

# Corporate Bye-Laws

Atresmedia Corporación de  
Medios de Comunicación, S.A.

**ATRESMEDIA**





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## CHAPTER I.- NAME, OBJECT, TERM AND REGISTERED OFFICE

### Article 1.- Name

The corporate name of the company is ATRESMEDIA CORPORACIÓN DE MEDIOS DE COMUNICACIÓN, S.A. (hereinafter, "**ATRESMEDIA CORPORACIÓN**" or the "**Company**"). The Company will be governed by these Bye-laws and, as far as those issues not covered by them are concerned, it will be governed by the Corporations Act and other applicable legal provisions.

### Article 2.- Corporate Object

1. The object of the Company is:
  - a) The rendering of all kinds of audiovisual communications services, in accordance with the provisions of the licence granted to the Company.
  - b) The exploitation of any kind of audiovisual communications services, irrespective of the broadcasting method.
  - c) The exploitation of any kind of printed media.
  - d) The exploitation of any kind of electronic media and any related and interactive services through any kind of computer means.
  - e) The production, purchase, sale, rental, publishing, reproduction, import, export, distribution, exhibition and financing of all kind of audiovisual works, irrespective of the technical media used, susceptible of being broadcast through cinematic, TV, video or any other audiovisual media.
  - f) The organization, production and broadcast of shows or news, sports, musical, cultural or any other events as well as the acquisition and marketing of any kind of rights related to such events.
  - g) The performance of activities and the rendering of services, surveys, analyses, promotion, programming, data processing and reports through any means related to any communications activities including, in any case, those related to any kind of television services.
  - h) The preparation of any kind of surveys, reports or analyses related to communications companies, media and systems, especially television, video, cinematic and multimedia companies, media and systems.
  - i) The intermediation in any kind of intellectual or industrial property rights markets as well as any activities directly or indirectly related to advertising, marketing, merchandising and any other commercial activities.
  - j) The preparation and execution of advertising projects and any tasks related to the contracting, mediation and broadcasting of any kind of advertising messages.
  - k) The promotion and remote sale of any product or service in any medium, either through clubs, mail, telephone, television or any other IT or audiovisual means.
  - l) The acquisition and exploitation, either by itself or through third parties, of any kind of equipment, devices, items, technical facilities and



procedures related to the above activities, including the licence of patents and technological assistance.

- m) Any other services related to audiovisual communications which are not legally subject to any special requirements that are not met by the Company.
2. The activities listed above can be directly developed by the company, either wholly or partially, or indirectly through shareholdings in other companies with a similar object.

### **Article 3.- Term**

The company is incorporated for an indefinite period of time. The company started its activities on the date of its registration with the Mercantile Registry.

### **Article 4.- Registered Office**

1. The company has its registered office at Avenida de la Isla Graciosa nº 13, 28703, San Sebastián de los Reyes, Madrid.
2. The change of the registered office within the same municipality, as well as the opening, closing or change of address of branches, agencies or representative offices, either in Spain or abroad, deemed necessary or convenient for the activities of the company will be the responsibility of the Board of Directors.

## **CHAPTER II. CAPITAL STOCK AND SHARES**

### **Article 5.- Capital stock**

1. The capital stock amounts to EURO ONE HUNDRED AND SIXTY NINE MILLION TWO HUNDRED AND NINETY NINE THOUSAND AND SIX HUNDRED (EURO 169,299,600), represented by 225,732,800 shares, correlatively numbered from 1 to 225,732,800, both inclusive, with a face value of EURO SEVENTY FIVE CENTS (0.75) each, accruable and indivisible, of a single class and with the same rights.
2. The shares consist of registered shares, and they have been fully subscribed and paid up. The shares are represented by book entries.

### **Article 6.- Representation of Shares and Registry and Information of Shareholders**

1. The shares will be represented by book entries, and their accounting records will be in charge of the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores (and the Company or Companies that, according to the legislation in force, are entrusted with such role), and will be governed by the regulations of the securities market and other legal provisions in force.
2. The Company, from time to time, may request to the company in charge of the accounting records of the shares any information deemed necessary for the identification of shareholders, including their addresses and contact information available, and will acknowledge as a shareholder any individual duly legitimated in the entries of such accounting records.



