

REPORT OF THE BOARD OF DIRECTORS OF TELEFÓNICA, S.A.
IN RELATION TO THE PROPOSED AMENDMENTS OF THE BY-LAWS AND OF THE REGULATIONS FOR THE GENERAL SHAREHOLDERS' MEETING FORMULATED UNDER ITEMS VII AND VIII ON THE AGENDA FOR THE 2021 ORDINARY GENERAL SHAREHOLDERS' MEETING

March 17, 2021

1. PURPOSE OF THE REPORT

This report is prepared by the Board of Directors of Telefónica, S.A. (the “**Company**” or “**Telefónica**”) to provide a rationale for the proposed amendment of the By-Laws and of the Regulations for the General Shareholders' Meeting to be submitted under items VII and VIII on the Agenda for approval by the shareholders at the Company's General Shareholders' Meeting, which is called to be held on April 22, 2021, at 11:00 a.m., on first call, and on April 23, 2021, at the same time, on second call.

The current text of Section 286 of the Companies Act (*Ley de Sociedades de Capital*) (the “**Companies Act**” or the “**LSC**”) requires the preparation of a written report by the directors providing a rationale for the proposed by-law amendment that is submitted for approval by the shareholders at a General Shareholders' Meeting. Given the unity of purpose, the report is also issued to provide the rationale for the proposed amendments of the Regulations for the General Shareholders' Meeting.

The Board of Directors of the Company prepares this report in compliance with the aforementioned requirement in order to present and provide a rationale for the proposed amendments of the By-Laws and Regulations, including as exhibits hereto the proposed resolutions and, for information purposes only, a two-column table comparing the current text on the date of this report and that which results from the consolidated text of the proposed amendments.

2. RATIONALE FOR THE PROPOSED AMENDMENTS

The reasons for the amendments of the By-Laws and of the Regulations for the General Shareholders' Meeting being submitted for approval by the shareholders at the General Meeting serve a dual purpose:

- (i) to enable the General Shareholders' Meeting to be held exclusively by telematic means if the law so allows and under the conditions set forth therein, particularly taking into account the expectation set forth in the Rapporteur's Report on the Draft Amendment of the consolidated text of the Companies Act (*Ley de Sociedades de Capital*) approved by Royal Legislative Decree 1/2010 of July 2, and other financial rules, as regards the promotion of the long-term engagement of shareholders within listed companies (the “**Report on the Draft LSC Amendment**”) which, in Section 182 *bis* of the new text, allows the holding of general shareholders' meetings exclusively by telematic means when so allowed by the by-laws; and

- (ii) to expressly regulate the ability to grant a proxy and to cast a vote prior to the General Shareholders' Meeting by telephone, both mechanisms being implemented by the Company for the first time at the General Shareholders' Meeting held on June 12, 2020 to promote shareholder participation in the meeting and in view of the health crisis caused by COVID-19, and that will be offered again to shareholders at the 2021 Ordinary General Shareholders' Meeting in view of how well it was received at the prior meeting.

3. DETAILED RATIONALE FOR THE PROPOSALS

The proposed amendments are justified and explained in greater detail below:

(A) **Proposed amendment of article 17 of the By-Laws and of article 8 of the Regulations for the General Shareholders' Meeting**

The proposed changes in article 17 of the By-Laws and article 8 of the Regulations for the General Shareholders' Meeting are intended to adjust and supplement the rules for the call to the General Shareholders' Meeting in order to allow it to be held (a) only in person, (b) in person with the possibility of remote attendance, by electronic or telematic means, or, (c) when permitted by law and for reasons that make it advisable, and under the conditions provided in the law, exclusively by telematic means.

This is intended to enable the Company to hold the General Shareholders' Meeting in any of the ways described above, all while respecting the particular features determined by any applicable laws approved in the future.

(B) **Proposed amendment of article 18 of the By-Laws and of article 14 of the Regulations for the General Shareholders' Meeting**

The changes proposed in article 18 of the By-Laws and article 14 of the Regulations for the General Shareholders' Meeting are intended to expressly provide that a General Shareholders' Meeting held only by telematic means shall be considered held at the registered office, in line with the provisions of the draft Section 182 *bis* contained in the Report on the Draft LSC Amendment.

In addition, it is specifically proposed to specify in Article 14 of the Regulations for the General Shareholders' Meeting that the documentation to be provided to the shareholders when entering the premises where the General Shareholders' Meeting is held will be available to those attending remotely when accessing the application.

(C) **Proposed amendment of articles 20 and 25 of the By-Laws and 13 and 22 of the Regulations for the General Shareholders' Meeting**

The proposed changes to articles 20 and 25 of the By-Laws and articles 13 and 22 of the Regulations for the General Shareholders' Meeting are intended to expressly provide for the ability to grant proxies and cast votes from a distance prior to the General Meeting by telephone, stating that a proxy granted and a vote cast by this means in accordance with whatever procedure is indicated in the announcement of the call to meeting shall be deemed to have been granted and cast, respectively, by electronic communication. It also specifies that it will only be necessary to attach a copy in electronic format of a duly completed attendance and proxy or voting card if the proxy

is granted or vote is cast by electronic correspondence; therefore, it is not required if granted or cast by telephone.

In addition, certain amendments are made to all the provisions as a result of allowing General Shareholders' Meetings to be held exclusively by telematic means when so allowed by law and on the conditions set forth therein.

(D) Proposed amendment of article 21 of the By-Laws

The proposed amendment of article 21 of the By-Laws is intended to make technical improvements to the rules for remote attendance by electronic or telematic means, stating that remote attendance at the General Shareholders' Meeting and the casting of an electronic vote from a distance during the Meeting shall be governed by the provisions of the Regulations for the General Shareholders' Meeting and by such other rules as are determined by the Board of Directors at the time of the call. It is also expressly stated that it will be the responsibility of the Board of Directors, in accordance with the law, the By-Laws and the Regulations for the General Shareholders' Meeting, to decide on all the procedural aspects necessary for shareholders who attend remotely to exercise their rights with due guarantees. This is intended to provide the Board of Directors with sufficient flexibility to conform the rules on remote attendance to applicable law, the state of the art and the particular needs of Telefónica's shareholders at all times.

(E) Proposed amendment of article 22 of the By-Laws and of article 10 of the Regulations for the General Shareholders' Meeting

The proposed changes to article 22 of the By-Laws and article 10 of the Regulations for the General Shareholders' Meeting are the result of the foregoing amendments and are intended to conform the text to the shareholders' right to information in order to eliminate the existing requirement in the current text for shareholder requests for information or clarifications to be verbal, since interjections made remotely may be made in other ways.

(F) Proposed amendment of article 24 of the By-Laws and of article 21 of the Regulations for the General Shareholders' Meeting

The proposed changes in articles 24 of the By-Laws and 21 of the Regulations for the General Shareholders' Meeting are intended to include some technical clarifications regarding the duties of management and orderly progress of the General Shareholders' Meeting within the purview of the Chairman of the meeting, stating that the Chairman will direct the presentations and, if applicable, will give the floor to shareholders who so request it at the time the Chairman deems appropriate.

(G) Proposed amendment of article 27 of the By-Laws

The proposed amendment of article 27 of the By-Laws is intended to allow the Notary to attend the General Meeting remotely, using real-time remote means of communication that properly ensure the fulfillment of the notary function, if the Company's directors request the participation thereof to prepare the minutes of the General Shareholders' Meeting and it is held exclusively by remote means.

(H) Proposed amendment of article 23 of the Regulations for the General Shareholders' Meeting

Finally, the amendment of article 23 of the Regulations for the General Shareholders' Meeting is intended to clarify that communications to the Notary may be made in written form or electronically.

EXHIBIT I: TEXT OF THE PROPOSED AMENDMENT OF THE BY-LAWS

For purposes of voting on the proposed by-law amendments, and in accordance with the requirements of LSC Section 197 *bis*, the groups of articles that are independent must be subject to a separate vote. To that end, the amendments have been grouped into two large blocks, each of which shall be put to the vote as a separate item on the Agenda, based on the specific subject matter referred to in the amendment:

- 1) The first block, which will be submitted to shareholders as item VII.1 on the Agenda, comprises the articles of the By-Laws that are proposed to be amended in order to allow the General Shareholders' Meeting to be held exclusively by telematics means. In particular, it includes articles 17 (Call to the General Shareholders' Meeting), 18 (Place and time of holding the General Shareholders' Meeting), 20 (Right of representation), 21 (Remote attendance by electronic or data transmission means), 22 (Shareholders' right to receive information), 24 (Deliberations and voting), 25 (Casting of votes from a distance prior to the General Shareholders' Meeting) and 27 (Minutes of the General Shareholders' Meeting and documentation of resolutions).
- 2) The second block, which will be submitted to shareholders as item VII.2 on the Agenda, comprises the articles of the By-Laws that are proposed to be amended in order to expressly regulate the ability to grant a proxy and cast a vote prior to the General Shareholders' Meeting by telephone. In particular, it includes articles 20 (Right of representation) and 25 (Casting of votes from a distance prior to the General Shareholders' Meeting). In addition, if the proposed amendments making up the first block are approved, the text resulting from the combination of all the amendments thus approved is set out under item VII.2 on the Agenda.

EXHIBIT II: TEXT OF THE PROPOSED AMENDMENT OF THE REGULATIONS FOR THE GENERAL SHAREHOLDERS' MEETING

Like the By-Law amendments, the amendments to the Regulations for the General Shareholders' Meeting have been grouped into two large blocks, each of which shall be put to the vote as a separate item on the Agenda, based on the specific subject matter referred to in the amendment:

- 1) The first block, which will be submitted to shareholders as item VIII.1 on the Agenda, comprises the articles of the Regulations that are proposed to be amended in order to allow the General Shareholders' Meeting to be held exclusively by telematic means. In particular, it includes articles 8 (Publication and notice of call to meeting), 10 (The shareholders' right to receive information), 13 (Right of representation), 14 (Organization of the General Shareholders' Meeting), 21 (Powers of the Chairman in connection with the conduct and orderly progress of the General Shareholders' Meeting), 22 (Casting of votes from a distance prior to the General Shareholders' Meeting) and 23 (Voting on the proposed resolutions).
- 2) The second block, which will be submitted to shareholders as item VIII.2 on the Agenda, comprises the articles of the Regulations that are proposed to be amended in order to expressly regulate the ability to grant a proxy and cast a vote prior to the General Shareholders' Meeting by telephone. In particular, it includes articles 13 (Right of representation) and 22 (Casting of votes from a distance prior to the General Shareholders' Meeting). In addition, if the proposed amendments making up the first block are approved, the text resulting from the combination of all the amendments thus approved is set out under item VIII.2 on the Agenda.

