any other means of remote communication provided for in the Regulations of the General Meeting."

## ARTICLE 31. ADOPTION OF RESOLUTIONS.

Resolutions must be adopted by a simple majority of the shareholders present or represented at the General Meeting. A resolution is deemed adopted when it receives more votes in favour than against the capital present or represented.

For the adoption of the resolutions referred to in Article 25 above, if the present or represented capital exceeds fifty percent, it will suffice for the resolution to be adopted by an absolute majority. However, the favourable vote of two-thirds of the capital present or represented at the General Meeting will be required when, on second call, shareholders representing twenty-five percent or more of the subscribed capital with the right to vote do not reach fifty percent.

The reinforced constitutional and voting quorums established in the Law and in these Bylaws are excluded.

For the adoption of resolutions, the voting determination system established in the General Meeting Regulations will be followed."

## ARTICLE 32. VOTING RIGHTS

The shareholders shall be entitled to one vote for each share they own or represent, except for non-voting shares, which shall be governed by the provisions of article 8 of these Bylaws.

## ARTICLE 33. RIGHT TO INFORMATION

Immediately following publication of the Notice of General Meeting and up until the fifth day preceding, inclusive, the date set for such meeting, the shareholders may, in writing, request any

information or clarification or pose questions as they deem relevant to topics included on the agenda for the meeting, publicly available information provided by the Company to the Spanish Securities Market Commission since the last General Meeting was held or as relates to the auditors' report.

The shareholders may, during the General Shareholders' Meeting, make verbal requests for information or clarifications regarding the items listed in the previous section as they deem appropriate. If the shareholder's right could not be fulfilled at the time of the request, the directors shall be required to provide the requested information in writing within seven days following the day on which the General Meeting concluded.

The directors shall be required to provide the information requested in accordance with the two preceding paragraphs in the manner and periods provided by law, unless such information is not necessary for the proper exercise of the shareholder's rights, or unless there are objective reasons to believe that such information may be used for purposes outside the company or if the publication of such information could negatively affect the company or any of its affiliated companies.

An information request may not be denied if such request is supported by at least one fourth of total capital.

#### ARTICLE 34. MINUTES OF THE GENERAL SHAREHOLDERS' MEETING

The Directors will require the presence of a Notary Public to draw up the minutes of the General Meeting, such Notary Public minutes being deemed to be the minutes of the General Meeting.

#### ARTICLE 35. CHALLENGING OF CORPORATE RESOLUTIONS

The resolutions adopted by the General Meetings may be contested in the cases and by means of the procedures established by current laws in force.

### CHAPTER II. BOARD OF DIRECTORS

#### ARTICLE 36. BOARD OF DIRECTORS. GENERAL FUNCTIONS

1. The Board of Directors is in charge of governing and administering the company. The Board of Directors shall be governed by the provisions of the law, these Corporate Bylaws and the Board of Directors Regulations. By way of the Board Regulations, the Board itself shall, within the framework provided by law and the Company's Bylaws, establish its structure and operation, functions, standard practices and rules regarding the composition of the Board, relations with shareholders, the General Shareholders' Meeting, Auditors and Senior Management, and the Statute applicable to Directors and other officers.
2. The Board of Directors has the authority to adopt resolutions on all matters which are not prohibited by law, these Bylaws or the General Shareholders' Meeting Regulations.
3. The Board of Directors, who shall have the broadest power and authority to manage, direct, administer and represent the Company, shall, as a general rule, delegate daily management of the Company to the delegated administrative bodies and shall focus its activities on supervising and discussing matters of particular importance to the Company and its group of companies.
4. In particular, and without limiting the general nature of the preceding, the Board of Directors, acting on their own initiative or at the request of a relevant internal body and/or following a report by the relevant internal body, shall have the following general functions:
  - a) To establish the corporate strategy and management guidelines.

- b) To monitor Senior Management performance, demand explanations for their decisions and assess their overall management.
  - c) To ensure transparency regarding the company's relations with third parties.
- 5. The Board, in undertaking the provisions of Article 2 hereof, shall set the general strategy for the group of companies over which the Company is the parent company in accordance with law.
- 6. In any event, the Board of Directors shall directly exercise all rights which, by virtue of law, these Corporate Bylaws or the General Meeting Regulations, may not be delegated.