This same right will be also enjoyed by any associations of shareholders incorporated within the Company, and which represent at least one (1%) percent of the capital stock, as well as those shareholders who, either individually or jointly with others, have a shareholding of at least three (3%) per cent of the capital stock, exclusively for the purpose of facilitating the communications with shareholders, so that they may exercise their rights and defend their common interests.

3. In turn, the Company, through a resolution of the Board of Directors may establish a Registry of Shareholders to communicate with them.

#### **Article 7.- Shareholders' Rights**

The shares bestow on their legitimate holder the status of shareholder which implies for this latter the full compliance with the provisions of these Bye-laws and the Internal Regulations approved to develop such Bye-Laws, and of any resolutions validly adopted by the governing bodies of the Company. Furthermore, shareholders may exercise any rights inherent to such status, in accordance with these Bye-laws, the Internal Regulations and the legislation in force.

According to the law, and subject to the relevant legal exceptions, a shareholder will have at least the following rights:

1. To participate in the distribution of the corporate profits and in the relevant net worth after the winding-up.
2. The preferential subscription rights in the issue of new shares or debentures convertible into shares.
3. To attend and vote at the Shareholders' General Meeting, in accordance with the provisions of these Bye-laws and the Regulations of the General Meeting, and to contest the corporate resolutions.
4. To be kept informed about the status and the situation of the Company.
5. The Company will be entitled to issue shares with no voting rights attached, under the terms and conditions, and subject to the limits and requirements established by the applicable legislation.

#### **Article 8.- Transfer of Shares**

The shares and their inherent rights may be transferred through any legal means. The transfer of shares will always be subject to the terms and conditions set out by the applicable legislation in force.

#### **Article 9.- Co-ownership of shares**

The shares are indivisible. The co-holders of a share will be jointly and severally responsible vis-à-vis the Company for any liabilities derived from their condition as shareholders and will appoint one single person to exercise, in their name, the rights inherent to their condition as shareholder. The same rule will be applicable to the co-ownership of rights on the shares.

#### **Article 10.- Usufruct of shares**

In the case of usufruct of shares, the remainder person will be considered the shareholder. However, the beneficial owner will be always entitled to receive any dividend distributed by the Company during the usufruct period. The remainder



person will be entitled to exercise the remaining shareholder's rights, and the beneficial owner will be obliged to facilitate the exercise of such rights to the remainder person. The relationships between the beneficial owner and the remainder person will be governed by the document which states the usufruct and, in the absence of such document, by the Provisions of the Law on Capital Companies and, otherwise, by the applicable civil legislation.

#### **Article 11.- Pledge and seizure of shares**

In case that the shares are pledged or seized, the owner of the shares will exercise the rights of the shareholder and the secured creditor will be obliged to facilitate the full exercise of such rights.

#### **Article 12.- Payments pending on shares**

When there are partly paid up shares, the shareholder will have to pay them in full when so determined by the Board of Directors, within a maximum term of five (5) years from the date of approval of the Capital Increase resolution.

#### **Article 13.- Shares without voting rights and redeemable shares**

1. The Company may issue shares without voting rights, for a nominal amount not exceeding fifty percent of paid-up capital stock. The holders of non-voting shares will be entitled to those rights established in the issue resolution, in accordance with the provisions established by the applicable legislation.
2. The Company, according to the legislation in force, may issue redeemable shares for a nominal amount not exceeding twenty five percent (25%) of the capital stock. Redeemable shares will bestow their holders those rights established in the issue resolution, in accordance with the provisions established by the applicable legislation.

#### **Article 14.- Capital Increase**

1. The Capital Stock of the Company may be increased through a resolution of the General Meeting, either through the issue of new shares or through an increase in the nominal value of the existing shares and, in both cases, the counter value may be obtained through new monetary or non-monetary contributions to the corporate net worth or charged to profits or reserves already existing in the last approved balance sheet. Furthermore, the capital increase may also be carried out partly through new contributions and partly charged to profits or reserves.
2. If the capital increase is not fully subscribed within the term established to that effect, the capital stock will be increased by the amount actually subscribed, provided that such possibility had been expressly foreseen in the relevant resolution.
3. The General Meeting, subject to the requisites established for the amendment of the Bye-Laws, may delegate to the Board of Directors the power to agree, in one or several occasions, and during a maximum term of five years, the increase of Capital Stock, up to a specific threshold, at the time and for the amount decided by the Board, without the need to previously consult it to the General Meeting, and subject to the limitations established by the legislation in force. Such delegation of powers may also include the faculty to exclude any preferential subscription right.