EXHIBIT III: COMPARATIVE TABLES

AMENDMENT TO THE BY-LAWS

Current text	Proposed amendment
<p>Article 17º.- Call to the General Shareholders' Meeting</p> <p>1. The General Shareholders' Meeting shall be called with the minimum advance notice required by law, through a notice published, at least:</p> <p>a) In the Official Bulletin of the Commercial Registry or in one of the more widely circulated newspapers in Spain.</p> <p>b) On the website of the National Securities Market Commission.</p> <p>c) On the Company's corporate website.</p> <p>The notice published on the Company's corporate website shall be continuously accessible at least until the date of the General Shareholders' Meeting. The Board of Directors may also publish notices in other media, if it deems it appropriate to ensure the public and effective dissemination of the call to meeting.</p> <p>2. The call notice shall contain all the statements required by law in each case and, in any event, shall set forth the date, place and time of the meeting upon first call and all the matters to be dealt with thereat. The notice may also set forth the date on which the General Shareholders' Meeting shall, if applicable, be held upon second call.</p> <p>3. Except in the cases provided by law, General Shareholders' Meetings may not deliberate on or discuss matters that are not included in the Agenda.</p>	<p>Article 17º.- Call <u>and form of</u> the General Shareholders' Meeting</p> <p>1. The General Shareholders' Meeting shall be called with the minimum advance notice required by law, through a notice published, at least:</p> <p>a) In the Official Bulletin of the Commercial Registry or in one of the more widely circulated newspapers in Spain.</p> <p>b) On the website of the National Securities Market Commission.</p> <p>c) On the Company's corporate website.</p> <p>The notice published on the Company's corporate website shall be continuously accessible at least until the date of the General Shareholders' Meeting. The Board of Directors may also publish notices in other media, if it deems it appropriate to ensure the public and effective dissemination of the call to meeting.</p> <p>2. The call notice shall contain all the statements required by law in each case and, in any event, shall set forth the date, place and time of the meeting upon first call and all the matters to be dealt with thereat, <u>as well as the form of the meeting and, where appropriate, the place of the meeting</u>. The notice may also set forth the date on which the General Shareholders' Meeting shall, if applicable, be held upon second call.</p> <p><u>3. The General Shareholders' Meeting may be held (a) in person only, (b) in person with the possibility of remote attendance, by electronic or telematic means, or, (c) when permitted by law and for reasons that make it advisable, and</u></p>

<p>4. At Ordinary General Shareholders' Meetings, shareholders representing at least 3% of the share capital may request the publication of a supplement to the call including one or more items in the Agenda, so long as such new items are accompanied by a rationale or, if applicable, by a well-founded proposal for a resolution.</p> <p>5. In addition, shareholders representing at least 3% of the share capital may submit well-founded proposals for resolutions regarding items already included or that must be included in the Agenda for the General Shareholders' Meeting called.</p> <p>6. The rights provided for in the two preceding paragraphs must be exercised by means of duly authenticated notice that must be received at the Company's registered office within five days of the publication of the call to meeting. The supplement to the call to meeting and the proposals for resolutions must be published or disseminated in compliance with the legal requirements and advance notice provided by law.</p>	<p><u>under the conditions provided in the law, exclusively by telematic means.</u></p> <p>34. Except in the cases provided by law, General Shareholders' Meetings may not deliberate on or discuss matters that are not included in the Agenda.</p> <p>45. At Ordinary General Shareholders' Meetings, shareholders representing at least 3% of the share capital may request the publication of a supplement to the call including one or more items in the Agenda, so long as such new items are accompanied by a rationale or, if applicable, by a well-founded proposal for a resolution.</p> <p>56. In addition, shareholders representing at least 3% of the share capital may submit well-founded proposals for resolutions regarding items already included or that must be included in the Agenda for the General Shareholders' Meeting called.</p> <p>67. The rights provided for in the two preceding paragraphs must be exercised by means of duly authenticated notice that must be received at the Company's registered office within five days of the publication of the call to meeting. The supplement to the call to meeting and the proposals for resolutions must be published or disseminated in compliance with the legal requirements and advance notice provided by law.</p>
<p>Article 18^o.- Place and time of holding the General Shareholders' Meeting</p> <p>1. The General Shareholders' Meeting shall be held at the place set forth in the notice of the call to meeting, within the area where the Company has its registered office, on the date and at the time also set forth in such notice. However, when the Board of Directors deems it appropriate in order to facilitate the conduct of the meeting, it may resolve that</p>	<p>Article 18^o.- Place and time of holding the General Shareholders' Meeting</p> <p>1. The General Shareholders' Meeting shall be held, <u>where appropriate,</u> at the place set forth in the notice of the call to meeting, within the area where the Company has its registered office, on the date and at the time also set forth in such notice. However, when the Board of Directors deems it appropriate in order to facilitate the conduct of the meeting, it may</p>

<p>the General Shareholders' Meeting be held in any other place within Spain by so providing in the call to meeting.</p> <p>2. The shareholders at the General Shareholders' Meeting may, whenever there is good reason, resolve to extend the General Shareholders' Meeting for one or more consecutive days, at the proposal of the Chairman of the General Shareholders' Meeting or of shareholders representing at least a quarter of the share capital attending. Regardless of the number of sessions, it shall be deemed that the General Shareholders' Meeting is one single meeting, and a single set of Minutes shall be drawn up for all of the sessions.</p> <p>3. The General Shareholders' Meeting may also be temporarily adjourned in the cases and manner provided for in the Regulations for the General Shareholders' Meeting.</p>	<p>resolve that the General Shareholders' Meeting be held in any other place within Spain by so providing in the call to meeting.</p> <p><u>2. The General Shareholders' Meeting held exclusively through telematic means shall be deemed to have been held at the registered office.</u></p> <p>23. 23. The shareholders at the General Shareholders' Meeting may, whenever there is good reason, resolve to extend the General Shareholders' Meeting for one or more consecutive days, at the proposal of the Chairman of the General Shareholders' Meeting or of shareholders representing at least a quarter of the share capital attending. Regardless of the number of sessions, it shall be deemed that the General Shareholders' Meeting is one single meeting, and a single set of Minutes shall be drawn up for all of the sessions.</p> <p>34. 34. The General Shareholders' Meeting may also be temporarily adjourned in the cases and manner provided for in the Regulations for the General Shareholders' Meeting.</p>
<p>Article 20^o.- Right of representation</p> <p>1. Every shareholder having the right to attend may be represented at the General Shareholders' Meeting by any other person, even if not a shareholder. For such purpose, the shareholder being represented shall comply with the requirements and formalities established under law. The proxy shall be granted in writing or electronically.</p> <p>The Chairman of and the Secretary for the General Shareholders' Meeting shall have the widest powers allowed by law to recognize the validity of the document evidencing proxy representation; they shall only deem invalid those documents that lack the minimum indispensable</p>	<p>Article 20^o.- Right of representation</p> <p>1. Every shareholder having the right to attend may be represented at the General Shareholders' Meeting by any other person, even if not a shareholder. For such purpose, the shareholder being represented shall comply with the requirements and formalities established under law. The proxy shall be granted in writing or electronically.</p> <p>The Chairman of and the Secretary for the General Shareholders' Meeting shall have the widest powers allowed by law to recognize the validity of the document evidencing proxy representation; they shall only deem invalid those documents that lack the minimum indispensable</p>