## ARTICLE 37. NUMBER AND TYPES OF DIRECTORS

The Board of Directors shall be made up of at minimum of nine and a maximum of fifteen members. The General Meeting shall be responsible for both the appointment and removal of members of the Board of Directors. The position of Director may be renounced, revoked and reappointed.

Directors shall be classified as:

- a) Executive Directors:  
Executive Director shall mean any person who carries out management functions within the company or a group company, regardless of the legal relationship such person has with the company.
- b) External Shareholder-Appointed Directors:  
Any Director with a shareholding greater than or equal to that legally regarded as significant, or who has been appointed due to his status as a shareholder, even if the shareholding does not reach said amount, or who represents a shareholder meeting the aforementioned criteria.
- c) External Independent Directors:  
Independent Director shall mean those directors who, having been appointed based on their personal and professional qualities, are able to perform their duties regardless of their relations with the company or its group, significant shareholders or officers.
- d) Other External Directors:  
Any Director who is not an executive director and who does not meet the requirements to be considered a shareholder-appointed or independent director.

## ARTICLE 38. TERM OF OFFICE OF DIRECTOR

The term of a Director is four years. Directors may be re-elected for periods of like duration.

If a vacancy opens up during the term to which a director was appointed, the existing director may be appointed by the Board to fill such vacancy until the first General Meeting is held.

## ARTICLE 39. REPRESENTATION OF THE COMPANY

The Board of Directors shall have the authority to represent the company both in and out of court, including the right to represent the company in any actions included within the corporate purpose established by these Corporate Bylaws.

## ARTICLE 40. COMPENSATION

- 1. The compensation of Directors for their condition as such shall comprise the following items:
  - a) Fixed monthly salary.
  - b) Allowances for attending each meeting of the governing bodies of the company and its committees.

Maximum global and annual compensation, for the Board as a whole and including all aforementioned items, shall be established by the General Shareholders' Meeting and shall remain in effect until it resolves upon an amendment thereof.

The Board itself shall be in charge of determining the exact amount to be paid in each fiscal year, subject to the limits set forth by the General Shareholders' Meeting, as well as distributing such amount between the aforementioned items and between the directors in the manner, time and proportion as freely determined, taking into account the functions and responsibilities entrusted to each Director, whether they belong to any of the Board's Committees and all other relevant objective circumstances.

Furthermore, the amount of the allowances shall not exceed monthly fixed salary as determined in accordance with the above paragraphs. The Board of Directors may, within such limit, determine the amount of the allowances.

2. The compensation set forth in the preceding section, applicable to members of the Board of Directors, will be compatible with all other compensation, indemnities, social security contributions or any other professional or labor compensation items to which the Directors may be entitled by way of any other executive or advisory functions they may perform for the Company which are separate from the supervisory and collective decision-making functions inherent in their position as Directors, which shall be subject to all legally applicable requirements.
3. Notwithstanding the aforementioned compensation, Executive Directors' compensation may also include the delivery of shares or share option rights or compensation linked to share value. Application of this type of compensation shall require a resolution of the General Shareholders' Meeting stating, as the case may be, the maximum number of shares that may be allocated to this compensation scheme in each fiscal year, the exercise price or the method for calculating the exercise price of the stock options, the share value that, as the case may be, is used as a benchmark, the term of the plan and any other conditions deemed appropriate.

#### ARTICLE 41. DIRECTORS' DUTIES

Each Director shall perform the duties imposed thereon by law and these Corporate Bylaws with the diligence of an organized businessman, taking into account the nature of the position and functions attributed to him/her. The Directors shall also act as a loyal representative while carrying out their position, working in good faith and in the best interests of the company.

Directors shall have the necessary dedication and shall adopt those measures necessary for the proper management and control of the company.

In carrying out their functions, the Directors have a duty to request, and the right to gather, all information from the Company which may be appropriate or necessary in order to carry out their duties.

The Board Regulations shall establish specific obligations related to the Directors' duties, as established by law and in particular, the duty of diligence, fidelity, loyalty and secrecy and, especially, their non-compete obligation as well as their obligation against the use of non-public information and corporate assets, exploitation of business opportunities, conflicts of interest and related-party transactions.

The company may purchase an insurance policy to cover civil liability of the Directors in the exercise of their functions.