4. The General Meeting may also delegate to the Board of Directors the power to establish the dates on which the capital increase resolution must be executed for the amount agreed, and to lay down the conditions of such resolution, as far as they have not been laid down in the resolution adopted by the Shareholders' General Meeting.
5. The Shareholders' General Meeting or, if appropriate, the Board of Directors, may fully or partially exclude the preferential subscription right in honour of the corporate interests, in those cases and subject to the conditions established by the applicable legislation. Specifically, corporate interests may not justify the cancellation of the preferential subscription right when it is necessary to facilitate (i) the underwriting of the new shares in foreign markets that allow to access sources of funding; (ii) the raising of funds through the employment of underwriting techniques based on demand surveys and intended to maximize the issue price of the shares; (iii) the incorporation of technological or financial shareholders; (iv) the implementation of Loyalty and Remuneration Schemes for Directors, Managers or Employees and (v) in general terms, to carry out any transactions deemed convenient for the Company.

#### **Article 15.- Capital Decrease**

1. The Capital Stock may be decreased through a reduction in the nominal value of the shares, through the redemption of the shares or through their grouping for exchange purposes and, in all cases, the intended purpose of any capital decrease may be the return of their contribution to the shareholders, the cancellation of the obligation to pay the contributions outstanding, the establishment or increase of the reserves or the re-establishment of the balance between the capital stock and the company's net worth, reduced as a result of losses.
2. The Shareholders' General Meeting may agree, in accordance with the provisions of Article 329 of the Corporations Act, to decrease the Capital Stock in order to redeem the shares held by a group of shareholders, provided that such group has been defined on the basis of substantive, homogeneous and non-discriminatory criteria. In such a case, it will be necessary that this measure is approved by a majority of the shareholders involved and by a majority of the rest of shareholders who remain as shareholders of the Company. The amount to be paid by the Company may not be lower than the value of the shares, as determined by an auditor who is not the Company's Auditor, appointed to that effect by the Commercial Registry in accordance with the provisions of Article 353 of the Corporations Act.

#### **Article 16.- Issue of debentures and other securities**

1. The Shareholders' General Meeting will be entitled to issue simple or convertible debentures and/or exchangeable debentures, as well as other negotiable securities that represent the acknowledgement of a debt, according to the regulations in force. However, the Shareholders' General Meeting, in accordance with the provisions of the legislation in force, may delegate such power to the Board of Directors and, if appropriate, the power to exclude the preferential subscription right. The Board of Directors may use such delegation of powers in one or more occasions, during a maximum term of five years. The Shareholders' General Meeting may also authorise the Board





to determine the date of the issue and to establish any other terms and conditions not included in the resolution adopted by the Shareholders' General Meeting.

2. Convertible and/or exchangeable debentures may be issued at a fixed (determined or determinable) or variable conversion or exchange ratio. The issue resolution will determine whether the right to execute the conversion or exchange corresponds to the debenture holder or to the Company or, if appropriate, whether such conversion or exchange will occur at a certain time, as well as the remaining terms and conditions of the issue.
3. The Company may issue promissory notes, warrants, preference shares or any other securities different from those foreseen in the previous paragraphs, subject to the requirements of the applicable regulations. The Shareholders' General Meeting may delegate to the governing body the power to issue such securities. Furthermore, the Shareholders' General Meeting may also authorise the Board of Directors to determine the date of the issue and to establish any other terms and conditions that are not included in the resolution adopted by the Shareholders' General Meeting.

## **CHAPTER III.- BODIES OF THE COMPANY**

### **Article 17.- Bodies of the company**

1. The Company will be governed and administered by the corporate bodies set out in this chapter, and they will have the faculties and powers granted by the Law and these Bye-laws, the Shareholders' General Meeting Regulations and the Board of Directors' Regulations, and their exercise will be subject to the regulations and procedures established by the applicable regulations.
2. For the purposes of this chapter, the Corporate Bodies will comprise the Shareholders' General Meeting and the Board of Directors, without prejudice to the faculty enjoyed by this latter to delegate its powers to a Management Committee and/or one or several Managing Directors, and to create other internal committees.

