

# Report on the amendments to the Regulations of the Board of Directors

Report on the  
amendments to the  
Regulations of the Board  
of Directors approved by  
the Board of Directors of  
“**Siemens Gamesa  
Renewable  
Energy, S.A.**” on 4 May  
2022.

**At its meeting of 20 December 2022, the Board of Directors approved this report about the amendments of the Regulations of the Board of Directors approved by the Board of Directors on 4 May 2022, which is made available to the shareholders for informational purposes on occasion of the call to the General Meeting of Shareholders of Siemens Gamesa Renewable Energy, S.A., which will be held in Bilbao (Biscay), at 12:00 on Wednesday 25 January 2023, on first call, or on Thursday 26 January 2023, at the same place and time, on second call.**

## **1. Object of the Report**

This report was prepared by the Board of Directors of Siemens Gamesa Renewable Energy, S.A. (“**Siemens Gamesa**” or the “**Company**”) at its meeting of 20 December 2022, in order to explain the amendments to the Regulations of the Board of Directors (the “**Regulations**”) approved by the Board of Directors of the Company on 4 May 2022.

The restated text of the Regulations after its latest amendment is attached as an **Annex** to this report.

## **2. Rationale for the Amendments and Main Changes**

The main purpose of the amendment of the Regulations approved by the Board of Directors on 4 May 2022 was to align them to the text of the By-laws which last modification was approved by the General Meeting of Shareholders held on 24 March 2022 to adapt them to Law 5/2021, of April 12, promoting the long-term involvement of shareholders in listed companies, as well as its revision from a purely technical and wording point of view in order to maintain consistency with the referred By-laws and rest of Corporate Governance Rules of the Company.

It is expressly stated that the purpose of these amendments was not to adapt the Regulations to the amendments to the By-laws and the Regulations for the General Meeting of Shareholders that are submitted for approval to the next General Meeting to which this report is also being submitted.

Among the approved amendments the following shall be highlighted:

- The need that the resolution that approves its modification be adopted by a majority of at least two-thirds of the members of the Board of Directors, has been included in article 4 of the Regulations, regarding its modification, in line with the provisions of the article 32.4 of the By-laws.
- The following modifications have been introduced in article 7 of the Regulations regarding the powers and functions of the Board of Directors, in line with the provisions of article 33.5 of the By-laws:
  - a) an express reference is made to the prohibition of entrusting the functions included in article 7.3 to the representative decision-making bodies or to the top management of the Company or its Group, aligned with the new wording of the article 33.5 of the By-Laws;
  - b) section 7.3.a.v) details that the Audit, Compliance and Related Party Transactions Committee is responsible for proposing the external provider of assurance services that, where appropriate, assures the information included in the non-financial information statement, as set out in article 53.2 of the By-laws;

- c) within section 7.3.b), the power to define the structure of companies that make up the Siemens Gamesa Group is deleted (7.3.b.i.), and the duty to approve the policies of the Group, which was already included within article 33.5 of the By-laws, and overseeing their implementation, is added (7.3 .b.iii.) as incorporated to the referred article;
  - d) the duty to inform about the manner in which the General Meeting of Shareholders is to be held is added in section 7.3.c.i., once the possibility of holding it by electronic means only has been incorporated into the By-laws and it incorporates in a new paragraph 7.3.c.ii) the duty to approve rules for conducting the General Meeting of Shareholders as well as supplementary documents on occasion of each call in consistency with the Corporate Governance Rules of the Company. An express reference to the duty to issue the statement of non-financial information (7.3.c.iii.) has also been introduced in paragraph 7.3.c.iii., as set out in article 33.5.g) of the By-laws; and
  - e) section 7.3.d.iii. expressly incorporates the duty of appointing and removing the CEO, as well as establishing the terms and conditions of his/her agreement and appointing and removing the members of the Delegated Executive Committee, which was already included under article 33.5.g) of the By-laws.
- Legal persons have been expressly included in section 10.a) of the Regulations regarding the incompatibilities for becoming a director, and it is clarified in section 10.c) in relation to directorships held in other listed companies, that those that are part of the group of the parent company of Siemens Gamesa shall not be taken into account for these purposes, in line with the changes introduced in article 30.4 of the By-laws.
  - It has been included in article 18 of the Regulations, regarding the positions of Chairman and Vice Chairman of the Board of Directors, under section 6 referring to the powers attributed to the Chairman, those of convening and presiding over the meetings of the Delegated Executive Committee (18.6.a)) and that of chairing the General Meeting of Shareholders and exercising the functions attributed to him/her by the Corporate Governance Rules (18.6.b)), in line with the changes introduced in articles 38.3.a) and 38.3.b) of the By-laws, respectively.
  - A new paragraph 2 has been added to article 20 of the Regulations, regarding the CEO, which regulates the events of vacancy, absence, illness or inability, as was already included in article 40.2 of the By-laws.
  - The procedure to decide on the continuity or dissolution of the Delegated Executive Committee, has been included in article 23 of the Regulations, which will require that the decision be adopted by an absolute majority of the votes present and represented at the meeting. Likewise, it has been specified who will preside its meetings in the absence of the Chairman of the Board of Directors, which will correspond firstly to the Vice Chairman of the Board of Directors who is a member of the committee, as the case may be, and in the absence of both, by the director appointed by the committee among its the members, in line with the changes introduced in articles 36.4 and 36.5 of the Corporate By-laws, respectively.

- Article 24 of the Regulations, regarding the Advisory Committees, incorporates, in line with the changes introduced in article 37 of the By-laws, the requirement that the members of the Audit, Compliance and Related Party Transactions Committee as a whole have enough technical knowledge in the business where the Group is engaged, has been added. An express reference has also been included to the Advisory Committees appointing their secretary, who does not need to be a director. Finally, the express reference to the supplementary nature of the regulations of the Board of Directors with respect to the regulations of the Advisory Committees is incorporated insofar as they are not incompatible with their nature.
- In article 25 of the Regulations, regarding the meetings of the Board of Directors, and in line with the change introduced in article 31.3 of the By-laws, the possibility of holding them through the use of remote communication systems from several connected places or online has been incorporated, and the possibility of holding it in writing and without a meeting has been extended to the board committees.
- The precision regarding what is considered a tie has been incorporated in article 28 of the Regulations regarding the constitution and majority to adopt resolutions, so that it takes place when the sum of votes in favor is equal to the sum of any other vote casted, including voluntary abstentions, in line with the change introduced in article 32.4 of the By-laws.
- In article 29 of the Regulations, regarding the remuneration of the Board of Directors, express references to the remuneration policy have been incorporated, and a paragraph 10 has been added which refers to the possibility of applying by the Board of Directors, and upon prior report of the Appointments and Remunerations Committee, temporary exceptions to the directors' remuneration policy, in line with the new sections 45.8 and 45.9 introduced in the By-laws.
- A new wording has been given to the existing paragraphs of article 34 of the Regulations regarding the information powers arising from the duty of care, and a new paragraph has been incorporated regarding the duty of the directors to have sufficiently in advance the information necessary for deliberating and adopting resolutions, except in cases of urgency, which was already regulated in article 46 of the By-laws.

Finally, technical and editorial improvements have been introduced, as well as terminological updates, in articles 6, 7, 8, 9, 11, 12, 18, 19, 20, 21, 23, 24, 26, 28, 29, 33 and 38.