<p>requirements, and so long as the lack thereof cannot be cured.</p> <p>2. A proxy shall be granted specifically for each General Shareholders' Meeting, unless the proxy-holder is the granting shareholder's spouse, ascendant or descendant, or holds a general power of attorney granted in a public instrument with powers to manage all of the assets held by the shareholder granting the proxy in Spain.</p> <p>3. A proxy is always revocable. Attendance at the General Shareholders' Meeting by the shareholder granting the proxy, whether in person or through distance voting, entails the revocation of any proxy, whatever the date thereof. A proxy shall likewise be rendered void as a result of the disposition of shares of which the Company has notice.</p> <p>Without prejudice to the provisions of Section 187 of the Companies Act, a proxy must be granted pursuant to the provisions of Section 184.2 of such Act.</p> <p>4. When a proxy is granted by means of long-distance communication, it shall only be deemed valid if it is carried out by postal delivery or correspondence or by electronic communication effected pursuant to the provisions of this section.</p> <p>A proxy shall be granted by postal delivery or correspondence by sending or delivering to the Company the duly completed and signed attendance and proxy-granting card or other written instrument that, in the opinion of the Board of Directors expressed in a resolution adopted for such purpose, allows for due verification of the identity of the</p>	<p>requirements, and so long as the lack thereof cannot be cured.</p> <p>2. A proxy shall be granted specifically for each General Shareholders' Meeting, unless the proxy-holder is the granting shareholder's spouse, ascendant or descendant, or holds a general power of attorney granted in a public instrument with powers to manage all of the assets held by the shareholder granting the proxy in Spain.</p> <p>3. A proxy is always revocable. <u>Casting the vote remotely and attendance</u> Attendance at the General Shareholders' Meeting by the shareholder granting the proxy, whether in person or through distance voting, entails the revocation of any proxy, whatever the date thereof. A proxy shall likewise be rendered void as a result of the disposition of shares of which the Company has notice.</p> <p>Without prejudice to the provisions of Section 187 of the Companies Act, a proxy must be granted pursuant to the provisions of Section 184.2 of such Act.</p> <p>4. When a proxy is granted by means of long-distance communication, it shall only be deemed valid if it is carried out by postal delivery or correspondence or by electronic communication effected pursuant to the provisions of this section. <u>Proxies granted by telephone in accordance with the procedure, where applicable, set forth in the call notice shall be deemed to have been granted by electronic communication.</u></p> <p>A proxy shall be granted by postal delivery or correspondence by sending or delivering to the Company the duly completed and signed attendance and proxy-granting card or other written instrument that, in the opinion of the Board of Directors expressed in a resolution adopted for such purpose, allows for due verification of the identity of the</p>
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<p>shareholder granting the proxy and that of the proxy-holder designated therein.</p> <p>A proxy shall be granted by electronic communication with the Company by using an electronic signature or such other means as the Board of Directors deems adequate to guarantee the authenticity and identity of the shareholder exercising his right, accompanied by an electronic copy of the attendance and proxy-granting card, and describing in detail in the communication the representation granted and the identity of the shareholder granting the proxy.</p> <p>5. In order to be valid, a proxy granted by either of the aforementioned means of long-distance communication must be received by the Company before midnight on the third day prior to the date set for the holding of the General Shareholders' Meeting upon first call. In the resolution providing for the call to the General Shareholders' Meeting in question, the Board of Directors may reduce such advance period and publish any such reduction in the same manner as the notice of the call to meeting.</p> <p>6. Furthermore, the Board of Directors may elaborate upon the foregoing provisions governing proxy-granting by means of long-distance communication, in accordance with the provisions of paragraph 5 of Article 25 below.</p> <p>7. A proxy may include items that, even if not contained in the Agenda, may be dealt with by the shareholders at the General Shareholders' Meeting because it is so permitted by law.</p>	<p>shareholder granting the proxy and that of the proxy-holder designated therein.</p> <p>A proxy shall be granted by electronic communication with the Company by using an electronic signature or such other means as the Board of Directors deems adequate to guarantee the authenticity and identity of the shareholder exercising his right, <u>and, where granted by electronic means,</u> accompanied by an electronic copy of the <u>duly completed</u> attendance and proxy-granting card, and describing in detail in the communication the representation granted and the identity of the shareholder granting the proxy.</p> <p>5. In order to be valid, a proxy granted by either of the aforementioned means of long-distance communication must be received by the Company before midnight on the third day prior to the date set for the holding of the General Shareholders' Meeting upon first call. In the resolution providing for the call to the General Shareholders' Meeting in question, the Board of Directors may reduce such advance period and publish any such reduction in the same manner as the notice of the call to meeting.</p> <p>6. Furthermore, the Board of Directors may elaborate upon the foregoing provisions governing proxy-granting by means of long-distance communication, in accordance with the provisions of paragraph 5 of Article 25 below.</p> <p>7. A proxy may include items that, even if not contained in the Agenda, may be dealt with by the shareholders at the General Shareholders' Meeting because it is so permitted by law.</p>
<p>Article 21º.- Remote attendance by electronic or data transmission means</p> <p>1. Remote attendance at the General Shareholders' Meeting by means of data</p>	<p>Article 21º.- Remote attendance by electronic or data transmission means</p> <p>1. <u>When the meeting is held in person with the possibility of remote attendance.</u></p>

<p>transmission and simultaneously, and electronic voting from a distance during the holding thereof, may be admitted if so provided by the Regulations for the General Shareholders' Meeting, subject to the requirements set forth therein.</p> <p>2. In this case, the Regulations for the General Shareholders' Meeting may grant the Board of Directors the power to determine in what instances, taking into account current techniques, the appropriate conditions of security and unambiguousness allow, with adequate guarantees, for remote attendance at the General Shareholders' Meeting by means of data transmission and simultaneously and electronic voting from a distance during the holding of the meeting. In addition, the Regulations for the General Shareholders' Meeting may entrust the Board of Directors with the regulation, subject to the provisions of law, the By-Laws and the Regulations for the General Shareholders' Meeting, of all the required procedural aspects, including, among other issues, how much in advance, at a minimum, the connection must be established for the shareholder to be deemed present, the procedure and applicable rules for the shareholders attending from a distance to be able to exercise their rights, the identification requirements to be satisfied by remote attendees and the impact thereof on the system for preparing the attendance rolls.</p>	<p><u>either through electronic or telematic means, or, when permitted by law, exclusively through telematic means, remote</u> Remote attendance at the General Shareholders' Meeting by means of data transmission and simultaneously, and electronic voting from a distance during the holding thereof, may be admitted if so provided <u>shall be governed</u> by the Regulations for the General Shareholders' Meeting, subject to the requirements set forth therein and other implementing regulations as determined by the Board of Directors at the time of the call.</p> <p>2. In this case, the Regulations for the General Shareholders' Meeting may grant the <u>In particular, the</u> Board of Directors the power to determine in what instances, taking into account current techniques, the appropriate conditions of security and unambiguousness allow, with adequate guarantees, for remote attendance at the General Shareholders' Meeting by means of data transmission and simultaneously and electronic voting from a distance during the holding of the meeting. In addition, the Regulations for the General Shareholders' Meeting may entrust the Board of Directors with the regulation, subject to the provisions of law, the By-Laws and the Regulations for the General Shareholders' Meeting, of all the required procedural aspects, including, among other issues, how much in advance, at a minimum, the connection must be established for the shareholder to be deemed present, the procedure and applicable rules for the shareholders attending from a distance to be able to exercise their rights, the identification requirements to be satisfied by remote attendees and the impact thereof on the system for preparing the attendance rolls. <u>may approve</u> of all the required procedural aspects, including, among other issues, how much in advance, at a minimum, the connection must be established for the shareholder to be deemed present, the procedure and applicable rules for the shareholders attending from a distance to be able to exercise their rights, the identification requirements to be satisfied by <u>shareholders attending through electronic or telematics means</u> remote attendees and the impact thereof on the system for preparing the attendance rolls.</p>
<p>Article 22^o.- Shareholders' right to receive information</p>	<p>Article 22^o.- Shareholders' right to receive information</p>

<p>1. From the publication of the notice of the call to a General Shareholders' Meeting and during the period required by law, any shareholder may submit a written request for such information or clarifications as it deems are required, or ask written questions it deems are pertinent, regarding the matters included in the call Agenda, or regarding information accessible to the public that the Company has provided to the National Securities Market Commission since the holding of the immediately prior General Shareholders' Meeting and regarding the auditor's report.</p> <p>2. During the course of the General Shareholders' Meeting, the shareholders may verbally request such information or clarifications as they deem appropriate regarding the matters contained in the Agenda, or regarding the information accessible to the public that the Company has provided to the National Securities Market Commission since the holding of the last General Shareholders' Meeting, or regarding the auditor's report.</p> <p>3. The Board of Directors must provide the information requested pursuant to the two preceding paragraphs, in the manner and by the deadlines provided by law, except in those cases in which it is legally inadmissible and, in particular, when such information is unnecessary for the protection of shareholder rights, there are objective reasons to believe that it might be used for ultra vires purposes, or publication thereof may prejudice the Company or related companies. The information may not be withheld when the request is supported by shareholders representing at least one-fourth of the share capital.</p> <p>Valid requests for information or clarifications submitted or questions asked in writing by the shareholders, as well as the answers provided in writing by the</p>	<p>1. From the publication of the notice of the call to a General Shareholders' Meeting and during the period required by law, any shareholder may submit a written request for such information or clarifications as it deems are required, or ask written questions it deems are pertinent, regarding the matters included in the call Agenda, or regarding information accessible to the public that the Company has provided to the National Securities Market Commission since the holding of the immediately prior General Shareholders' Meeting and regarding the auditor's report.</p> <p>2. During the course of the General Shareholders' Meeting, the shareholders may verbally request such information or clarifications as they deem appropriate regarding the matters contained in the Agenda, or regarding the information accessible to the public that the Company has provided to the National Securities Market Commission since the holding of the last General Shareholders' Meeting, or regarding the auditor's report.</p> <p>3. The Board of Directors must provide the information requested pursuant to the two preceding paragraphs, in the manner and by the deadlines provided by law, except in those cases in which it is legally inadmissible and, in particular, when such information is unnecessary for the protection of shareholder rights, there are objective reasons to believe that it might be used for ultra vires purposes, or publication thereof may prejudice the Company or related companies. The information may not be withheld when the request is supported by shareholders representing at least one-fourth of the share capital.</p> <p>Valid requests for information or clarifications submitted or questions asked in writing by the shareholders, as well as the answers provided in writing by the</p>
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<p>Directors, shall be posted on the Company's website.</p> <p>If the information requested by the shareholders has been clearly, expressly and directly made available to all shareholders in question & answer format on the Company's corporate website, the Board of Directors' may limit its response to a reference to the information provided in such format.</p> <p>4. In the case of the Ordinary General Shareholders' Meeting and in the other cases established by law, the call notice shall make the appropriate references regarding the right to examine at the registered office and obtain, immediately and without charge, the documents that are to be submitted to the General Shareholders' Meeting for approval and, if appropriate, such report or reports as may be determined by law.</p>	<p>Directors, shall be posted on the Company's website.</p> <p>If the information requested by the shareholders has been clearly, expressly and directly made available to all shareholders in question & answer format on the Company's corporate website, the Board of Directors' may limit its response to a reference to the information provided in such format.</p> <p>4. In the case of the Ordinary General Shareholders' Meeting and in the other cases established by law, the call notice shall make the appropriate references regarding the right to examine at the registered office and obtain, immediately and without charge, the documents that are to be submitted to the General Shareholders' Meeting for approval and, if appropriate, such report or reports as may be determined by law.</p>
<p>Article 24º.- Deliberations and voting</p> <p>1. The Chairman of the General Shareholders' Meeting shall: direct the meeting such that deliberations are carried out pursuant to the Agenda and shall resolve any questions that may arise in connection with the contents thereof; grant the floor, at the time he deems fit, to the shareholders who request it, with the power to take the floor away when he deems that a matter has been sufficiently debated, or that the progress of the meeting is being hindered, or that the matter in question is not included in the Agenda; indicate the time for voting on the resolutions and announce the results of the vote.</p> <p>2. Proposed resolutions shall be voted in accordance with the voting calculation system established in the Regulations for the General Shareholders' Meeting.</p>	<p>Article 24º.- Deliberations and voting</p> <p>1. The Chairman of the General Shareholders' Meeting shall: direct the meeting such that deliberations are carried out pursuant to the Agenda and shall resolve any questions that may arise in connection with the contents thereof; <u>organize the interventions,</u> grant the floor; at the time he deems fit, <u>where appropriate,</u> to the shareholders who request it, with the power to take the floor away when he deems that a matter has been sufficiently debated, or that the progress of the meeting is being hindered, or that the matter in question is not included in the Agenda; indicate the time for voting on the resolutions and announce the results of the vote.</p> <p>2. Proposed resolutions shall be voted in accordance with the voting calculation system established in the Regulations for the General Shareholders' Meeting.</p>