### **First Section.- THE SHAREHOLDERS' GENERAL MEETING**

#### **Article 18.- General Meeting**

1. The shareholders present at a duly summoned General Meeting will decide by majority of votes, on all issues that are the competence of the Meeting. All shareholders, even dissident shareholders and those shareholders who are not present at the meeting, will be bound by the resolutions of the General Meeting, with the exception of the separation and objection rights set out by the law.
2. The General Meeting will be governed by the Legislation in Force and the provisions of these Bye-Laws. These regulations will be developed and completed with the Shareholders' General Meeting Regulations that will detail, among other aspects, the system followed to convene the Meeting and all issues related to its preparation, information, attendance and development, as well as the exercise at the Meeting of the political rights of shareholders. Any amendments to the Shareholders' General Meeting Regulations must be approved by the Meeting.



3. The Company will guarantee at all times an equal treatment to all those shareholders that are subject to identical conditions, especially in the context of information, participation and the exercise of the voting rights at the meeting.

#### **Article 19.- Faculties of the General Meeting**

The General Meeting will decide on all issues of its competence in accordance with the provisions of the Law and these Bye-laws, especially in the following cases:

- a) The appointment and dismissal of the Directors, Liquidators and Auditors, and the exercise of any action for corporate liability against any of them.
- b) The approval of the corporate management, the accounts for the previous year and the allocation of the results.
- c) The increase and decrease of the capital stock.
- d) The issue of debentures and other securities.
- e) The amendment of the Corporate Bye-laws.
- f) The restructuring, merger, split-off, global assignment of assets and liabilities of the Company and the transfer of the Registered Office abroad.
- g) The transformation of the Company into a holding through "subsidiarisation", i.e. reallocating to subsidiaries core activities that were previously carried out by the originating firm, even though the latter retains full control of the former.
- h) Any purchase or disposal of essential assets, or their assignment to another company. Essential assets will be understood as those whose amount exceeds twenty five (25%) percent of the value of the assets included in the last balance sheet approved.
- i) Transactions that effectively add up to the company's winding up.
- j) The winding up of the Company.
- k) The suppression or limitation of the preferential subscription right for new shares.
- l) The approval of the final winding-up balance sheet.
- m) The approval and the amendment of the Shareholders' General Meeting Regulations.
- n) The assignment to subsidiaries of essential activities that were developed by the originating Company up to that time, even though this latter still controls the former ones. Essential operating assets and activities will be understood as those whose turnover exceeds twenty five percent (25%) of the value of the assets included in the balance sheet.
- o) The remuneration policy applied to the Directors.
- p) Any other issue that the Board of Directors decides to submit to its consideration and decision.

#### **Article 20.- Types of General Meetings**

1. General Meetings may be ordinary or extraordinary and will be convened by the Board of Directors or, if appropriate, by the liquidators of the Company.



2. The Ordinary Meeting must be convened within the first six months of each year to approve, if appropriate, the corporate management and the accounts for the previous year, and to decide on the allocation of the results as well as on any other item included in the Agenda.
3. Any meeting different from the Ordinary Annual Meeting will be considered an Extraordinary Meeting.

#### **Article 21.- Summons**

1. General Meetings will be summoned by the Board of Directors or, if appropriate, by the Receivers of the Company, through an advert inserted in the Official Gazette of the Commercial Registry (BORME) or in one of the major Spanish daily newspapers, on the website of the CNMV and on the Company's website, at least one month before the date fixed for the holding of the meeting, or the term set out by the Law or the Bye-laws for special circumstances.
2. The advert will include the name of the Company, the place and the date on which the meeting has been convened in first call, the Agenda, including all those items that will be dealt with, the office held by the person or persons that have convened the meeting and any other mentions or information that must be legally notified by listed companies.
3. The date fixed for the second call can also be included in the advert, if appropriate, and such date will be at least twenty four (24) hours after the date scheduled for the first call.