Zamudio, 20 December 2022

**ANNEX**

## **REGULATIONS OF THE BOARD OF DIRECTORS OF SIEMENS GAMESA RENEWABLE ENERGY, S.A.**

### **CHAPTER I. REGULATIONS OF THE BOARD OF DIRECTORS**

#### **Article 1. Purpose**

1. The Regulations of the Board of Directors (the "**Regulations**") establish: (a) the rules for constitution, organization and operation of the Board of Directors of Siemens Gamesa Renewable Energy, S.A. ("**Siemens Gamesa**" or the "**Company**"); and (b) the standards of conduct and obligations of its members and those of the committees.
2. The Regulations form part of the Corporate Governance Rules of the Company (as this term is defined in the Company's By-laws).

#### **Article 2. Scope of application**

1. These Regulations apply to the Directors and other positions of the Board of Directors and its committees.
2. The action principles and rules of organization and operation of the administrative bodies of the companies that form part of the multinational group of which Siemens Gamesa is the parent company according to the definition established by law (the "**Group**" or the "**Siemens Gamesa Group**") are regulated by their corresponding internal regulations that shall be adjusted to the principles contained herein.

The aforementioned is understood notwithstanding the adaptations required due to the specific circumstances of each company and regarding the system of guarantees established by the Corporate Governance Rules and the coordination and information principles that must govern the relations between the administrative bodies of the different companies of the Group.

#### **Article 3. Interpretation**

1. These Regulations will be interpreted in accordance with the law and the Corporate Governance Rules, in the context of the corporate interest.
2. The Board of Directors of the Company will answer any questions that may arise which are related to the interpretation of the Regulations.

#### **Article 4. Modification**

1. The approval of any modification to the Regulations corresponds to the Board of Directors, as proposed by: (a) its Chairman; (b) the Coordinating Director; (c) three directors; or (d) the Audit, Compliance and Related Party Transactions Committee.
2. Modification proposals must be accompanied by the corresponding explanatory statement and first reported by the Audit, Compliance and Related Party Transactions Committee. The explanatory statement will also be used as a report in the proposals from the Audit, Compliance and Related Party Transactions Committee.
3. The text of the proposal, the explanatory statement and the report provided by the Audit, Compliance and Related Party Transactions Committee must be attached to the call to convene the Board of Directors meeting at which the modification will be deliberated.
4. The resolution by which the modification is approved must be adopted by a majority of at least two-thirds of the members of the Board of Directors, unless the modifications are imposed by mandatory standards, in which case the resolution will be adopted by simple majority of the votes present or represented at the meeting.

#### **Article 5. Dissemination**

1. All persons to whom these Regulations apply have the responsibility to be familiar with them and to comply with them.
2. These Regulations and their subsequent modifications shall be disseminated through: (a) communication to the Spanish National Securities Commission; (b) registration in the Companies Register; and (c) incorporation on the corporate website of the Company.
3. The Board of Directors shall also inform the first General Meeting of Shareholders held of any approved modifications.

### **CHAPTER II. THE BOARD OF DIRECTORS AND ITS COMPETENCIES**

#### **Article 6. The Board of Directors**

1. The Board of Directors is the highest body of representation, decision making and administration of Siemens Gamesa, notwithstanding the competencies of the General Meeting of Shareholders and without more limits than those established by law or in the Corporate Governance Rules.
2. The Board of Directors shall focus its activities on the general oversight of the Group, the establishment and promotion of general strategies and policies of the Group, and deciding on matters of strategic importance at the Group level.

3. The Board of Directors shall perform its duties with unity of purpose and independence of criteria, pursuing the attainment of the corporate interest.

#### **Article 7. Competencies and duties**

1. The Board of Directors has the competency to adopt resolutions on any matter that are not conferred by law or the Corporate Governance Rules to the General Meeting of Shareholders
2. The Board of Directors shall also exercise all of the competencies delegated to it by the General Meeting of Shareholders.
3. In any case, the following competencies, which may not be entrusted to the representative decision-making bodies or to the Top Management of the Company or its Group correspond to the Board of Directors:
  - a) regarding administration and general management of the Company:
    - i. promoting and overseeing management of the Company, as well as the achievement of established targets.
    - ii. establishing, within the legal limits, the policies, strategies and general guidelines on management of the Company and overseeing their implementation.  
Specifically, approving the policies set forth by law and others which the Board of Directors decides to implement, the strategic or business plan, annual management and budget targets and the fiscal strategy.
    - iii. overseeing the internal information and control systems.
    - iv. overseeing the transparency and accuracy of the information provided by the Company and approving the financial information which, as a result of its status as listed on the stock exchange, should be published regularly.
    - v. issuance of the statement of non-financial information and appoint, upon a proposal of the Audit, Compliance and Related Party Transactions Committee, the external provider of assurance services responsible for assurance of the information included therein, if legally required.
    - vi. approving, where appropriate, the Internal Code of Conduct for the Securities Markets and subsequent amendments thereto, the Annual Corporate Governance Report and the Annual Report on Remuneration of Directors, reporting and publishing their content in accordance with the law.

- vii. approving the investments, transactions or operations that, due to their high amount or special characteristics, are strategic or entail special fiscal risk, as the related-party transactions that fall within its powers., unless their approval corresponds to the General Meeting of Shareholders.
  - viii. receiving regular information, at least once a year, on the transactions in the shareholder group and the opinion that significant shareholders, investors and rating agencies have of the Company.
- b) Regarding the Siemens Gamesa Group:
- i. establishing the corporate organization bases in order to ensure its effectiveness and facilitate its oversight.
  - ii. defining, within the legal limits, the general management, strategies and guidelines of the Group and its development, as well as deciding on matters of strategic relevance at the Group level.
  - iii. approving the policies of the Company and of the Siemens Gamesa Group and overseeing their implementation.
  - iv. implementing the appropriate coordination and information exchange mechanisms of interest to the Company and to the companies in its Group.
  - v. approving the creation or purchase of stocks in special purpose entities or entities in countries or territories that are considered to be non-cooperative jurisdictions for tax purposes, as well as any other transactions or operations of a comparable nature whose complexity might reduce the transparency of the Company and the Group.

The ordinary and effective management duties of each business division or companies in the Group correspond to the Board of Directors and the management of companies of the Group.

- c) Regarding the General Meeting of Shareholders:
- i. convening the meeting, informing of the decision about the manner in which it is to be held, and drawing up its agenda and the resolution proposals.
  - ii. approving the rules for conducting the General Meeting of Shareholders, which systematise and further develop the regulations governing the operation of the General Meeting of Shareholders provided for in the By-Laws and the Regulations for the Meeting (the "Rules"), as well as, where appropriate, on occasion of each call to General Meeting, approving and publishing supplementary documents or guides, whatever the format thereof, that supplement and further specify the provisions of these Rules to facilitate an understanding by the shareholders of the manner and conditions for the exercise of their rights and of the proposed resolutions submitted for their consideration.