<p>Article 25^o.- Casting of votes from a distance prior to the General Shareholders' Meeting</p> <p>1. Without prejudice to the provisions of Article 21, and therefore, independently of the possibility of remote attendance by electronic means, shareholders with the right to attend may cast their vote on the proposals relating to the items included in the Agenda for any General Shareholders' Meeting by postal delivery or correspondence or by electronic communication.</p> <p>2. Votes by postal delivery or correspondence shall be cast by sending or delivering to the Company a writing in which the vote is recorded, accompanied by the duly signed attendance card issued by the entity in charge of the book-entry registry.</p> <p>3. Votes by electronic communication with the Company shall be cast by using an electronic signature or such other means as the Board of Directors deems adequate to guarantee the authenticity and identity of the shareholder exercising his right, and accompanied by an electronic copy of the duly completed attendance and voting card.</p> <p>4. In order to be deemed valid, votes cast by any of the means of long-distance communication mentioned in the preceding paragraphs must be received by the Company before midnight on the third day prior to the date set for the holding of the General Shareholders' Meeting upon first call. In the resolution providing for the call to the General Shareholders' Meeting in question, the Board of Directors may reduce such advance period and publish</p>	<p>Article 25^o.- Casting of votes from a distance prior to the General Shareholders' Meeting</p> <p>1. Without prejudice to the provisions of Article 21, and therefore, independently of the possibility of remote attendance by <u>telematic or</u> electronic means, shareholders with the right to attend may cast their vote on the proposals relating to the items included in the Agenda for any General Shareholders' Meeting by postal delivery or correspondence or by electronic communication. <u>Votes cast by telephone in accordance with the procedure, where applicable, set forth in the call notice shall be deemed to have been cast by electronic communication.</u></p> <p>2. Votes by postal delivery or correspondence shall be cast by sending or delivering to the Company a writing in which the vote is recorded, accompanied by the duly signed attendance card issued by the entity in charge of the book-entry registry.</p> <p>3. Votes by electronic communication with the Company shall be cast by using an electronic signature or such other means as the Board of Directors deems adequate to guarantee the authenticity, <u>and, if cast through electronic means, identity of the shareholder exercising his right,</u> and accompanied by an electronic copy of the duly completed attendance and voting card.</p> <p>4. In order to be deemed valid, votes cast by any of the means of long-distance communication mentioned in the preceding paragraphs must be received by the Company before midnight on the third day prior to the date set for the holding of the General Shareholders' Meeting upon first call. In the resolution providing for the call to the General Shareholders' Meeting in question, the Board of Directors may reduce such advance period and publish</p>
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<p>any such reduction in the same manner as the notice of the call to meeting.</p> <p>5. The Board of Directors may elaborate on and supplement the distance voting and proxy-granting provisions set forth in these By-Laws and in the Regulations for the General Shareholders' Meeting of the Company by establishing such instructions, means, rules and procedures as it deems advisable in order to organize the casting of votes and the grant of proxies by means of long-distance communication.</p> <p>In any event, the Board of Directors shall adopt the measures needed to avoid possible deception and to ensure that the person casting a vote or granting a proxy by postal or electronic communication has the right to do so pursuant to the provisions of Article 19 of the By-Laws. The implementing rules adopted by the Board of Directors under the provisions of this sub-section shall be published on the Company's corporate website.</p> <p>6. Shareholders who cast their vote from a distance pursuant to this article and to the provisions made by the Board of Directors by way of further development thereof shall be deemed present for purposes of determining the establishment of a quorum for the General Shareholders' Meeting in question. Therefore, proxies granted prior to the casting of such vote shall be deemed revoked, and those granted thereafter shall be deemed not to have been given.</p> <p>7. The vote cast by means of long-distance communication shall be rendered void by the attendance in person at the meeting of the shareholder casting the vote or by the disposition of shares of which the Company has notice.</p>	<p>any such reduction in the same manner as the notice of the call to meeting.</p> <p>5. The Board of Directors may elaborate on and supplement the distance voting and proxy-granting provisions set forth in these By-Laws and in the Regulations for the General Shareholders' Meeting of the Company by establishing such instructions, means, rules and procedures as it deems advisable in order to organize the casting of votes and the grant of proxies by means of long-distance communication.</p> <p>In any event, the Board of Directors shall adopt the measures needed to avoid possible deception and to ensure that the person casting a vote or granting a proxy by postal or electronic communication has the right to do so pursuant to the provisions of Article 19 of the By-Laws. The implementing rules adopted by the Board of Directors under the provisions of this sub-section shall be published on the Company's corporate website.</p> <p>6. Shareholders who cast their vote from a distance pursuant to this article and to the provisions made by the Board of Directors by way of further development thereof shall be deemed present for purposes of determining the establishment of a quorum for the General Shareholders' Meeting in question. Therefore, proxies granted prior to the casting of such vote shall be deemed revoked, and those granted thereafter shall be deemed not to have been given.</p> <p>7. The vote cast by means of long-distance communication shall be rendered void by the attendance in-person at the meeting of the shareholder casting the vote or by the disposition of shares of which the Company has notice.</p>
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<p>Article 27^o.- Minutes of the General Shareholders' Meeting and documentation of resolutions</p> <p>1. The deliberations and resolutions adopted by the shareholders at the General Shareholders' Meeting shall be recorded in Minutes containing at least all of the information required by law. Once the Minutes have been approved in the manner provided by law, they shall be written down or transcribed in the Minute Book and shall be signed by the Secretary, with the approval of the Chairman, or by the persons who have acted as such at the General Shareholders' Meeting.</p> <p>2. The Minutes approved by any of the means provided for by law shall have binding force starting on the date of approval thereof.</p> <p>3. The total or partial certificates that may be required as evidence of the resolutions approved at the General Shareholders' Meeting shall be issued and signed by the Secretary of the Board of Directors or, as the case may be, by one of its Deputy Secretaries, with the approval of the Chairman of the Board of Directors or, as the case may be, by one of its Vice Chairmen.</p> <p>4. The Directors may require that a Notary attend the General Shareholders' Meeting and prepare the minutes thereof, and shall have a duty to do so when it is so requested by shareholders representing at least 1% of the share capital, five days in advance of the date set for the General Shareholders' Meeting. Notarial fees shall be borne by the Company. The notarized Minutes shall be deemed to be the Minutes of the General Shareholders' Meeting, shall not require the formality of approval, and shall have binding force as from the date of the closing thereof.</p>	<p>Article 27^o.- Minutes of the General Shareholders' Meeting and documentation of resolutions</p> <p>1. The deliberations and resolutions adopted by the shareholders at the General Shareholders' Meeting shall be recorded in Minutes containing at least all of the information required by law. Once the Minutes have been approved in the manner provided by law, they shall be written down or transcribed in the Minute Book and shall be signed by the Secretary, with the approval of the Chairman, or by the persons who have acted as such at the General Shareholders' Meeting.</p> <p>2. The Minutes approved by any of the means provided for by law shall have binding force starting on the date of approval thereof.</p> <p>3. The total or partial certificates that may be required as evidence of the resolutions approved at the General Shareholders' Meeting shall be issued and signed by the Secretary of the Board of Directors or, as the case may be, by one of its Deputy Secretaries, with the approval of the Chairman of the Board of Directors or, as the case may be, by one of its Vice Chairmen.</p> <p>4. The Directors may require that a Notary attend <u>participates at</u> the General Shareholders' Meeting and prepare the minutes thereof, and shall have a duty to do so when it is so requested by shareholders representing at least 1% of the share capital, five days in advance of the date set for the General Shareholders' Meeting. Notarial fees shall be borne by the Company. The notarized Minutes shall be deemed to be the Minutes of the General Shareholders' Meeting, shall not require the formality of approval, and shall have binding force as from the date of the closing thereof.</p>
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<p>5. Any shareholder may obtain, at any time, certification of the resolutions and the Minutes of the General Shareholders' Meetings.</p>	<p><u>Where the General Shareholders' Meeting is to be held exclusively through telematic means, the Notary may attend remotely, using the real-time long-distance communication systems that adequately ensure the exercise of the notarial duties.</u></p> <p>5. Any shareholder may obtain, at any time, certification of the resolutions and the Minutes of the General Shareholders' Meetings.</p>
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EXHIBIT IV: COMPARATIVE TABLES