If a General Meeting, irrespective of its type, which had been duly convened, could not be held in first call, and the announcement does not include a scheduled date for the second call, the holding of the meeting in second call will be announced, including the same Agenda and subject to the same publicity requirements as the first call, within a term of fifteen (15) days from the date of the Meeting not held and at least ten (10) days before the scheduled date of the meeting.

4. Only those issues included in the Agenda will be discussed by the General Meetings, with the exception of those that are legally permitted.
5. Shareholders who represent at least three percent (3%) of the capital stock may request to publish a complement of the summons of the Shareholders' General Meeting, including one or more points in the Agenda, provided that such new points include a justification or, if appropriate, a grounded resolution proposal. This right, which cannot be exercised in connection with Extraordinary Meetings, should be exercised through an official notice that must be received at the official address within a term of five (5) days from the publication of the summons.

The complement of the summons must be published at least fifteen (15) days before the date fixed for the holding of the Meeting. It shall also be uninterruptedly published on the Corporate Website, in accordance with the provisions of the applicable legislation.

If the complement of the summons is not published within the term legally established, this will entail the nullity of the Meeting.



6. Shareholders who represent at least three percent (3%) of the capital stock may submit, within a term of five (5) days after the publication of the summons, grounded resolution proposals on issues already included or to be included in the Agenda of the convened Meeting.

The Company will guarantee that such proposals and the documentation attached, if any, are divulged among the remaining shareholders as soon as they are received, by posting them uninterruptedly on the Company's website, according to the Regulations in force.

#### **Article 22.- Summons of the Extraordinary General Meeting**

1. The Board of Directors may convene an extraordinary general meeting whenever deemed fit in the company's interests. The directors must likewise convene an extraordinary general meeting upon requisition by shareholders holding at least three percent (3%) of the capital stock, setting out the businesses to be transacted at the meeting. In this event, the meeting must be convened so that it is held within a term of two (2) months following the date on which the relevant notarized request was sent to the Board of Directors. The Board will draw up the agenda, which must include the businesses indicated in the requisition.
2. Without prejudice to the above, when the Company offers its shareholders the effective possibility of casting their votes through electronic means that are available for all of them, Extraordinary General Meetings may be convened at least fifteen (15) days in advance, subject to the requirements set out by the legislation in force and the Shareholders' General Meeting Regulations.

#### **Article 23.- Information Right of Shareholders**

1. Up to five days before the date fixed for the meeting, shareholders may request from the directors any information or clarifications considered necessary or submit any questions in writing deemed appropriate in connection with the subjects included in the agenda. Similarly, shareholders may request to the Directors, in writing, any clarifications deemed appropriate about the information available to the public and forwarded to the Comisión Nacional del Mercado de Valores after the holding of the last General Meeting and the Auditor's Report.

The Directors will be obliged to provide information in writing up to the date on which the General Meeting will be held.

2. Additionally, during the holding of the meeting, shareholders may verbally request any clarification or information considered appropriate about the subjects or information referred to in the previous paragraph. If it is not possible to deliver such information at that time, the directors will have to forward such information in writing within a term of seven (7) days after the closing of the meeting.
3. The Directors will be obliged to provide the information referred to in connection with the two previous paragraphs, except in those cases where such information is not required for the protection of the rights of shareholders, or there are objective reasons to consider that it could be used for other than corporate purposes or it could go against the interests of the Company or its affiliates.



The information will have to be compulsorily provided when it has been requested by a number of shareholders which represents, at least, one fourth (25%) of the capital stock. In case of a detrimental or abusive use of the information requested, the shareholder who request it will be responsible for any damages caused.

Notwithstanding the foregoing, the directors will not be obliged to answer any question posed by the shareholders when the information requested is clearly and easily available for all shareholders on the corporate website, under a "question-answer" format.

4. Without prejudice to the above, from the time of the summons and until the General Meeting is held, the Company shall publish on the corporate web site, on an uninterrupted basis, the information which is legally required from listed companies, as well as any other information deemed convenient by the Board of Directors, and the Notice of the Summons will indicate the channels available to obtain such information or documents.

Especially, valid requests of information, clarifications or any other questions posed in writing, as well as the written answers provided by the directors will be included in the Corporate Website.