- iii. issuance of the Company's and the Group's financial statements and management reports. The consolidated management report shall include the statement of non-financial information. The individual management report shall include the proposed allocation of profits and losses for approval, by the General Meeting of Shareholders.
  - iv. issuance of a dividend proposal to be brought before the General Meeting of Shareholders Meeting and agreeing on the amounts of the dividend, in accordance with the shareholder remuneration policy.
  - v. implementing the resolutions approved by the General Meeting of Shareholders and exercising the powers delegated to it, unless expressly authorized to sub-delegate them.
- d) Regarding the Board of Directors, its committees and members:
- i. determining the organization and operation of the Board of Directors.
  - ii. appointing the directors by the co-option procedure; proposing to the General Meeting of Shareholders the appointment, approval, re-election or removal of directors; and adopting the decisions related to their remuneration in accordance with the law, the Corporate Governance Rules and the director remuneration policy approved by the General Meeting of Shareholders.
  - iii. appointing and removing internal positions of the Board of Directors as well as the members of its committees. In particular, appointing and removing the CEO of the Company, as well as establishing the terms and conditions of his/her agreement and appointing and removing the members of the Delegated Executive Committee.
  - iv. evaluating and overseeing the quality and efficiency of the operation of the Board of Directors, its committees and the performance of Chairman's duties and, if there is one, the CEO and Coordinating director.
  - v. authorizing or exempting directors from the obligations associated with their duties and the duty to avoid situations of conflict of interest and loyalty, unless the competency corresponds to the General Meeting of Shareholders.
  - vi. adopting, on its own initiative, reforms that simultaneously affect several documents integrated in the Corporate Governance Rules and whose approval corresponds to it without requiring, in this case, a prior proposal or report from any other body.
  - vii. adopting resolutions on the proposals submitted to it by the CEO or the committees of the Board of Directors.

- e) Regarding the Top Management of the Company:
- i. approving the appointment and removal of Top Management, and establishing the basic terms and conditions of their agreements, including the remuneration and compensation clauses.
  - ii. overseeing the performance of Top Management.
  - iii. determining the organization of the structure, organization chart and job descriptions of Top Management.

All of the above shall be carried out at the proposal of: (a) the CEO; or (b) the committees of the Board of Directors, depending on the person or body to which Top Management reports, and subject to a report from the Appointments and Remunerations Committee.

Individuals who hold the position of General Director and carry out these duties and report directly to the Board of Directors, the CEO and the committees of the Board of Directors are considered members of Top Management.

Also considered Top Management are the General Secretary, the Director of Internal Auditing and those individuals holding the position of General Director, as determined by the Board of Directors with the prior report issued by the Appointments and Remunerations Committee.

- f) Likewise, decisions may be made by the Board of Directors on any other matter within its competence which it considers to be of interest to the Company or the Group.
4. When applicable, in exercising its competencies, the Board of Directors will coordinate with the companies of the Group, acting within its and the Company's benefit and interest.

### **Article 8. Delegation of powers**

1. The Board of Directors can delegate wholly or partially, even permanently, the powers conferred to it to the Delegated Executive Committee or to the CEO.
2. The permanent delegation of powers will require a favorable vote of at least two-thirds of the members of the Board of Directors.
3. The powers set forth by law or the Corporate Governance Rules as not delegable, may in no case be the object of delegation. This also applies to the powers that the General Meeting of Shareholders has delegated to the Board of Directors, unless expressly authorized for these purposes.

4. As an exception to the provisions in the previous section, when duly justified urgent circumstances arise, and as allowed by law, the bodies or delegated individuals may make decisions on matters reserved for the Board of Directors, which must be ratified at the first meeting held by the Board of Directors after making the decision.

If a report or proposal from any advisory committee is required to make a decision, this committee may send its report or proposal to the delegated bodies or individuals.

### **CHAPTER III. COMPOSITION OF THE BOARD OF DIRECTORS AND TERM OF THE POSITION**

#### **Article 9. Composition**

1. The Board of Directors shall consist of a certain number of directors, shareholders or non-shareholders of the Company, and shall be no less than five or greater than fifteen, appointed or approved by the General Meeting of Shareholders in accordance with law and the requirements established in the Corporate Governance Rules of the Company.
2. The General Meeting of Shareholders will be responsible for determining the number of directors. For this purpose, it can set this number by express agreement or indirectly by providing vacancies or appointing new directors within the aforementioned minimum and maximum numbers. The aforementioned is understood without prejudice to the proportional representation system in the terms set forth by the law.
3. The Board of Directors shall be composed in such a way that non-executive directors represent an overall majority over executive directors, with the presence of Independent directors. This will be mandatory for the Board of Directors, which must follow it in the exercise of its powers of proposing appointments and re-election to the General Meeting of Shareholders and of co-option for filling vacancies. It is only optional (suggested) for the latter.
4. The Board of Directors shall attempt to include Proprietary and Independent directors in the majority group of Non-executive directors, maintaining a balance regarding the complexity of the Group, the ownership structure of the Company, the absolute and relative importance of significant shares, as well as the degree of continuity, commitment and strategic links with the owners of these stocks with the Company.

#### **Article 10. Incompatibilities for becoming a director**

The following individuals cannot be directors:

- a) any legal person.
- b) any person who is included in any other case of incompatibility or prohibition regulated in the laws or general provisions.

- c) any individual acting in the position of director of more than three companies whose shares are traded in domestic or foreign securities markets. Directorships in listed companies that are part of the group of the parent company of Siemens Gamesa shall not be taken into account for these purposes.
- d) individuals who, in the two years prior to their possible appointment and notwithstanding the legally enforceable period, held: (i) senior management positions in the public sector or (ii) positions of responsibility in regulatory bodies of the sector or sectors in which the Group acts and in which the Company undertakes its activity.
- e) in general, people who have any kind of interests opposite those of the Company or of the Group.

### **Article 11. Types of directors**

1. The Board of Directors consists of any of the following categories of appointed directors: (a) executive directors; and (b) non-executive directors. Non-executive directors may be independent, , proprietary or other external directors.
2. The status of each director will be determined in accordance with legal provisions and must be explained by the Board of Directors before the General Meeting of Shareholders that will carry out or approve their appointment and confirm or, where applicable, revise it annually in the Annual Corporate Governance Report after being verified by the Appointments and Remunerations Committee.
3. The resolution of appointment, approval or re-election of the General Meeting of Shareholders must include the type assigned to the director.

### **Article 12. Term of the position**

1. The directors appointed will hold their position for four years, without prejudice to the power of the General Meeting of Shareholders to issue a resolution for their removal, which it can do at any time.
2. Directors can be re-elected by the General Meeting of Shareholders after their term has ended and for a period equal to the one established in the above section.
3. Directors appointed by co-option shall hold their position until the date of the first General Meeting of Shareholders, notwithstanding its ratification of the position. However, if a vacancy occurs after the convening of a General Meeting of Shareholders but prior to the holding of such meeting, the Board of Directors may appoint a director until the following General Meeting of Shareholders is held.

## **CHAPTER IV. APPOINTMENT AND REMOVAL OF DIRECTORS**

### **Article 13. Appointment of directors**

1. Directors will be appointed by the General Meeting of Shareholders or by the Board of Directors using the co-option procedure and in accordance with the provisions of the law and the Corporate Governance Rules.
2. The proposals for appointing directors submitted by the Board of Directors for consideration by the General Meeting of Shareholders and the appointment decisions adopted using the co-option procedure must be preceded by: (a) for Independent directors, a proposal from the Appointments and Remunerations Committee; and (b) in other cases, a report from the aforementioned committee.
3. When the Board of Directors declines the proposal or the report from the Appointments and Remunerations Committee mentioned in the above section, it must justify doing so and include a record of it in the minutes.
4. The provisions in this chapter will be understood notwithstanding the complete freedom of the General Meeting of Shareholders to make decisions on the appointment of directors.

### **Article 14. Requirements for appointment**

The Board of Directors and the Appointments and Remunerations Committee shall make an effort, within the sphere of their competencies, to ensure that the proposal and election of candidates falls on individuals of renowned reputation, credibility, solvency, competence and experience.