## ARTICLE 42. INCOMPATIBILITIES OF DIRECTORS

Those persons subject to the prohibitions provided by the Spanish Capital Corporations Law (Ley de Sociedades de Capital) and other applicable legal provisions may not be appointed as directors.

## ARTICLE 43. NOTICE AND PLACE OF MEETING

The Board shall meet as often as the Chairman or an acting chairman calls a meeting, either at his discretion or when at least two Board Members or, if any, the Coordinating Director so request. The official meeting notice shall include the agenda, set by the Chairman, which in any case shall include those items as requested by the Coordinating Director.

Meetings will generally take place at the registered offices; however, they may also be held elsewhere as the Chairman determines. Board meetings may be held in one or more locations simultaneously provided there is interactivity and intercommunication, in real time, by means of audiovisual or telephone systems, thereby guaranteeing simultaneity of developments. In such case, the meeting notice shall indicate the connection system and, as the case may be, the locations where the technical means necessary to attend and participate at the Meeting are available. Resolutions shall be deemed to have been adopted in the place where the Chairman is located.

Without prejudice to the foregoing, and unless precluded by Law, resolutions may be adopted in writing in lieu of a meeting, subject to the requisites and formalities established by the law.

## ARTICLE 44. ASSEMBLY OF THE BOARD OF DIRECTORS

The Board of Directors shall be validly assembled when a majority of the members are present or represented at the meeting.

Proxies shall be granted in writing and specifically for each Board Meeting. No director may hold more than three proxies, with the exception of the Chairman, to whom this limit shall not apply, although he may not represent the majority of the Board of Directors. Non-Executive Directors may only delegate their proxy to another non-executive.

By decision of the Chairman of the Board of Directors, the General Managers and Managers of the company, as well as any other persons he deems appropriate, may attend Board meetings.

## ARTICLE 45. BOARD OFFICERS

The officers of the Board of Directors shall be: Chairman, Vice Chairman (or Chairmen), Chief Executive Officer and Secretary and, as the case may be, a Coordinating Director.

- 1) In addition to the duties set forth by law and in the Corporate Bylaws, the Chairman shall be responsible for the general and active management of the company and its investee companies, management of the operation of the Board of Directors, ensuring that all Board Members are duly informed, representation of the company, in particular before Public Administrations, Stock Exchange Institutions, Agencies, Electricity Companies and Associations as well as before companies and associations for other economic sectors in which the company carries out its activities.

If the position of Chairman is filled by an Executive Director, appointment of the Chairman must be approved by two thirds of the members of the Board of Directors.

- 2) If the Chairman is absent, he/she shall be substituted by the oldest Vice Chairman and, in the absence of all of the Vice Chairmen, by the Board Member appointed to act as a temporary substitute.

- 3) The Board of Directors shall appoint a Chief Executive Officer, who will be responsible for managing the Company in accordance with the criteria established by the Board of Directors. As the highest responsible person for the management of the company, he/she will be in command of all the company's services and will be in charge of Senior Management. Likewise, he/she will be responsible for carrying out and overseeing the general strategy of the Corporate Group formed by stakes in other companies, without prejudice to the individual competencies vested in each of the investee companies.
- 4) Regardless of the rights and obligations of Board Members as stated herein, the Board Regulations shall develop a specific legal regime, applicable to the Chairman and the Chief Executive Officer, in light of their permanent and professional relationship with the Company.
- 5) If the Chairman is an Executive Director, the Board of Directors, with all Executive Directors abstaining, shall necessarily appoint a Director from among the Independent Directors, who shall be specifically empowered to convene a meeting of the Board of Directors, add new items to the agenda for a Board Meeting which has already been called, coordinate and gather non-executive Directors and, as the case may be, carry out periodic assessments of the Chairman of the Board of Directors.

The Board will also be responsible for electing the Secretary and, as the case may be, the Assistant Secretary, who may or may not be a Director. In the case of a vacancy or absence, the youngest Director among those in attendance at the meeting shall substitute them. The Secretary shall carry out those functions assigned thereto by law, these Corporate Bylaws and the Board of Directors Regulations.

#### ARTICLE 46. DELIBERATION AND ADOPTION OF RESOLUTIONS

The Chairman shall organize the discussion such that it promotes participation by all Directors in the deliberations of the body.