**AMENDMENT TO THE REGULATIONS FOR THE GENERAL SHAREHOLDERS'
MEETING**

Current text	Proposed amendment
<p>Article 8. Publication and notice of call to meeting.</p> <p>1. The General Shareholders' Meeting shall be called with the minimum advance notice required by law, through a notice published at least:</p> <ul style="list-style-type: none"> a) In the Official Bulletin of the Commercial Registry or in one of the more widely circulated newspapers in Spain. b) On the website of the National Securities Market Commission. c) On the Company's corporate website. <p>The notice published on the Company's corporate website shall be continuously accessible at least until the date of the General Shareholders' Meeting. Furthermore, the Board of Directors may publish notices in other media, if it deems it appropriate, to ensure the public and effective dissemination of the call to meeting.</p> <p>The call to the General Shareholders' Meeting shall also be reported to such Market Supervisory Authorities as may be appropriate.</p> <p>2. The notice of the call to meeting shall contain all the statements required by the law in each case and, in any event, shall set forth the date, place and time of the Meeting upon first call and all the matters to be dealt with thereat. The notice may also state the place, date and time for the General Shareholders' Meeting to be held, if applicable, upon second call.</p>	<p>Article 8. Publication and notice of call <u>and form of the</u> to meeting.</p> <p>1. The General Shareholders' Meeting shall be called with the minimum advance notice required by law, through a notice published at least:</p> <ul style="list-style-type: none"> a) In the Official Bulletin of the Commercial Registry or in one of the more widely circulated newspapers in Spain. b) On the website of the National Securities Market Commission. c) On the Company's corporate website. <p>The notice published on the Company's corporate website shall be continuously accessible at least until the date of the General Shareholders' Meeting. Furthermore, the Board of Directors may publish notices in other media, if it deems it appropriate, to ensure the public and effective dissemination of the call to meeting.</p> <p>The call to the General Shareholders' Meeting shall also be reported to such Market Supervisory Authorities as may be appropriate.</p> <p>2. The notice of the call to meeting shall contain all the statements required by the law in each case and, in any event, shall set forth the date, place and time of the Meeting upon first call and all the matters to be dealt with thereat, <u>as well as the form of the meeting and, where appropriate, the place of the meeting.</u> The notice may also state the place, date, time <u>and, where applicable, the place of</u> the General Shareholders' Meeting to be held, if applicable, upon second call.</p>

<p>3. At the Ordinary General Shareholders' Meetings, shareholders representing at least 3% of the share capital may request the publication of a supplement to the call including one or more items in the agenda, so long as such new items are accompanied by a rationale or, if applicable, by a well-founded proposal for a resolution.</p> <p>4. In addition, shareholders representing at least 3% of the share capital may submit well-founded proposals for resolutions regarding items already included or that must be included in the agenda for the General Shareholders' Meeting called.</p> <p>5. The rights provided for in the two preceding paragraphs must be exercised by means of duly authenticated notice that must be received at the Company's registered office within five days of the publication of the call to meeting. The supplement to the call to meeting and the proposals for resolutions must be published or disseminated in compliance with the legal requirements and as much in advance as is provided by law.</p>	<p><u>3. The General Shareholders' Meeting may be held (a) in person only, (b) in person with the possibility of remote attendance, by electronic or telematic means, or, (c) when permitted by law and for reasons that make it advisable, and under the conditions provided in the law, exclusively by telematic means.</u></p> <p>34. At the Ordinary General Shareholders' Meetings, shareholders representing at least 3% of the share capital may request the publication of a supplement to the call including one or more items in the agenda, so long as such new items are accompanied by a rationale or, if applicable, by a well-founded proposal for a resolution.</p> <p>45. In addition, shareholders representing at least 3% of the share capital may submit well-founded proposals for resolutions regarding items already included or that must be included in the agenda for the General Shareholders' Meeting called.</p> <p>56. The rights provided for in the two preceding paragraphs must be exercised by means of duly authenticated notice that must be received at the Company's registered office within five days of the publication of the call to meeting. The supplement to the call to meeting and the proposals for resolutions must be published or disseminated in compliance with the legal requirements and as much in advance as is provided by law.</p>
<p>Article 10. The shareholders' right to receive information.</p> <p>1. From the publication of the notice of the call to a General Shareholders' Meeting and during the period required by law, any shareholder may submit a written request for such information or clarifications as it deems are required, or ask written questions it deems are pertinent, regarding the matters included in the agenda for the</p>	<p>Article 10. The shareholders' right to receive information.</p> <p>1. From the publication of the notice of the call to a General Shareholders' Meeting and during the period required by law, any shareholder may submit a written request for such information or clarifications as it deems are required, or ask written questions it deems are pertinent, regarding the matters included</p>

<p>notice of call, or regarding information accessible to the public that the Company has provided to the National Securities Market Commission since the holding of the immediately prior General Shareholders' Meeting, or regarding the auditor's report.</p> <p>The Board of Directors shall be required to provide in writing, until the day when the General Shareholders' Meeting is held, the requested information or clarifications, as well as to respond in writing to the questions asked. The answers to the questions and to the requests for information shall be channeled through the Secretary of the Board of Directors and provided by any member thereof or by any person expressly authorized by the Board of Directors to that end.</p> <p>2. During the course of the General Shareholders' Meeting, the shareholders of the Company may verbally request such information or clarifications as they deem appropriate regarding the matters contained in the agenda, or regarding the information accessible to the public that the Company has provided to the National Securities Market Commission since the holding of the last General Shareholders' Meeting, or regarding the auditor's report. In the event that it is not possible to satisfy the shareholder's right at that time, the Board of Directors shall provide such information in writing within seven days of the close of the General Shareholders' Meeting.</p> <p>3. The Board of Directors shall have the duty to provide the information requested in reliance upon the two preceding paragraphs, in the manner and within the time periods established by the law, except in those cases in which (i) such information is unnecessary for the protection of shareholder rights, there are objective reasons to believe that it might be used for ultra vires purposes, or publication thereof may prejudice the Company or</p>	<p>in the agenda for the notice of call, or regarding information accessible to the public that the Company has provided to the National Securities Market Commission since the holding of the immediately prior General Shareholders' Meeting, or regarding the auditor's report.</p> <p>The Board of Directors shall be required to provide in writing, until the day when the General Shareholders' Meeting is held, the requested information or clarifications, as well as to respond in writing to the questions asked. The answers to the questions and to the requests for information shall be channeled through the Secretary of the Board of Directors and provided by any member thereof or by any person expressly authorized by the Board of Directors to that end.</p> <p>2. During the course of the General Shareholders' Meeting, the shareholders of the Company may verbally request such information or clarifications as they deem appropriate regarding the matters contained in the agenda, or regarding the information accessible to the public that the Company has provided to the National Securities Market Commission since the holding of the last General Shareholders' Meeting, or regarding the auditor's report. In the event that it is not possible to satisfy the shareholder's right at that time, the Board of Directors shall provide such information in writing within seven days of the close of the General Shareholders' Meeting.</p> <p>3. The Board of Directors shall have the duty to provide the information requested in reliance upon the two preceding paragraphs, in the manner and within the time periods established by the law, except in those cases in which (i) such information is unnecessary for the protection of shareholder rights, there are objective reasons to believe that it might be used for ultra vires purposes, or publication thereof may prejudice the</p>
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<p>related companies; (ii) the request for information or clarifications does not refer to matters included in the agenda or, in the case of sub-section 1 above, to information accessible to the public that has been provided by the Company to the National Securities Market Commission since the holding of the immediately prior General Shareholders' Meeting; (iii) it is so established in legal or regulatory provisions. The exception contemplated in section (i) above shall not apply when the information has been requested by shareholders representing at least one-fourth of the share capital.</p> <p>4. If the information requested by the shareholders has been clearly, expressly and directly made available to all shareholders in question & answer format on the Company's corporate website, the Board of Directors' answer may limit its response to a reference to the information provided in such format.</p> <p>5. Valid requests for information or clarifications submitted or questions asked in writing by the shareholders, as well as the answers provided in writing by the Directors shall be posted on the Company's website.</p> <p>6. Answers to shareholders who attend the General Shareholders' Meeting from a distance by means of data transmission and simultaneously and who exercise their right to receive information through this procedure shall be provided, if applicable, in writing, within seven days following the Meeting.</p>	<p>Company or related companies; (ii) the request for information or clarifications does not refer to matters included in the agenda or, in the case of sub-section 1 above, to information accessible to the public that has been provided by the Company to the National Securities Market Commission since the holding of the immediately prior General Shareholders' Meeting; (iii) it is so established in legal or regulatory provisions. The exception contemplated in section (i) above shall not apply when the information has been requested by shareholders representing at least one-fourth of the share capital.</p> <p>4. If the information requested by the shareholders has been clearly, expressly and directly made available to all shareholders in question & answer format on the Company's corporate website, the Board of Directors' answer may limit its response to a reference to the information provided in such format.</p> <p>5. Valid requests for information or clarifications submitted or questions asked in writing by the shareholders, as well as the answers provided in writing by the Directors shall be posted on the Company's website.</p> <p>6. Answers to shareholders who attend the General Shareholders' Meeting from a distance by means of data transmission and simultaneously and who exercise their right to receive information through this procedure shall be provided, if applicable, in writing, within seven days following the Meeting.</p>
<p>Article 13. Right of representation.</p> <p>1. Every shareholder having the right to attend the General Shareholders' Meeting may be represented thereat by another person, even if not a shareholder, provided that the requirements and formalities imposed by the law are met.</p>	<p>Article 13. Right of representation.</p> <p>1. Every shareholder having the right to attend the General Shareholders' Meeting may be represented thereat by another person, even if not a shareholder, provided that the requirements and formalities imposed by the law are met.</p>