### **Article 15. Re-election of directors**

1. Proposals for re-election of directors submitted by the Board of Directors to the General Meeting of Shareholders must be accompanied by the corresponding explanatory report in the terms set forth by the law. The resolution of the Board of Directors to submit the re-election of Independent directors to the General Meeting of Shareholders must be adopted upon proposal of the Appointments and Remunerations Committee, while the re-election of other directors must have a prior favorable report from this committee.
2. Directors that are part of the Appointments and Remunerations Committee must abstain from taking part in the deliberations and votes that affect them.
3. The re-election of a director who is part of a committee or who holds an internal position on the Board of Directors or one of its committees will determine his/her continuity in this position without requiring express re-election and notwithstanding the power of revocation which corresponds to the Board of Directors.

## **Article 16. Removal and resignation of directors**

1. Directors will be removed from their position once the term for which they were appointed has passed, notwithstanding the possibility of being re-elected, and whenever the General Meeting of Shareholders decides to do so as proposed by the Board of Directors or the shareholders, in the terms set forth by law.
2. Directors must offer their resignation to the Board of Directors and formalize it, if the Board sees fit, subject to a report provided by the Appointments and Remunerations Committee in the following cases:
  - a) concerning Proprietary directors, whenever these or the shareholder they represent cease to be the owners of significant stocks in the Company, as well as when such shareholders revoke representation.
  - b) concerning Executive directors, when they are removed from the executive positions associated with their appointment as director and, in all cases, whenever the Board of Directors considers it necessary.
  - c) concerning Non-executive directors, when they join the management of the Company or of any of the companies in the Group.
  - d) when, due to circumstances beyond their control, they are involved in cases of incompatibility or prohibition as set forth by law or the Corporate Governance Rules.
  - e) whenever they are brought to trial for a supposedly criminal act or a court ruling is passed against them to open a trial for any of the offenses set forth in the provisions of the Capital Company Act related to the prohibitions on being a director, or whenever they are involved in a sanction for a serious or very serious offense brought by supervisory authorities.
  - f) whenever they are issued a serious warning by the Board of Directors or are sanctioned for a serious or very serious offense by a public authority for having breached their duties as directors in the Company.
  - g) whenever their continuity on the Board of Directors could put the Company's interests at risk, or whenever the reasons for their appointment have ceased to exist.
  - h) when, due to acts attributable to the director acting in his/her capacity as such, cause significant damage to the Company's assets, or the reputation of the Company, or result in the loss of the business and professional reputation and credibility required for being a director of the Company.

- i) when there are situations that affect them, whether or not related to their conduct within the Company itself, that might harm the good standing or reputation of the Company and its Group.
3. In any of the events indicated in the previous section, the Board of Directors shall require the director to resign from his/her post, and propose, as appropriate, his/her resignation to the General Meeting of Shareholders.

As an exception, the foregoing shall not be applicable in the events of resignation provided in letters a), d), f) and g) above when the Board of Directors considers that reasons exist to justify the continuity of the director, without prejudice of the occurrence that any new and sudden circumstances may have on his/her qualification.

4. The Board of Directors may only propose the removal of an Independent director before the expiration of the period for which they were appointed when just cause is found by the Board of Directors, based on the proposal from the Appointments and Remunerations Committee. Specifically, for having failed to fulfill the duties inherent to his/her position or have unexpectedly incurred in any of the circumstances established by law as incompatible with assignment to such category.
5. Directors who cease to hold office due to resignation or other reasons prior to the end of the period for which they were appointed shall sufficiently explain the reasons for their cessation or, in the case of non-executive directors, their opinion regarding the reasons for removal by the shareholders acting at a General Meeting of Shareholders, in a letter sent to all of the members of the Board of Directors. All of the foregoing shall be reported in the Annual Corporate Governance Report, unless there are special circumstances that justify not doing so, which must be recorded in the minutes of the Board. Furthermore, to the extent relevant to investors, the Company shall publish the cessation in office as soon as possible, including sufficient reference to the reasons or circumstances provided by the director.

#### **Article 17. Votes: duty of abstention**

The director referred to for appointment, re-election or removal, or the contract that regulates his/her relation with the Company as Executive director, must be absent from the meeting and abstain from participating in the deliberations and adoption of the resolution.

### **CHAPTER V. INTERNAL POSITIONS OF THE BOARD OF DIRECTORS**

#### **Article 18. Chairman and Vice Chairman of the Board of Directors**

1. The Board of Directors shall elect a Chairman among its directors.
2. The appointment, removal and re-election of the Chairman will be undertaken after receiving a report from the Appointments and Remunerations Committee.

3. If the position of Chairman of the Board of Directors is to be filled by an Executive director, the appointment will require the vote in favor of at least two-thirds of the members of the Board of Directors. Removal from the position of this director will require the absolute majority of the members of the Board of Directors.
4. The Chairman holds the highest responsibility for the effective function of the Board of Directors.
5. Any decision regarding the granting and the extent of the Chairman's powers shall be adopted by the Board of Directors at the time of his/her election.
6. Without prejudice to the foregoing, and the powers granted to the Chairman by law or the Corporate Governance Rules, he/she will have the following powers:
  - a) convening and presiding over the meetings of the Board of Directors and the Delegated Executive Committee, establishing their agenda and directing the discussions and deliberations, as well as submitting for approval, exceptionally and for reasons of urgency, decisions or resolutions not included in the agenda.
  - b) chairing the General Meeting of Shareholders and exercising the functions attributed to him/her by the Corporate Governance Rules.
  - c) ensuring, together with the Secretary of the Board of Directors, that the Directors receive in advance enough information for deliberating and adopting resolutions on the items included on the agenda;
  - d) encouraging debate and active participation of the directors during the meetings, safeguarding their right to freely adopt positions;
  - e) unless he/she is an executive director, organizing and coordinating with the Chairmen of the corresponding committees, the regular evaluation of the Board of Directors Delegated Executive Committee, as well as of the CEO. If the Chairman is an executive director, the Appointments and Remunerations Committee will assume this duty, regarding which the Chairman shall be heard and informed.
  - f) submitting to the Board of Directors any proposals he/she deems appropriate for the success of the Company and the Group, and especially those related to the operation of the Board of Directors and other corporate bodies.
  - g) act as an institutional representative of the Company before public agencies and external bodies (in particular, before public authorities including the *Comisión Nacional del Mercado de Valores* and before the industry associations).

7. The Board of Directors may elect one or more Vice Chairmen among its members who will temporarily stand in for the Chairman of the Board of Directors in the event of a vacancy, absence, illness or inability. The Vice Chairman will preside over the process of electing a new Chairman in the event of removal, notification of resignation, inability or death. If there is no Vice Chairman, the process shall be led by the designated director in accordance with the following section.
8. If there is more than one Vice Chairman of the Board of Directors, the Board of Directors will designate one of them to replace the Chairman of the Board of Directors; otherwise, he/she will be replaced by the one with greater seniority in the position; in the event of equal seniority, by the one who is older. If a Vice Chairman has not been designated, the Chairman will be replaced by the director with greater seniority in the position, and, in the event of equal seniority, by the one who is older.

#### **Article 19. Coordinating Director**

1. If the position of Chairman of the Board of Directors is to be filled by an executive director, the Board of Directors must designate a Coordinating Director among the independent directors, with the abstention of the executive directors. The Coordinating director can be part of the Advisory Committees or the Delegated Executive Committee.
2. The Coordinating director will have the power to: (a) coordinate, gather and express the concerns of the Non-executive Directors; (b) request the call to convene the Board of Directors and convene it if the Chairman does not heed his/her request; (c) request the inclusion of new items on the already convened agenda; (d) direct the regular evaluation of the Chairman; (e) propose the modification of this Regulation; (f) preside over the Board of Directors in the absence of the Chairman and the Vice Chairmen; and (g) coordinate the plan of succession of the Chairman.