Resolutions shall be adopted by absolute majority of the Board Members who, present or represented, are in attendance at the meeting. In the event of a tie, the Chairman or acting Chairman shall have the casting vote. The provisions of this section shall be applicable without prejudice to those resolutions for which a qualified majority of the Board Members is required in accordance with these Corporate Bylaws or current laws in force.

Voting in writing in lieu of a meeting will only be accepted in the event no Board Member opposes the procedure.

The resolutions of the Board of Directors will be set out in the meeting minutes, which will be recorded in the relevant Minute Book in accordance with the requirements of the laws in force.

The minutes will be approved by the Board of Directors itself either upon conclusion of the meeting or at the following meeting. The minutes will also be deemed to be approved when within the five days following receipt of a draft copy of the minutes, no Board Member makes objections. The Board of Directors may empower the Chairman and a Board Member to jointly approve the minutes of a meeting.

Once approved, the minutes will be signed by the Secretary of the Board or of the meeting, with the approval of whoever acts as Chairman at the meeting.

#### ARTICLE 47. GRANTING OF POWERS

The Board of Directors may provisionally or permanently delegate all or part of its powers to the Executive Committee, to the Chief Executive Officer and to the different Board Committees, except

those that legally or by resolution of the General Shareholders' Meeting, are exclusively reserved to its competence.

For the permanent delegation of the Board of Director's powers to the Executive Committee and to the Chief Executive Officer and the appointment of officers that will occupy these posts to be valid, the vote in favor of two thirds of the members of the Board and its registration in the Mercantile Registry will be required.

The Executive Committee and the Chief Executive Officer will inform the Board of Directors of the main resolutions adopted during the exercise of the powers conferred on them.

#### ARTICLE 48. EXECUTIVE COMMITTEE

There may be an Executive Committee which, where applicable, shall consist of a minimum of five and a maximum of seven Directors, including the Chairman, if an Executive, and the Managing Director.

The Chairman of the Board of Directors will chair the Executive Committee, when a member of the same, and the Secretary of the Board will act as Secretary of the Committee. These positions shall be substituted in accordance with the regime set forth for the Board of Directors.

#### ARTICLE 49. FORMAL PROTEST OF BOARD OF DIRECTORS RESOLUTIONS

Both directors and shareholders may contest any resolutions of the Board of Directors, in accordance with the requirements, periods and procedures established thereto by Law.

### CHAPTER III. BOARD COMMITTEES

#### ARTICLE 50. BOARD COMMITTEES

The Board of Directors shall constitute, in accordance with the legal provisions, the Audit and Compliance Committee and the Appointments and Remuneration Committee.

Likewise, the Board of Directors may set up as many other Committees or Commissions as are necessary or consider convenient for the best performance of its functions.

The Board Regulations will establish, in accordance with the legal and statutory provisions, the general system of organisation, operation and powers of the different Commissions or Committees, which, where applicable, may be developed in their own Regulations, approved by the Board of Administration."

#### ARTICLE 51. AUDIT AND COMPLIANCE COMMITTEE

The Audit and Compliance Committee will be made up of a minimum of three and a maximum of six non-executive Directors of the Board of Directors, the majority of whom, at least, must be independent Directors, and one will be appointed taking into account their knowledge and experience in accounting, auditing or both. As a whole, members of the Committee shall have relevant technical knowledge in the company's sector of activity.

The Chairman of the Audit and Compliance Committee will be appointed by the Board of Directors from among the independent Directors who form part of the Committee and must be replaced every four years. They may be re-elected once a period of one year has elapsed since their removal.

The main function of the Audit and Compliance Committee is advising the Board of Directors and supervising and controlling the processes of preparing and presenting the financial information of the independence of the auditor and the effectiveness of the internal control and risk management systems, and informing the Board of Directors related operations and in any case, will be entrusted with the functions which are attributed to it by law and such other duties as may be determined by the Board Regulations of Directors or the Committee.

## **ARTICLE 52. APPOINTMENTS AND REMUNERATION COMMITTEE**

The Appointments and Remuneration Committee shall be comprised of a minimum of three and a maximum of six non-executive Directors from the Board of Directors, at least two of whom shall be Independent Directors.

The Chairman of the Appointments and Remuneration Committee shall be appointed by the Board of Directors from among the Independent Directors on the Committee. The Chairman must be replaced every four years but may be re-elected after one year has elapsed after having vacated the office.