<p>The proxy must be granted specifically for each General Shareholders' Meeting, either by using the proxy form printed on the attendance card or in any other manner permitted by the law, without prejudice to the provisions of the Companies Act (Ley de Sociedades de Capital) regarding cases of proxies granted to family relatives and general proxies.</p>	<p>The proxy must be granted specifically for each General Shareholders' Meeting, either by using the proxy form printed on the attendance card or in any other manner permitted by the law, without prejudice to the provisions of the Companies Act (Ley de Sociedades de Capital) regarding cases of proxies granted to family relatives and general proxies.</p>
<p>The documents setting forth the proxies for the General Shareholders' Meeting shall contain instructions regarding the direction of the vote. Unless otherwise expressly indicated by the shareholder granting the proxy, it shall be understood that the shareholder gives specific instructions to vote in favor of the proposed resolutions put forward by the Board of Directors regarding the matters on the agenda.</p>	<p>The documents setting forth the proxies for the General Shareholders' Meeting shall contain instructions regarding the direction of the vote. Unless otherwise expressly indicated by the shareholder granting the proxy, it shall be understood that the shareholder gives specific instructions to vote in favor of the proposed resolutions put forward by the Board of Directors regarding the matters on the agenda.</p>
<p>If there are no voting instructions because the shareholders acting at the General Shareholders' Meeting are to decide matters that are not included in the agenda and are thus unknown on the date that the proxy is granted but which may be submitted to a vote at the General Shareholders' Meeting, the proxy-holder shall vote in such direction as he deems most appropriate, taking into account the interest of the Company and that of the shareholder granting the proxy. The same rule shall apply when the relevant proposal or proposals submitted to the shareholders at the General Shareholders' Meeting have not been made by the Board of Directors.</p>	<p>If there are no voting instructions because the shareholders acting at the General Shareholders' Meeting are to decide matters that are not included in the agenda and are thus unknown on the date that the proxy is granted but which may be submitted to a vote at the General Shareholders' Meeting, the proxy-holder shall vote in such direction as he deems most appropriate, taking into account the interest of the Company and that of the shareholder granting the proxy. The same rule shall apply when the relevant proposal or proposals submitted to the shareholders at the General Shareholders' Meeting have not been made by the Board of Directors.</p>
<p>If the document setting forth the proxy does not state the specific person or persons to whom the shareholder grants the proxy, such proxy shall be deemed granted in favor of any of the following: the Chairman of the Board of Directors of the Company, or the person that stands in for him as Chairman of the General Shareholders' Meeting, or such person as is appointed by</p>	<p>If the document setting forth the proxy does not state the specific person or persons to whom the shareholder grants the proxy, such proxy shall be deemed granted in favor of any of the following: the Chairman of the Board of Directors of the Company, or the person that stands in for him as Chairman of the General Shareholders' Meeting, or such person as</p>

<p>the Board of Directors, with notice of such appointment being given in advance in the notice of the call to meeting. If the Chairman of the Board of Directors of the Company, or the person acting in his stead, or the person appointed by the Board of Directors, as applicable, is affected by any of the conflicts of interest contemplated in the law and the document setting forth the proxy does not contain any specific instructions, the proxy shall be deemed granted to the Secretary for the General Shareholders' Meeting.</p> <p>A proxy is always revocable. Attendance at the General Shareholders' Meeting by the shareholder granting the proxy, whether in person or through distance voting, entails the revocation of any proxy granted, whatever the date thereof. A proxy shall likewise be rendered void as a result of the disposition of shares of which the Company has notice.</p> <p>2. Individual shareholders who do not have full legal capacity and corporate shareholders shall be represented by those persons who act as representatives thereof pursuant to law, with evidence of such representative capacity being duly provided.</p> <p>3. Both in cases of voluntary representation as well as those of legal representation, no person may have more than one representative at the General Shareholders' Meeting. By way of exception, institutions that are duly registered as shareholders according to the book-entry share register but that act for the account of several persons may, without limitation, delegate the right to vote to each of the indirect holders or to third parties designated by such indirect holders. In addition, such institutions may in all cases split their vote and exercise the right to vote in a different direction in</p>	<p>is appointed by the Board of Directors, with notice of such appointment being given in advance in the notice of the call to meeting. If the Chairman of the Board of Directors of the Company, or the person acting in his stead, or the person appointed by the Board of Directors, as applicable, is affected by any of the conflicts of interest contemplated in the law and the document setting forth the proxy does not contain any specific instructions, the proxy shall be deemed granted to the Secretary for the General Shareholders' Meeting.</p> <p>A proxy is always revocable. <u>Casting the vote remotely and attendance</u> Attendance at the General Shareholders' Meeting by the shareholder granting the proxy, whether in person or through distance voting, entails the revocation of any proxy granted, whatever the date thereof. A proxy shall likewise be rendered void as a result of the disposition of shares of which the Company has notice.</p> <p>2. Individual shareholders who do not have full legal capacity and corporate shareholders shall be represented by those persons who act as representatives thereof pursuant to law, with evidence of such representative capacity being duly provided.</p> <p>3. Both in cases of voluntary representation as well as those of legal representation, no person may have more than one representative at the General Shareholders' Meeting. By way of exception, institutions that are duly registered as shareholders according to the book-entry share register but that act for the account of several persons may, without limitation, delegate the right to vote to each of the indirect holders or to third parties designated by such indirect holders. In addition, such institutions may in all cases split their vote and exercise the right to vote in a different direction in</p>
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<p>compliance with differing voting instructions that they have received.</p> <p>4. The Chairman of the General Shareholders' Meeting or, by delegation of powers, the Secretary of the General Shareholders' Meeting shall resolve all doubts regarding the validity and effectiveness of the documents giving rise to the right of any shareholder to attend the General Shareholders' Meeting, whether individually or by grouping their shares with other shareholders, as well as any proxy granted to any other person, endeavoring to deem only those documents that lack the minimum essential requirements to be invalid or ineffective, provided that such defects have not been remedied.</p> <p>5. When a proxy is granted by means of long-distance communication, it shall only be deemed valid if it is granted by postal delivery or correspondence or by electronic communication made in accordance with the provisions of this section.</p> <p>Proxies by postal delivery or correspondence shall be granted by sending or delivering to the Company the duly signed attendance and proxy-granting card or other written instrument that, in the opinion of the Board of Directors expressed in a resolution adopted for such purpose, allows for due verification of the identity of the shareholder granting the proxy and that of the proxy-holder designated therein.</p> <p>Proxies by electronic communication to the Company shall be granted under an electronic signature or by such other manner as the Board of Directors may deem appropriate to ensure the authenticity and identification of the</p>	<p>compliance with differing voting instructions that they have received.</p> <p>4. The Chairman of the General Shareholders' Meeting or, by delegation of powers, the Secretary of the General Shareholders' Meeting shall resolve all doubts regarding the validity and effectiveness of the documents giving rise to the right of any shareholder to attend the General Shareholders' Meeting, whether individually or by grouping their shares with other shareholders, as well as any proxy granted to any other person, endeavoring to deem only those documents that lack the minimum essential requirements to be invalid or ineffective, provided that such defects have not been remedied.</p> <p>5. When a proxy is granted by means of long-distance communication, it shall only be deemed valid if it is granted by postal delivery or correspondence or by electronic communication made in accordance with the provisions of this section. <u>Proxies granted by telephone in accordance with the procedure, where applicable, set forth in the call notice shall be deemed to have been granted by electronic communication.</u></p> <p>Proxies by postal delivery or correspondence shall be granted by sending or delivering to the Company the duly signed attendance and proxy-granting card or other written instrument that, in the opinion of the Board of Directors expressed in a resolution adopted for such purpose, allows for due verification of the identity of the shareholder granting the proxy and that of the proxy-holder designated therein.</p> <p>Proxies by electronic communication to the Company shall be granted under an electronic signature or by such other manner as the Board of Directors may deem appropriate to ensure the authenticity and identification of the</p>
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<p>shareholder that exercises his right, attaching thereto a copy in electronic format of the attendance and proxy-granting card and detailing in the communication the proxy granted and the identity of the shareholder granting the proxy.</p> <p>In order to be valid, a proxy granted by either of the aforementioned means of long-distance communication must be received by the Company before midnight on the third day prior to the date set for the holding of the General Shareholders' Meeting upon first call. In the resolution for the call of the General Shareholders' Meeting in question, the Board of Directors may reduce this required deadline, disclosing it in the same manner as the call notice. The Board of Directors may also implement the above provisions relating to proxies granted by long-distance means of communication in accordance with the provisions of Article 25.5 of the By-Laws and Article 22.7 of these Regulations.</p> <p>6. A proxy may include items that, even if not contained in the agenda, may be dealt with by the shareholders at the General Shareholders' Meeting because it is so permitted by law.</p> <p>7. The Board of Directors may implement the above provisions relating to the grant of proxies through long-distance means of communication, in accordance with the provisions of Article 22.7 below.</p>	<p>shareholder that exercises his right, <u>and, where granted by electronic means,</u> attaching thereto a copy in electronic format of the <u>duly completed</u> attendance and proxy-granting card and detailing in the communication the proxy granted and the identity of the shareholder granting the proxy.</p> <p>In order to be valid, a proxy granted by either of the aforementioned means of long-distance communication must be received by the Company before midnight on the third day prior to the date set for the holding of the General Shareholders' Meeting upon first call. In the resolution for the call of the General Shareholders' Meeting in question, the Board of Directors may reduce this required deadline, disclosing it in the same manner as the call notice. The Board of Directors may also implement the above provisions relating to proxies granted by long-distance means of communication in accordance with the provisions of Article 25.5 of the By-Laws and Article 22.7 of these Regulations.</p> <p>6. A proxy may include items that, even if not contained in the agenda, may be dealt with by the shareholders at the General Shareholders' Meeting because it is so permitted by law.</p> <p>7. The Board of Directors may implement the above provisions relating to the grant of proxies through long-distance means of communication, in accordance with the provisions of Article 22.7 below.</p>
<p>Article 14. Organization of the General Shareholders' Meeting.</p> <p>1. The General Shareholders' Meeting shall be held at the place set forth in the notice of the call to meeting, within the area where the Company has its registered office, on the date and at the time also set forth in such notice. However, when the Board of Directors deems it appropriate in</p>	<p>Article 14. Organization of the General Shareholders' Meeting.</p> <p>1. The General Shareholders' Meeting shall be held, <u>where appropriate,</u> at the place set forth in the notice of the call to meeting, within the area where the Company has its registered office, on the date and at the time also set forth in such notice. However, when the Board of</p>