Exceptionally, and when the Board of Directors so decides, the Coordinating director may maintain contact with investors and shareholders to ascertain their points of view regarding corporate governance.

#### **Article 20. The Chief Executive Officer (CEO)**

1. The Board of Directors, with the favorable vote of at least two-thirds of the members of the Board, can appoint a CEO with the powers it deems appropriate and that can be delegated in accordance with the law and the Corporate Governance Rules of the Company. The removal of the CEO will require the absolute majority of the members of the Board of Directors.
2. In the event of vacancy, absence, illness or inability of the CEO, his/her duties will be temporarily assumed by the Chairman of the Board of Directors, or in his/her absence, by the Vice President or the appointed director, in accordance with the provisions of Article 38, who will convene the Board of Directors in order to deliberate and make decisions on the appointment, where applicable, of a new CEO.

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3. The appointment, removal and re-election of the CEO will be undertaken after receiving a report from the Appointments and Remunerations Committee.
4. After receiving a report from the Appointments and Remunerations Committee, the CEO may propose to the Board of Directors, for its approval, the organization of the structure, the organizational chart and the job descriptions of the Top Management.

#### **Article 21. Secretary and Vice Secretary of the Board of Directors**

1. The Board of Directors shall designate a Secretary who may or may not be a director and, where applicable, a Vice Secretary who also may or may not be directors, and who will replace the Secretary in the event of vacancy, absence, illness or inability. The same procedure shall be followed to agree on the removal of the Secretary and, where applicable, of each Vice Secretary.
2. The appointment, removal and re-election of the Secretary and Vice Secretary will be undertaken after receiving a report from the Appointments and Remunerations Committee.
3. In the absence of the Secretary and Vice Secretary, the director designated by the Board of Directors among the attendees of the relevant meeting shall act as such.
4. In addition to the duties assigned by law or the Corporate Governance Rules, the Secretary will have the following duties: (a) channeling the relations between the Company and the directors in all matters regarding the operation of the Board of Directors, specifically processing requests from directors for information and documentation matters with which this body must be familiar; (b) advising the Board of Directors on the recommendations in the Code of Corporate Governance of the listed companies and on updating the Corporate Governance Rules; (c) overseeing that the directors receive the necessary information before each meeting of the Board of Directors; and (d) safeguarding the corporate documents and issuing the corresponding certifications.
5. The Secretary may take on the role of legal counsel to the Board of Directors, as long as he/she is an attorney, if so agreed by the Board of Directors in accordance with the requirements established in the law.
6. The Secretary of the Board of Directors may also perform the role of Secretary of the Delegated Executive Committee and of all other committees of the Board of Directors. He/she may also hold the position of General Secretary, if so agreed by the Board of Directors.

## **CHAPTER VI. COMMITTEES OF THE BOARD OF DIRECTORS**

### **Article 22. Committees of the Board of Directors**

1. The Board of Directors may constitute (a) a Delegated Executive Committee, without prejudice to the individually delegated powers; and (b) specialized commissions or committees with an internal scope, for specific areas of activity whose powers are limited to information, advising and proposals, oversight and control, establishing the duties assumed by each one. The members of these commissions and committees will be appointed by the Board of Directors.
2. The Board of Directors shall have an Audit, Compliance and Related Party Transactions Committee and an Appointments and Remunerations Committee (the "**Advisory Committees**"). If the latter is divided in two, i.e., it is one Appointments Committee and one Remunerations Committee; references made to the Appointments and Remunerations Committee will be understood as made to the corresponding committee..
3. The commissions and committees will regulate their own operation. In matters not specifically provided for in their respective regulations, the operation standards set forth by the Board of Directors shall be applied, provided they are compatible with the nature and operation of the commission or committee in question.

### **Article 23. Delegated Executive Committee**

1. The Board of Directors may constitute a Delegated Executive Committee with all or part of the inherent powers of the Board of Directors, except for those which cannot be delegated in accordance with the law or the Corporate Governance Rules.
2. The Delegated Executive Committee must be made up of the number of Directors as decided by the Board of Directors, with a minimum of four and a maximum of eight.
3. The Chairman of the Board of Directors and the CEO will be part of the Delegated Executive Committee.
4. The appointment of members of the Delegated Executive Committee or their renewal and the permanent delegation of powers to it shall be undertaken by the Board of Directors with the favorable vote of at least two-thirds of its members. Any resolution on the continuity or dissolution of the Delegated Executive Committee itself shall be adopted, as the case may be, by absolute majority of the present and represented votes at the meeting.
5. The Delegated Executive Committee will meet as frequently as deemed appropriate by its Chairman, and at least every two months. Meetings will be held whenever a minimum of two of the members so request.

6. The Delegated Executive Committee meetings will be presided over by the Chairman of the Board of Directors and, in his/her absence by the Vice Chairman of the Board of Directors who is a member of the committee (where appropriate) and, in the absence of both by the director appointed by the Committee among its members . The Secretary of the Board of Directors shall act as Secretary and, in his/her absence, the Vice Secretary and, in the absence of all of them, the director appointed by the committee at the relevant meeting among its members.
7. The resolutions of the Delegated Executive Committee shall be adopted by an absolute majority of present and represented votes. In the event of a tie, the Chairman of the Delegated Executive Committee will have the casting vote.
8. The Board of Directors shall ensure, to the extent possible and in view of the Company's circumstances, that the structure of the Delegated Executive Committee is composed of, at least, two non-executive directors and at least one of them has to be independent, and that its secretary is the same as the one of the Board of Directors.
9. At the first meeting of the Board of Directors after the Delegated Executive Committee has met, the latter shall inform the Board of Directors of the items discussed, the decisions adopted and will send it a copy of its minutes.

#### **Article 24. Advisory committees**

1. The Advisory Committees will consist of a minimum of three directors and a maximum of five, designated by the Board of Directors.
2. The Advisory Committees shall exclusively consist of Non-executive directors, at least two of which should be Independent directors, except for the Audit, Compliance and Related Party Transactions, in which the Independent directors should be the majority. At least one of the Independent directors that is to be part of the Audit, Compliance and Related Party Transactions Committee will be designated taking into account his/her knowledge and experience in accounting, auditing, or both, and the members of the Audit, Compliance and Related Party Transactions Committee will have, as a whole, enough technical knowledge in the business where the Group is engaged.
3. The Advisory Committees shall elect their Chairman among their members. This individual must be an Independent director. The Chairman must be replaced every four years and can be re-elected after the period of one year has elapsed since his/her removal, without prejudice to his continuity or re-election as a member of the committee. Likewise, the Advisory Committees shall appoint their secretary, who need not be a director.
4. The Advisory Committees shall have the competencies set forth by law for each of them, as well as those established in their respective regulations. The Audit, Compliance and Related Party Transactions Committee shall always report on related party transactions in the terms established and to the extent required by the law.

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5. The Board of Directors shall approve the Regulations of the Advisory Committees, in which their competencies shall be specified and the standards related to their composition and operation shall be set forth for carrying out their purpose, and on a supplementary basis, insofar as they are not incompatible with their nature, such committees shall be governed by the provisions relating to the operation of the Board of Directors.