The main function of the Appointments and Remuneration Committee is to advise the Board of Directors on appointments and remuneration of directors and senior managers.

## **ARTICLE 53. SUSTAINABILITY AND CORPORATE GOVERNANCE COMMITTEE**

The Sustainability and Corporate Governance Committee shall be composed of a minimum of three and a maximum of six non-executive Directors of the Board of Directors, the majority of whom must be Independent Directors.

The Chairman of the Appointments and Remuneration Committee shall be appointed by the Board of Directors from among the Independent Directors on the Committee.

The main function of the Sustainability and Corporate Governance Committee is to advise the Board of Directors on environmental and sustainability matters, on human rights and diversity, in relation to the strategy for social action, as well as in the scope of the corporate governance strategy of the Company.

# **TITLE VI. ANNUAL FINANCIAL STATEMENTS**

## **ARTICLE 54. ANNUAL ACCOUNTS**

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

The annual financial statements, forming one unit, shall consist of the balance sheet, the income statement, the statement of changes in net equity, the cash-flow statement, and the notes thereto. These documents must be drafted in such a manner so as to offer a true and fair view the company's equity, financial position and results, as provided by Law.

## **ARTICLE 55. CONTENTS OF THE ANNUAL FINANCIAL STATEMENTS**

The balance sheet shall include, duly separated, the assets and rights forming the company's assets and the obligations forming its liabilities, specifying its equity. The balance sheet will be structured as provided by the Spanish Capital Corporations Law and other applicable legal provisions.

The income statement will include, also duly separated, the income and expenses of the year and, by difference, the result thereof. It will differentiate between profit from ordinary activities and from

other activities, or profits that are the result of extraordinary circumstances. The income statement must be structured as provided by the Spanish Capital Corporations Law and other applicable legal provisions.

The statement of changes in net equity shall include the statement of recognized income and expenses and the total statement of changes in net equity.

The cash-flow statement shall include the origin and utilization of the monetary assets representing cash and other equivalent liquid assets.

The notes to the financial statement shall complete, expand and comment on the information contained on the balance sheet, the income statement, the statement of changes in net equity and the cash-flow statement. The notes shall contain the indications provided by the Spanish Capital Corporations Law and other applicable legal provisions.

#### **ARTICLE 56. MANAGEMENT REPORT**

The Management Report must at least contain a true and fair view on the development of the business and situation of the company and, where appropriate, the Non-Financial Information Statement. It must also include indications on the most important events for the company that occurred subsequent to the close of the year; the expected development of the company, research and development activities and the acquisition of treasury stock, in accordance with the Law.

#### **ARTICLE 57. STATUTORY AUDITORS.**

The annual financial statements and management report must be reviewed by the auditors as provided by law. The auditors shall also check the agreement of the management report with the fiscal year annual financial statements. The auditors shall have at least one month from the time in which the financial statements are submitted to them by the directors, in order to present their report.

#### **ARTICLE 58. APPOINTMENT OF AUDITORS.**

The Audit and Compliance Committee will propose the external auditors to the Board of Directors who will refer this issue to the General Shareholders' Meeting. The appointment by the General Shareholders' Meeting shall take place before the end of the year to be audited, for a period of not less than three years or more than nine years. The General Shareholders' Meeting may re-elect the Auditors annually once the initial period has lapsed, for maximum successive periods of three years, complying in all cases with maximum contracting periods provided for by law. The General Shareholders' Meeting may appoint one or several natural persons or legal entities to act jointly. When the appointed auditors are natural persons, the General Shareholders' Meeting must appoint as many substitutes as there are appointed auditors.

#### **ARTICLE 59. PREPARATION OF THE ANNUAL FINANCIAL STATEMENTS**

Within a maximum period of three months as from the year-end closing date, the Board of Directors shall be obliged to prepare the annual financial statements Management Report and the proposal for the application of earnings, as well as, if applicable, the consolidated accounts and Management Report. The annual financial statements and management report must be signed by all Directors. If the signature of any Board Member is missing, this circumstance must be indicated on each one of the documents from which it is missing, with express indication of the cause.

#### **ARTICLE 60. APPROVAL OF THE ANNUAL FINANCIAL STATEMENTS**

The annual financial statements shall be approved by the General Shareholders' Meeting, which shall resolve on the application of the fiscal year earnings, in accordance with the approved balance sheet.