<p>order to facilitate the conduct of the meeting, it may resolve that the General Shareholders' Meeting be held in any other place within Spain by so providing in the call to meeting.</p> <p>2. In order to ensure the proper exercise of the right to attend the General Shareholders' Meeting, as well as to guarantee the safety of those attending and the orderly conduct of the Meeting, such access control systems and surveillance and protection measures shall be established as the Board of Directors deems appropriate.</p> <p>3. Sessions of the General Shareholders' Meeting may be held in one room or in several adjoining rooms, or in rooms which are not adjoining to one another but are located in the same building complex or on the same premises, as long as the Board of Directors deems it justified to proceed in this way. In such case, audiovisual means shall be provided to allow for real-time interactivity and intercommunication among the rooms.</p> <p>4. In order to foster the widest dissemination of the proceedings of the General Shareholders' Meeting and of the resolutions adopted thereat, access to the place where the General Shareholders' Meeting is held may be granted to media representatives as well as to financial analysts and other duly accredited experts. To this same end, the Chairman of the General Shareholders' Meeting may direct that all or part of the proceedings of the General Shareholders' Meeting be broadcast or recorded by audio-visual means.</p>	<p>Directors deems it appropriate in order to facilitate the conduct of the meeting, it may resolve that the General Shareholders' Meeting be held in any other place within Spain by so providing in the call to meeting.</p> <p><u>2. The General Shareholders' Meeting held exclusively through telematic means shall be deemed to have been held at the registered office.</u></p> <p><u>23.</u> In order to ensure the proper exercise of the right to attend the General Shareholders' Meeting, as well as to guarantee the safety of those attending and the orderly conduct of the Meeting, such access control systems and surveillance and protection measures shall be established as the Board of Directors deems appropriate.</p> <p><u>34.</u> Sessions of the General Shareholders' Meeting may be held in one room or in several adjoining rooms, or in rooms which are not adjoining to one another but are located in the same building complex or on the same premises, as long as the Board of Directors deems it justified to proceed in this way. In such case, audiovisual means shall be provided to allow for real-time interactivity and intercommunication among the rooms.</p> <p><u>45.</u> In order to foster the widest dissemination of the proceedings of the General Shareholders' Meeting and of the resolutions adopted thereat, access to the place where the General Shareholders' Meeting is held may be granted to media representatives as well as to financial analysts and other duly accredited experts. To this same end, the Chairman of the General Shareholders' Meeting may direct that all or part of the proceedings of the General Shareholders' Meeting be broadcast or recorded by audio-visual means.</p>
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<p>5. Upon entering the premises where the General Shareholders' Meeting is to be held, the attendees shall be provided with the full text of the proposed resolutions to be submitted for approval by the shareholders at the Meeting, except for proposals that cannot be delivered to the attendees because they have been adopted immediately prior to the General Shareholders' Meeting. The shareholders shall be informed of such proposals during the course of the General Shareholders' Meeting and, in all cases, before the shareholders' turn to speak.</p> <p>6. No photography, video, recording or similar devices may be used in the room or rooms where the General Shareholders' Meeting is held, except to the extent allowed by the Chairman. Control mechanisms may be set up at the place of access to the room or rooms in order to ensure compliance with this provision.</p>	<p>56. Upon entering the premises where the General Shareholders' Meeting is to be held <u>or when accessing the telematic attendance platform</u>, the attendees shall be provided with the full text of the proposed resolutions to be submitted for approval by the shareholders at the Meeting, except for proposals that cannot be delivered to the attendees because they have been adopted immediately prior to the General Shareholders' Meeting. The shareholders shall be informed of such proposals during the course of the General Shareholders' Meeting and, in all cases, before the shareholders' turn to speak.</p> <p>6Z. No photography, video, recording or similar devices may be used in the room or rooms where the General Shareholders' Meeting is held, except to the extent allowed by the Chairman. Control mechanisms may be set up at the place of access to the room or rooms in order to ensure compliance with this provision.</p>
<p>Article 21. Powers of the Chairman in connection with the conduct and orderly progress of the General Shareholders' Meeting.</p> <p>1. The Chairman of the General Shareholders' Meeting has the power to preside over and conduct the proceedings at the General Shareholders' Meeting, and must direct and maintain the debate within the limits of the agenda and bring such debate to an end when he considers each matter to have been sufficiently discussed.</p> <p>2. In the performance of his duties to preside over and ensure the orderly conduct of the General Shareholders' Meeting, the Chairman of the General Shareholders' Meeting, assisted by the Secretary for the General Shareholders'</p>	<p>Article 21. Powers of the Chairman in connection with the conduct and orderly progress of the General Shareholders' Meeting.</p> <p>1. The Chairman of the General Shareholders' Meeting has the power to preside over and conduct the proceedings at the General Shareholders' Meeting, and must direct and maintain the debate within the limits of the agenda and bring such debate to an end when he considers each matter to have been sufficiently discussed.</p> <p>2. In the performance of his duties to preside over and ensure the orderly conduct of the General Shareholders' Meeting, the Chairman of the General Shareholders' Meeting, assisted by the Secretary for the General Shareholders'</p>

<p>Meeting, shall have the following powers, among others:</p> <p>a) To organize the shareholders' participation in their use of the floor pursuant to the provisions of these Regulations.</p> <p>b) To grant the floor, at the time he deems fit, to the shareholders who request it, with the power to take the floor away when he deems that a matter has been sufficiently debated, or that the progress of the meeting is being hindered, or that the matter in question is not included in the agenda.</p> <p>c) To resolve to extend the time initially available for the shareholders to speak, when he deems it necessary or when the large number of requests for participation or any other circumstance makes it advisable, and to set the maximum length of each presentation or establish time limits for shareholders to speak when he considers a matter to have been sufficiently debated, respecting, in all cases, the principle of equal treatment of the shareholders using the floor.</p> <p>d) To act as a moderator of shareholder participations, with the power to require them to clarify matters that have not been sufficiently explained, or not to depart from the matters on the agenda and to act with suitable decorum in their participation, reprimanding shareholders when their participation is manifestly obstructionist or aimed at hindering the normal progress of the General Shareholders' Meeting, and also with the power to take any appropriate measures to ensure that the General Shareholders' Meeting proceeds in an orderly fashion.</p>	<p>Meeting, shall have the following powers, among others:</p> <p>a) To organize the shareholders' participation in their use of the floor pursuant to the provisions of these Regulations.</p> <p>b) To grant the floor, at the time he deems fit, <u>where appropriate</u>, to the shareholders who request it, with the power to take the floor away when he deems that a matter has been sufficiently debated, or that the progress of the meeting is being hindered, or that the matter in question is not included in the agenda.</p> <p>c) To resolve to extend the time initially available for the shareholders to speak, when he deems it necessary or when the large number of requests for participation or any other circumstance makes it advisable, and to set the maximum length of each presentation or establish time limits for shareholders to speak when he considers a matter to have been sufficiently debated, respecting, in all cases, the principle of equal treatment of the shareholders using the floor.</p> <p>d) To act as a moderator of shareholder participations, with the power to require them to clarify matters that have not been sufficiently explained, or not to depart from the matters on the agenda and to act with suitable decorum in their participation, reprimanding shareholders when their participation is manifestly obstructionist or aimed at hindering the normal progress of the General Shareholders' Meeting, and also with the power to take any appropriate measures to ensure that the General Shareholders' Meeting proceeds in an orderly fashion.</p>
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<p>e) To announce the results of the voting, either personally or through the Secretary for the General Shareholders' Meeting.</p> <p>f) To resolve any issues that may arise during the proceedings of the General Shareholders' Meeting in connection with the interpretation and application of the rules established in these Regulations.</p> <p>g) In general, to exercise all powers, including those of order and discipline, which are required to properly hold the meeting.</p>	<p>e) To announce the results of the voting, either personally or through the Secretary for the General Shareholders' Meeting.</p> <p>f) To resolve any issues that may arise during the proceedings of the General Shareholders' Meeting in connection with the interpretation and application of the rules established in these Regulations.</p> <p>g) In general, to exercise all powers, including those of order and discipline, which are required to properly hold the meeting.</p>
<p>Article 22. Casting of votes from a distance prior to the General Shareholders' Meeting.</p> <p>1. Without prejudice to the provisions of Article 18 of these Regulations, and therefore, independently of the right to attend by electronic means, shareholders with the right to attend may cast their vote on the proposals relating to the items included in the Agenda for any General Shareholders' Meeting by means of postal delivery or correspondence or electronic communication.</p> <p>2. Votes by postal delivery or correspondence shall be cast by sending or delivering to the Company a document recording the vote accompanied by the duly signed attendance card issued by the entity in charge of keeping the register of book entries.</p> <p>3. Votes communicated electronically to the Company shall be cast under an electronic signature or in such other manner as the Board of Directors may deem appropriate to ensure the</p>	<p>Article 22. Casting of votes from a distance prior to the General Shareholders' Meeting.</p> <p>1. Without prejudice to the provisions of Article 18 of these Regulations, and therefore, independently of the right to attend by electronic means, shareholders with the right to attend may cast their vote on the proposals relating to the items included in the Agenda for any General Shareholders' Meeting by means of postal delivery or correspondence or electronic communication. <u>Votes cast by telephone in accordance with the procedure, where applicable, set forth in the call notice shall be deemed to have been cast by electronic communication.</u></p> <p>2. Votes by postal delivery or correspondence shall be cast by sending or delivering to the Company a document recording the vote accompanied by the duly signed attendance card issued by the entity in charge of keeping the register of book entries.</p> <p>3. Votes communicated electronically to the Company shall be cast under an electronic signature or in such other manner as the Board of Directors may deem appropriate to ensure the</p>