## **CHAPTER VII. OPERATION OF THE BOARD OF DIRECTORS**

### **Article 25. Meetings of the Board of Directors**

1. The Board of Directors shall meet with the necessary or advisable frequency for the proper functioning of the Company, and at least eight times a year.
2. The Board of Directors shall draw up an annual calendar for ordinary meetings.
3. The directors must attend the meetings that are held. However, directors may cast their vote in writing or delegate in writing their representation to another director, specifically for each meeting, and the number of representations that each director can receive is not limited. Non-executive directors may only delegate representation to another Non-executive director.
4. Meetings will be held at the place and time indicated in the call to convene in accordance with the law and the Corporate Governance Rules. If so decided by the chairman of the Board of Directors (or the person calling the meeting under Article 26), a meeting may be called to be held at several connected places or on-line by using remote communication systems that permit the recognition and identification of the attendees, permanent communication among them and participation in discussion and the casting of votes, all in real time. The secretary of the Board of Directors shall record in the minutes of the meetings the manner in which the meetings are held, as well as the directors who attend physically or, as the case may be, represented by another director, and those who attend the meeting by means of a telephone conference call, videoconference or similar remote communication system.

The resolutions shall be understood as adopted at the venue considered as the main location in the call to convene; otherwise it shall be considered to be the place where the Chairman or the individual who exercises his/her duties is present.

5. The Board of Directors and its committees can meet in writing and without a meeting, and by any other means set forth by law or the Corporate Governance Rules. Voting in writing and with no meeting will only be accepted when no director objects to this procedure.
6. The Chairman will draw up the agenda of the meeting. The directors may request that the Chairman include certain matters on the agenda, and the Chairman will be required to do so when the request has been provided with at least four business days' notice prior to the date set for the meeting, and if the request includes the documentation of the matter to be addressed.

7. The Chairman of the Board of Directors may invite to meetings all those individuals who may contribute to improving the information of the directors.
8. The Board of Directors shall evaluate at least once a year: (a) the quality and effectiveness of its operation; (b) the performance of duties of the Chairman of the Board of Directors, and if applicable, of the CEO and Coordinating director, based on the report submitted to the Appointments and Remunerations Committee; and (c) the operation of the committees based on the reports they submit to the Board of Directors.

### **Article 26. Convening the Board of Directors**

1. The Board of Directors shall be convened by its Chairman, of his/her own initiative, by the Coordinating director, or by at least one third of the members of the Board of Directors. In the latter case the Chairman must include the matters they request in the agenda.
2. If upon request to the Chairman, he/she does not convene it in the period of one month without a justified reason,, the following individuals may convene it at the registered office and indicating the agenda: (a) the Coordinating director; and (b) the directors which represent one third of the members of the Board of Directors.
3. The call to convene of ordinary meetings will be carried out in any written form to ensure correct reception, and will be authorized with the signature of the Chairman or the Secretary by order of the Chairman.

The call to convene shall be at least six business days in advance, will always include the meeting agenda and best efforts will be made so that the relevant information for the meeting is accompanied with the aforementioned advance of six business days. Exceptionally, information may be provided with a minimum period of at least three business days, the Board of Directors not being able to make a decision if such information has not been made available to the directors with the aforementioned advance notice The directors may exceptionally adopt a decision even if the information was not made available within the aforementioned period if they consider it beneficial and no director opposes it.

4. Extraordinary Board of Director meetings may be convened by telephone, and the notification period and other requirements noted above shall not apply when, in the opinion of the Chairman, the circumstances so justify and the convening of the meeting is confirmed through any of the means noted in this section as soon as possible.
5. Directors must provide the Company with an email address, so that meetings can be convened via this means of communication, and the relevant information provided.
6. Notwithstanding the aforementioned, the Board of Directors shall be validly constituted when, without any need for convening, all of the directors are present or represented, and they unanimously agree to hold the meeting and agree on the items of the agenda.

### **Article 27. Conduct of the meetings**

1. The Chairman will organize and stimulate the discussion, ensuring and encouraging the participation of all the directors in the deliberations of the Board of Directors safeguarding their right to freely make decisions and state their opinions.
2. The Chairman may also, when justified by the circumstances, adopt the required measures to guarantee the confidentiality of the deliberations, the supporting documentation and the resolutions adopted during the course of the meetings.
3. The deliberations and resolutions of the Board of Directors shall be recorded in a minutes book, which will be signed by the Secretary, with the approval of the person acting as Chairman of the meeting, and will be approved by the Board of Directors either at the end of the meeting or at the next meeting.

### **Article 28. Constitution and majority for adopting resolutions**

1. The attendance of the majority of the directors, present and represented at the meeting, will be required for the valid constitution and the adoption of resolutions of the Board of Directors. Any absences occurring once the Board of Directors has been constituted shall not affect the validity of that meeting.
2. The resolutions shall be adopted by absolute majority of the present and represented votes at the meeting, unless the law or the Corporate Governance Rules establish greater majorities. In the event of a tie, (meaning, when the sum of votes in favor is equal to the sum of any other vote casted, including voluntary abstentions) the Chairman of the Board of Directors will have the casting vote.
3. The number of directors who are prevented from voting by the law in any given resolution shall reduce the number of votes needed to pass a resolution.

## **CHAPTER VIII. REMUNERATION OF THE BOARD OF DIRECTORS**

### **Article 29. Remuneration of the Board of Directors**

1. The position of director will be a paid position.
2. The Board of Directors shall ensure that the remuneration of its directors is consistent to what is paid in the market, ensuring that the amount of the remuneration of Non-executive directors is appropriate and encourages their dedication, without compromising their independence.
3. The remuneration of directors as such will include the following items of remuneration:

- a) a fixed and determined annual salary; including, where applicable, contributions to welfare systems for pensions or life insurance premium payments and capitalization; and
  - b) attendance fees, whether for meetings of the Board of Directors or meetings of the committees of which the director is a member.
- 4.** The maximum amount of remuneration that the Company will allocate for expenses to all of its directors for the items referred to in the previous section, will be the amount determined by the General Meeting of Shareholders and shall remain in force as long the meeting does not agree to change it. The exact amount to pay for each period within this limit and the distribution among the various directors will be determined by the Board of Directors.
- 5.** Remuneration does not have to be the same for all the directors. The Board of Directors shall determine remuneration allocated to each Director on the basis of, among others, the following criteria:
- a) the positions held by the director on the Board of Directors;
  - b) the involvement of the director in delegated bodies of the Board of Directors; and
  - c) the duties and responsibilities conferred to each director, as well as his/her dedication to the Company.
- 6.** In addition, and regardless of the remuneration mentioned in the previous sections, remuneration systems referenced to the price of shares or which involve the distribution of shares or rights to purchase shares for directors can be established. The General Meeting of Shareholders must agree on the application of these remuneration systems, establishing the price of the shares taken as a reference, the maximum number of shares to be distributed to directors, the price or system for calculating the price for exercising the rights to purchase shares, the duration of this remuneration system and other relevant conditions as it deems appropriate. Likewise, and subject to compliance with legal requirements, similar remuneration systems may also be established for personnel, whether they are executives or not, of the Company and its Group
- 7.** The aforementioned remuneration is compatible and independent of wages, remuneration, severance pay, pensions, welfare contributions, life insurance, allocation of shares or rights to purchase shares or any other type of compensation established in general or specifically for members of the Board of Directors who perform executive duties, regardless of whether their relation with the Company is labor (standard or special Top Management), commercial or service rendering in nature, relations that are compatible with the position of member of the Board of Directors, approved by the Board of Directors as set out in section 8 below, following the report of the Appointments and Remunerations Committee, within the framework of the director's remuneration policy approved by the General Meeting of Shareholders as set out in section 8 below.