## ARTICLE 61. LEGAL RESERVE

In any case, an amount equal to 10% of the profit for the year shall be allocated to the legal reserve, until the latter reaches at least 20% of the share capital. As long as it does not exceed the amount indicated, the legal reserve may only be used to offset losses, in the event there are no other reserves available for this purpose.

## ARTICLE 62. DISTRIBUTION OF DIVIDENDS

Once the requirements established by Law or by the Corporate Bylaws have been met, dividends may only be distributed against the fiscal year earnings, or against the freely-available reserves, if the equity for accounting purposes is not or, as a consequence of the distribution, does not become less than the share capital. In the event of losses from prior fiscal years which cause such equity to fall below the amount of the share capital, the profits shall be used to offset these losses.

The General Shareholders' Meeting will determine the time and form of payment in the resolution declaring the dividend distribution. Unless otherwise resolved by the General Shareholders' Meeting, the dividend shall be payable at the company's registered office as from the day following the date of the resolution.

## ARTICLE 63. INTERIM DIVIDENDS

Only the General Shareholders' Meeting or the Board of Directors may resolve the distribution to shareholders of interim dividends, under the following conditions.

1. The Board of Directors shall prepare an accounting statement in which it proves that there is sufficient liquidity for the allocation. This accounting statement will subsequently be included in the annual report.
2. The amount to be distributed may not exceed the amount of the results obtained since the end of the last fiscal year, minus losses from prior years and the amount to be allocated to the compulsory reserves established by law and by the Corporate Bylaws, as well as the estimated tax to be paid on these earnings.

## ARTICLE 64. DEPOSIT OF ANNUAL FINANCIAL STATEMENTS

Within the month following the approval of the annual financial statements, the certification of the resolutions of the General Shareholders' Meeting and of the distribution of profits, to which a copy of each one of the foregoing accounts will be attached, in addition to the Management Report and the Auditors' Report, must be deposited at the Mercantile Registry in the district where the Company's registered office are located.

# TITLE VII. CONFLICT RESOLUTION

## ARTICLE 65. CONFLICT RESOLUTION

Ownership of one or more shares implies acceptance and absolute agreement with the Company's Bylaws and Regulations, and submission to the resolutions legally adopted by the Company's governing bodies.

For all disputes that may arise between the Company and the shareholders, or between the shareholders themselves, which are related to corporate matters, both the Company and the shareholders submit to the jurisdiction of the Company's registered office and waive their right to the jurisdiction to which they would otherwise submit.



*The amended and restated text of Endesa, S.A.'s Corporate Bylaws approved by the General Shareholders' Meeting on June 19, 2003 is registered at the Madrid Mercantile Registry, Volume 14779, Book 0, Folio 116, Section 8, Form M-6405, entry 897.*

*The amendment approved by the General Shareholders' Meeting on April 02, 2004 is registered at the Madrid Mercantile Registry, Volume 14779, Book 0, Folio 147, Section 8, Form M-6405, entry 905.*

*The amendment approved by the General Shareholders' Meeting on September 25, 2007 is registered at the Madrid Mercantile Registry, Volume 14779, Book 0, Folio 170, Section 8, Form M-6405, entry 939.*

*The amendment approved by the General Shareholders' Meeting on December 14, 2009 is registered at the Madrid Mercantile Registry, Volume 26946, Book 0, Folio 18, Section 8, Form M-6405, entry 1000. Date: 01/18/2009.*

*The amendment of Endesa, S.A.'s Corporate Bylaws and the restated text thereof, as approved by the General Shareholders' Meeting on May 09, 2011 are registered at the Madrid Mercantile Registry, Volume 26946, Book 0, Folio 56, Section 8, Form M-6405, entry 1026. Date: 06/08/2011.*

*The amendment approved by the General Shareholders' Meeting on April 27, 2015 is registered at the Madrid Mercantile Registry, Volume 26946, Book 0, Folio 131, Section 8, Form M-6405, entry 1112. Date: 05/25/2015.*

*The amendment approved by the General Shareholders' Meeting on April 26, 2016 is registered in the Madrid Mercantile Registry, Volume 26946, Book 0, Folio 161, Section 8, Page M-6405, entry 1129. Date: 06/22/2016.*