<p>authenticity and the identification of the shareholder exercising his right, attaching thereto a copy in electronic format of the duly completed attendance card and vote.</p> <p>4. In order to be valid, votes cast by any of the means of long-distance communication mentioned in the preceding subarticles must be received by the Company before midnight on the third day prior to the date set for the holding of the General Shareholders' Meeting upon first call. In the resolution to call the General Shareholders' Meeting in question, the Board of Directors may reduce this required deadline, disclosing it in the same manner as the call notice.</p> <p>5. Shareholders who cast their vote from a distance pursuant to this article and to the provisions made by the Board of Directors by way of further development thereof shall be deemed present for purposes of determining the establishment of a quorum for the General Shareholders' Meeting in question. Therefore, proxies granted prior to the casting of such vote shall be deemed revoked, and those granted thereafter shall be deemed not to have been given.</p> <p>6. The vote cast by means of long-distance communication shall be rendered void by the attendance in person at the meeting of the shareholder casting the vote or by the disposition of shares of which the Company has notice.</p> <p>7. The Board of Directors is authorized to implement and supplement the regulations on voting and granting of proxies by long-distance means of communication provided for in these Regulations, establishing the instructions, means, rules and procedures it deems appropriate to instrument the casting of votes and the grant of proxies by long-distance means of communication.</p>	<p>authenticity and the identification of the shareholder exercising his right, <u>and, if cast through electronic means</u>, attaching thereto a copy in electronic format of the duly completed attendance card and vote.</p> <p>4. In order to be valid, votes cast by any of the means of long-distance communication mentioned in the preceding subarticles must be received by the Company before midnight on the third day prior to the date set for the holding of the General Shareholders' Meeting upon first call. In the resolution to call the General Shareholders' Meeting in question, the Board of Directors may reduce this required deadline, disclosing it in the same manner as the call notice.</p> <p>5. Shareholders who cast their vote from a distance pursuant to this article and to the provisions made by the Board of Directors by way of further development thereof shall be deemed present for purposes of determining the establishment of a quorum for the General Shareholders' Meeting in question. Therefore, proxies granted prior to the casting of such vote shall be deemed revoked, and those granted thereafter shall be deemed not to have been given.</p> <p>6. The vote cast by means of long-distance communication shall be rendered void by the attendance in person at the meeting of the shareholder casting the vote or by the disposition of shares of which the Company has notice.</p> <p>7. The Board of Directors is authorized to implement and supplement the regulations on voting and granting of proxies by long-distance means of communication provided for in these Regulations, establishing the instructions, means, rules and procedures it deems appropriate to instrument the casting of votes and the grant of proxies by long-distance means of communication.</p>
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<p>In any event, the Board of Directors will adopt the necessary measures to avoid possible duplications and to ensure that the person who has cast the vote or granted the proxy by means of postal or electronic correspondence has the proper standing to do so in accordance with the provisions of Article 19.1 of the By-laws. The implementing rules adopted by the board of Directors pursuant to the provisions of this subarticle shall be published on the corporate website.</p>	<p>In any event, the Board of Directors will adopt the necessary measures to avoid possible duplications and to ensure that the person who has cast the vote or granted the proxy by means of postal or electronic correspondence has the proper standing to do so in accordance with the provisions of Article 19.1 of the By-laws. The implementing rules adopted by the board of Directors pursuant to the provisions of this subarticle shall be published on the corporate website.</p>
<p>Article 23. Voting on the proposed resolutions.</p> <p>1. Once shareholders' presentations, if any, have concluded and answers have been provided as set forth in these Regulations, the corresponding proposed resolutions shall be put to the vote.</p> <p>Each of the proposed resolutions shall be voted by following the agenda included in the notice of the call to meeting, and if proposals have been made regarding matters which the shareholders may decide without such matters being included in the agenda, they shall be submitted to a vote after a vote is taken on the proposals included in the agenda, unless the Chairman of the General Shareholders' Meeting decides otherwise.</p> <p>2. After the Secretary for the General Shareholders' Meeting has read the full text or a summary of the proposed resolution corresponding to an item on the agenda, which reading may be dispensed with when the text of such proposal has been distributed to the shareholders at the beginning of the General Shareholders' Meeting, a vote shall first be taken on the resolutions proposed in each case by the Board of Directors, and then, if appropriate, the proposals made by other parties shall be submitted to a vote, following the order established by the Chairman of the General Shareholders' Meeting for that purpose.</p>	<p>Article 23. Voting on the proposed resolutions.</p> <p>1. Once shareholders' presentations, if any, have concluded and answers have been provided as set forth in these Regulations, the corresponding proposed resolutions shall be put to the vote.</p> <p>Each of the proposed resolutions shall be voted by following the agenda included in the notice of the call to meeting, and if proposals have been made regarding matters which the shareholders may decide without such matters being included in the agenda, they shall be submitted to a vote after a vote is taken on the proposals included in the agenda, unless the Chairman of the General Shareholders' Meeting decides otherwise.</p> <p>2. After the Secretary for the General Shareholders' Meeting has read the full text or a summary of the proposed resolution corresponding to an item on the agenda, which reading may be dispensed with when the text of such proposal has been distributed to the shareholders at the beginning of the General Shareholders' Meeting, a vote shall first be taken on the resolutions proposed in each case by the Board of Directors, and then, if appropriate, the proposals made by other parties shall be submitted to a vote, following the order established by the</p>

<p>When a single item on the Agenda includes different matters, such matters shall be separately submitted to a vote. In particular, a separate vote shall be taken on the appointment, ratification, re-election or removal of each Director and, in the event of amendments to the By-Laws or these Regulations, on each article or group of articles that are materially independent. In exceptional cases, related proposals, which are formulated as an indivisible unit, shall be voted as a whole, such as those relating to the approval of the revised text of the By-Laws or of the Regulations for the General Shareholders' Meeting.</p> <p>In all cases, when a proposed resolution is approved, all other proposals on the same matter that are incompatible therewith shall automatically be deemed withdrawn and shall therefore not be submitted to a vote, which shall be stated by the Chairman of the General Shareholders' Meeting, or by the Secretary for the General Shareholders' Meeting, acting by delegation of powers.</p> <p>3. The following voting calculation system shall be used for purposes of voting on the proposed resolutions:</p> <p>a) In the case of voting on proposed resolutions relating to matters on the agenda, votes in favor of the proposal submitted to a vote shall be deemed to be those corresponding to all shares present or represented at the Meeting, according to the attendance roll, less the votes corresponding to shares whose holders or representatives inform the Presiding Committee of the General Shareholders' Meeting, or to the Notary, if appropriate, by written communication or personal statement,</p>	<p>Chairman of the General Shareholders' Meeting for that purpose.</p> <p>When a single item on the Agenda includes different matters, such matters shall be separately submitted to a vote. In particular, a separate vote shall be taken on the appointment, ratification, re-election or removal of each Director and, in the event of amendments to the By-Laws or these Regulations, on each article or group of articles that are materially independent. In exceptional cases, related proposals, which are formulated as an indivisible unit, shall be voted as a whole, such as those relating to the approval of the revised text of the By-Laws or of the Regulations for the General Shareholders' Meeting.</p> <p>In all cases, when a proposed resolution is approved, all other proposals on the same matter that are incompatible therewith shall automatically be deemed withdrawn and shall therefore not be submitted to a vote, which shall be stated by the Chairman of the General Shareholders' Meeting, or by the Secretary for the General Shareholders' Meeting, acting by delegation of powers.</p> <p>3. The following voting calculation system shall be used for purposes of voting on the proposed resolutions:</p> <p>a) In the case of voting on proposed resolutions relating to matters on the agenda, votes in favor of the proposal submitted to a vote shall be deemed to be those corresponding to all shares present or represented at the Meeting, according to the attendance roll, less the votes corresponding to shares whose holders or representatives inform the Presiding Committee of the General Shareholders' Meeting, or to the Notary, if appropriate, by written <u>or electronic</u> communication or personal</p>
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<p>that they vote against, in blank or abstain.</p> <p>b) In the case of voting on proposed resolutions relating to matters that are not included in the agenda, votes against the proposal submitted to a vote shall be deemed to be those corresponding to all shares present or represented at the Meeting, according to the attendance roll, less the votes corresponding to shares whose holders or representatives inform the Presiding Committee of the General Shareholders' Meeting, or to the Notary, if appropriate, by written communication or personal statement, that they vote in favor, in blank or abstain.</p> <p>c) For purposes of the provisions of paragraphs a) and b) above, for each of the proposed resolutions submitted to a vote, it shall be deemed that shares present and represented at the meeting are all those recorded on the attendance roll, less the shares whose holders may not, pursuant to the law and depending upon the proposed resolution that is put to the vote, exercise the voting rights attaching to their shares.</p> <p>Regardless of the system used to calculate the votes, verification by the Presiding Committee of the Meeting – or, exceptionally, in the event that such Presiding Committee of the General Shareholders' Meeting has not been formed, by the Secretary for the General Shareholders' Meeting – of the existence of a number of favorable votes sufficient to attain the majority required in each case, will allow the Chairman of the General Shareholders' Meeting to declare the relevant proposed resolution to have been approved.</p>	<p>statement, that they vote against, in blank or abstain.</p> <p>b) In the case of voting on proposed resolutions relating to matters that are not included in the agenda, votes against the proposal submitted to a vote shall be deemed to be those corresponding to all shares present or represented at the Meeting, according to the attendance roll, less the votes corresponding to shares whose holders or representatives inform the Presiding Committee of the General Shareholders' Meeting, or to the Notary, if appropriate, by written <u>or electronic</u> communication or personal statement, that they vote in favor, in blank or abstain.</p> <p>c) For purposes of the provisions of paragraphs a) and b) above, for each of the proposed resolutions submitted to a vote, it shall be deemed that shares present and represented at the meeting are all those recorded on the attendance roll, less the shares whose holders may not, pursuant to the law and depending upon the proposed resolution that is put to the vote, exercise the voting rights attaching to their shares.</p> <p>Regardless of the system used to calculate the votes, verification by the Presiding Committee of the Meeting – or, exceptionally, in the event that such Presiding Committee of the General Shareholders' Meeting has not been formed, by the Secretary for the General Shareholders' Meeting – of the existence of a number of favorable votes sufficient to attain the majority required in each case, will allow the Chairman of the General Shareholders' Meeting to declare the relevant proposed resolution to have been approved.</p>
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