8. Remuneration and other conditions of the executive directors for the performance of management duties will be established in the agreement entered into for such purpose, between them and the Company. Such agreement shall be in accordance with the director's remuneration policy approved by the General Meeting of Shareholders . The formalization of agreement drawn up under these terms must be approved by the Board of Directors with a vote in favor of at least two-thirds of its members.
9. The director remuneration policy drawn up by the Board of Directors shall include all fixed items, variable remuneration items (indicating their essential parameters and hypothetical or target parameters taken as a reference, along with evaluation criteria), the main features of the benefits systems and the main conditions that the contracts of Executive directors must fulfill.

Any remuneration received by directors for discharging their duties or for termination of their position, or for performing executive functions, except that expressly approved by the General Meeting of Shareholders, must be consistent with the remuneration policy in force at any given time.

10. The Board of Directors, acting on a report of the Appointments and Remunerations Committee, can apply temporary exceptions to the directors' remuneration policy, provided that the exception is necessary to serve the long-term interests and sustainability of the Company as a whole or to ensure its viability. In this case, the policy will have to establish the procedure to be used and the conditions and components of the policy affected by the exception.
11. The Company can take out a public liability insurance policy for its directors
12. The remuneration of the Board of Directors will be broken down in the report, as an integral part of the financial statements.

## **CHAPTER IX. DUTIES AND POWERS OF THE DIRECTOR**

### **Article 30. General duties of directors**

1. While performing his/her duties, the director shall work with the diligence of an organized businessperson and with the loyalty of a faithful representative, and must fulfill the duties imposed by law or the Corporate Governance Rules, acting in good faith and in the best interest of the Company, and shall in all cases, to subordinate their own personal interest to the interests of the Company.
2. In addition to compliance with the obligations arising from the duty of loyalty and to avoid conflicts of interest and any other prescribed by law or the Corporate Governance Rules, the directors are required to:

- a) inform themselves and prepare themselves diligently for the meetings of the Board of Directors and the committees of which they are members;
  - b) attend meetings and actively participate in the deliberations;
  - c) diligently perform any specific task assigned by the Board of Directors; and
  - d) request the convening of the Board of Directors or the inclusion of any new items on the agenda of the convened Board of Directors meeting deemed beneficial to the corporate interest.
3. The above obligations, as well as any others provided by law and the Corporate Governance Rules, shall be applicable to the Secretary and Vice Secretary of the Board of Directors, insofar as they are compatible with the nature of their position and their duties.

### **Article 31. Conflicts of interest**

1. Conflict of interest will be understood as any situation in which a director or person related to him/her has a personal interest that is in conflict, directly or indirectly, with the interests of the Company or another company of the Group, in general, any situation as defined by law.

It is understood that personal interest of the director exists when the matter affects him/her or any party related to him/her, and in the case of a Proprietary Director, to the shareholder(s) who proposed or nominated him/her or any persons related to him/her.

In particular, a conflict of interest is the performance of the position of director or other positions in companies whose corporate purpose is wholly or partially identical or similar to that of the Company or of the companies of the Group. The following positions are excluded, which may be performed: (a) in companies of the Group; or (b) in companies in which one acts in representation of the interests of the Group.

2. Persons shall be considered related to a director as specified by law.
3. The director or related persons shall take the necessary measures to avoid incurring in situations of conflicts of interest, particularly refraining from undertaking the conducts stipulated in current legislation.
4. Any director who finds himself/herself in a situation of conflict of interest or who notices the possibility thereof, shall notify it to the Board of Directors, by means of the Chairman, and shall abstain from attending and participating in the deliberations, voting, decision-making and execution of operations and matters affected by the conflict. The votes of directors affected by the conflict and who must abstain will not be taken into account for calculating the required majority of votes to adopt a resolution. However, in intra-group related party transactions, directors who represent or are related to the parent company shall not be

required to abstain, although in such cases, if their vote has been decisive for the adoption of the resolution, the rule of reversal of the burden of proof shall apply on terms similar to those specified in Section 190.3 of the Corporate Enterprises Act.

5. In unique cases, the Board of Directors or the General Meeting of Shareholders, as appropriate and in accordance with the terms provided by law, may waive the prohibitions arising from the duty to avoid conflicts of interest.
6. The waiver shall be preceded by the corresponding report of (a) the Audit, Compliance and Related Party Transactions Committee regarding the operation subject to a possible conflict of interest, in which it will propose the adoption of a related specific resolution, or (b) the Appointments and Remunerations Committee regarding the waiver of fulfillment of contract duties.
7. The Chairman of the Board of Directors must include the transaction and the conflict of interest in question on the agenda of the next corresponding meeting of the Board of Directors so that it may adopt a resolution as soon as possible regarding the issue, on the basis of the report drawn up by the corresponding Committee, deciding to approve or not the transaction, or the alternative that may have been proposed, as well as the specific measures to be adopted.
8. In all cases, any situations of conflict of interest in which directors or their related persons are involved will be included in the Annual Corporate Governance Report.
9. The Company report will include information about any operations carried out by directors or their related persons that have been authorized by the Board of Directors, as well as any other existing conflict of interest pursuant to the provisions of current legislation during the financial year of the financial statements.

### **Article 32. Non-public information**

1. The use by a director of non-public information of the Company with private purposes will only be allowed if the following conditions are met:
  - a) that such information is not used in connection with purchase or sale transactions of securities or financial instruments, to whose issuer the information is provided, directly or indirectly;
  - b) that it does not create an advantage for the director, with respect to third parties, including suppliers and clients;
  - c) that its use does not cause any damages to the Company; and
  - d) that the Company does not have exclusivity rights or a legal position with a similar meaning on the information to be used.

2. The director, without prejudice to the provisions of this article and the obligation of confidentiality arising from the duty of loyalty established by law, must observe the code of conduct established by law and the Corporate Governance Rules.

**Article 33. Transactions of the Company with directors and shareholders (related party transactions)**

1. For purposes of the approval regime established in this article, related party transactions shall be deemed to be those transactions by the Company or its subsidiaries with directors, shareholders holding 10% or more of the Company's voting rights or who are represented on the Company's Board of Directors, or with any other persons who should be considered related parties according to the International Accounting Standards adopted pursuant to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.

However, for purposes of the preceding paragraph, the following shall not be considered related party transactions: (i) transactions between the Company and its direct or indirect wholly-owned subsidiaries; (ii) transactions by the Company with its subsidiaries or companies in which it holds an interest, provided that no party related to the Company has interests in said subsidiaries or companies in which the Company holds an interest; (iii) approval by the Board of the terms and conditions of contracts to be entered into between the Company and any director who is to perform executive duties, including the CEO, or Top Managers, as well as the determination by the Board of the amounts or specific remuneration to be paid under said contracts, without prejudice to the duty of the affected director to abstain as specified in Section 249.3 of the Corporate Enterprises Act.

2. The Board of Directors shall have the power, which power may not be delegated, to approve related party transactions in an amount or value of less than 10% of the total asset entries according to the last annual balance sheet approved by the Company (except as specified in article 33.4). The affected director or the director representing or related to the affected shareholder must abstain from participating in the deliberation and vote on the corresponding resolution pursuant to Section 228.c) of the Corporate Enterprises Act. However, directors who represent or are related to the parent company on the Board of Directors of Siemens Gamesa shall not be required to abstain, although in such cases, if their vote has been decisive for the adoption of the resolution, the rule of reversal of the burden of proof shall apply on terms similar to those specified in Section 190.3 of the Corporate Enterprises Act.
3. The Board of Directors, with the support of the Audit, Compliance and Related Party Transactions Committee, shall ensure that related party transactions are carried out in accordance with the corporate interest and on arms'-length terms. The Board of Directors, with the previous favorable report of the Audit, Compliance and Related Party Transactions Committee, will approve the Related Party Transactions' Policy which will develop the regime applicable to such transactions based on the abovementioned criteria. In order to ensure full transparency on the treatment of related party transactions, the Policy shall be always at the

disposal of shareholders and markets in general through the corporate website of the Company.

4. Notwithstanding the provisions of article 33.2, the Board of Directors may delegate to the CEO the power to approve related party transactions between companies forming part of a same group of companies that are carried out within the ordinary course of business (which shall include transactions arising out of the implementation of a framework agreement or contract) and on arm's-length terms; and related party transactions that are conducted under contracts whose terms and conditions are standardised and apply on an across-the-board basis to a large number of customers, are conducted at prices or rates established on a general basis by the party acting as supplier of the goods or services in question, and whose amount does not exceed 0.5 per cent of the Company's net turnover.
5. The shareholders acting at a General Meeting of Shareholders shall have the power to approve related party transactions in an amount equal to or higher than 10% of the total asset entries according to the last annual balance sheet approved by the Company.

#### **Article 34. Information powers arising from the duty of care**

1. Unless the Board of Directors was constituted or exceptionally convened for urgent matters, the directors must have, sufficiently in advance, the information required in for deliberating and adopting resolutions on the items to address.
2. Each director is granted the broadest powers to obtain information on any aspect of the Company; to the extent needed for the adequate performance of his/her duties as such; any director can study the books, records, documents and other information on corporate operations of the Company and to the extent permitted by applicable law, of the Group, and shall have access to all of its facilities and the ability to communicate with the Group's executives.
3. The exercise of the information powers will be channeled through the Chairman, or as applicable through the CEO or the Secretary of the Board of Directors who will act on behalf of the Chairman in accordance with the provisions in the Corporate Governance Rules of the Company.

#### **Article 35. Information duties of the director**

1. The director must notify the Company of any situation that constitutes or may constitute a conflict of interest in accordance with the law or the Corporate Governance Rules.
2. Directors must also inform the Company regarding:
  - a) the share he/she has in the capital of a company with the same or similar corporate purpose of Siemens Gamesa or the companies of its Group.

- b) all the positions he/she may hold and the activities they carry out in other companies, as well as any other paid activities and professional obligations. Particularly, before accepting any position of director or manager in another listed company (except for positions that he/she is called to perform in companies that belong to the Group or in other companies in which he/she acts in representation of the interests of Siemens Gamesa), the director must inform the Audit, Compliance and Related Party Transactions Committee.
- c) any significant change in his/her professional situation that could affect the nature or condition by virtue of which he/she was appointed director.
- d) any legal, administrative or any other type of proceedings that are filed against the director, and which, due to their significance or characteristics, may negatively affect the reputation of the Company. Particularly, directors must promptly inform the Company, through the Chairman, if he/she is accused in any criminal proceeding and of the occurrence of any significant procedural steps in such proceedings.

In this case, the Board of Directors, following the report by the Appointments and Remunerations Committee, will examine the case as soon as possible, and take the measures it considers the most appropriate regarding the interests of the Company, such as opening an internal investigation, requesting the resignation of the director or proposing the removal thereof.

The Company shall report the adoption of said measures in the Annual Corporate Governance Report, unless there are special circumstances that justify not doing so, which must be recorded in the minutes of the Board.

- e) the existence of any operations with the Company, carried out by people with whom he/she lives, or by companies in which he/she performs an executive position, or by companies in which he/she holds a controlling stake.
- f) in general, any act or situation that may have a relevant impact on his/her actions as a director of Siemens Gamesa.

### **Article 36. Expert assistance**

1. The Board of Directors may request the aid of legal, accounting and financial experts, as well as the other external experts at the Company's expense, when it is deemed necessary or beneficial for the performance of its competencies.
2. Non-executive directors, in order to be aided in the performance of their duties, may also request contracting external experts at the Company's expense.
3. The contracting request must be drawn up by the Chairman.

**Article 37. Subjective extension of the obligations of the directors and shareholders that own a significant stake**

The obligations of the directors of the Company and of the shareholders that own a significant stake which are referred to in this Chapter will be understood as applicable, analogically, regarding their possible relations with companies of the Group.

**CHAPTER X. RELATIONS OF THE BOARD OF DIRECTORS**

**Article 38. Relations with the Company and sustainability.**

1. The Board of Directors, aware of the responsibilities corresponding to Siemens Gamesa with respect to the Company as a whole, is committed to ensuring that its activity is carried out in accordance with a set of values, principles, criteria and attitudes aimed at achieving the sustained creation of value for its stakeholders and for the entire society.
2. In order to do so, it will make sure that the Company's business activity is always carried out in compliance with prevailing law, in good faith and the best commercial practices. It will promote the implementation and development of ethical principles based on integrity, transparency and commitment to the community, principles that will serve as the foundation for Siemens Gamesa's corporate culture, and subsequently as the basis for action in the business environment of all the people who make up the Company.
3. In order to highlight the activities undertaken by Siemens Gamesa in this area, the Board of Directors shall issue a Consolidated Non-Financial Statement after consulting with reports from the Audit, Compliance and Related Party Transactions Committee and the Appointments and Remunerations Committee, in the scope of their corresponding competencies.

**Article 39. Relations with shareholders**

1. The Board of Directors shall provide the appropriate channels through which the shareholders may be informed of the proposals put forth by shareholders in relation to Company.
2. The Board of Directors shall promote the informed participation of the shareholders in the General Meetings of Shareholders and will adopt the measures it sees fit in order to ensure that the General Meeting of Shareholders can effectively exercise its duties, which are provided by law and Corporate Governance Rules.
3. The Board of Directors shall also establish appropriate mechanisms for the ongoing exchange of information with shareholders with significant stakes.

These mechanisms should take into account future possible conflicts of interest and in no case should result in those shareholders receiving any information that could provide them with a privileged situation or advantage over other shareholders.

#### **Article 40. Relations with markets**

1. The Board of Directors shall provide the markets with specific and true information, in the terms required by law, especially regarding the facts listed below:
  - a) the inside information and the other relevant information in accordance with applicable law;
  - b) any changes in the structure of Company assets, such as changes in significant shareholdings - direct or indirect - associative arrangements or other types of partnerships of which it is aware;
  - c) any substantial modifications in the Corporate Governance Rules of the Company;
  - d) the treasury stock policies that the Company proposes to carry out under the authority granted by the General Meeting of Shareholders;
  - e) any changes in the composition, organizational or operative regulations of the Board of Directors and its committees, or in the functions and positions of each director, as well as any other relevant change in the system of Corporate Governance; and
  - f) changing the auditor.
2. The Board of Directors shall ensure that the half-yearly and quarterly financial reports, as well as that information which it deems prudent to release to the markets, is prepared according to the same principles, criteria and professional practices as are applied to the financial statements, and with the same level of reliability.
3. The Board of Directors shall include information in its annual public documents concerning the Company's Corporate Governance Rules, the level of compliance with these good Corporate Governance Rules, along with any other information that may be required by law.

#### **Article 41. Relations with auditors**

1. The Board of Directors shall establish an objective, professional and ongoing relation with the Company's auditor, showing full respect for their independence.
2. The relations of the Board of Directors with the auditors of the Company will normally be channeled through the Audit, Compliance and Related Party Transactions Committee.
3. The Board of Directors shall provide public information regarding the overall fees the Company has paid to the auditing firm, for both auditing services and other services, and it will also provide all other legally required information.