#### **Article 24.- Quorum**

1. The Ordinary or Extraordinary General Meeting will be validly constituted in first call when the shareholders present or represented hold at least twenty five percent (25%) of the subscribed capital with voting rights. In second call, the Meeting will be validly held irrespective of the capital present.
2. The absence of any shareholders, once the General Meeting has been validly constituted, will not affect the holding of such Meeting.

#### **Article 25.- Quorum. Special Cases**

Notwithstanding the provisions of the previous article, to enable the Meeting to validly approve the issue of debentures, the increase or decrease of the capital stock, the suppression or limitation of the preferential right to subscribe new shares, the restructuring, merger, split-off, global assignment of assets and liabilities and the restructuring of the Company, the transfer of the Registered Office abroad or any other amendment of the Bye-Laws, at least fifty percent (50%) of the subscribed capital with voting rights must be either present or represented in first call. In second call, the presence of twenty five percent (25%) of the subscribed capital with voting rights will suffice.

#### **Article 26.- Attendance Right**

1. General Meetings may be attended by shareholders who hold shares at least four hundred (400) shares, provided that such shares have been registered in their name in the relevant book five (5) days before the date of the General Meeting and this is evidenced through the relevant attendance card or certificate issued by any of the entities belonging to the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores or in any other form admitted by the legislation in force.
2. Without prejudice to the above, shareholders who hold a lower number of shares may at any time delegate their representation to a shareholder entitled



to attend the Meeting, or they can group with other shareholders who are in the same situation until the necessary number of shares is reached. In such a case, they will be represented by one of them. The grouping must be a special one for each Meeting and be duly evidenced in writing.

3. The members of the Board of Directors will attend the General Meetings unless such attendance is prevented by any duly justified reasons. However, their attendance will not be necessary for the valid constitution of the Meeting.
4. The managers and any other persons who have a direct interest in the proper course of the corporate business can be authorized by the Chairman of the Board of Directors to attend the General Meeting. The Chairman may also invite guests and media professionals. However, such authorisation may be revoked by the General Meeting.

#### **Article 27.- Representation**

1. Any shareholder entitled to attend can be represented at the General Meeting by any other person, whether a shareholder or not. The representation can be granted in writing or by post or e-mail, in accordance with the terms and within the scope set out by the legislation in force, provided that the identity of the shareholder to be represented and of the appointed representative or representatives, as well as the security of communications, are duly guaranteed. The representation must be especially granted for each Meeting, in accordance with the terms and within the scope set out by the Corporations Act and the Shareholders' General Meeting Regulations.

This last requisite will not be applicable when the representative is the spouse, ascendant or descendant of the shareholder represented; it will be neither applicable when the representative holds a general power that entitles him to administer the net worth owned in the national territory by the shareholder represented.

2. In case that the representation has been granted by mail or e-mail, the provisions established in Article 31 of these bye-laws for the casting of votes through such means will be of application, as long as they are compatible with the nature of the representation granted.
3. The representation can be always revoked. The personal attendance of the shareholder to the Meeting, or the remote casting of votes after the date on which the representation was granted will represent an actual revocation of such representation.
4. The Chairman and the Secretary of the General Meeting will enjoy the broadest legal powers to admit the proxy and will only reject a proxy if it does not meet the minimum unavoidable requisites and such defect cannot be cured.

#### **Article 28.- Venue and time of the meeting. Extension and suspension**

1. The Shareholders' General Meeting will be held at the venue stated in the summons, within the boundaries of the province where the registered office of the company is located, on the date and at the time specified in the summons.





2. The General Meeting may extend its sessions during one or more consecutive days and it will be understood that it is a single General Meeting; irrespective of the number of sessions in which the Shareholders' Meeting is held, it shall be considered a single Shareholders' Meeting and a single set of minutes shall be drawn up for all sessions.
3. The General Meeting may be also temporarily suspended in the cases and in the manner foreseen by the Shareholders' General Meeting Regulations

**Article 29.- Chairman and Secretary of the Meeting. Presiding Committee of the Meeting.**

1. In the Ordinary and Extraordinary General Meetings, the Chairman and the Secretary of the Board of Directors will act as Chairman and Secretary of such Meetings. In the absence or impossibility to attend the meeting on the part of the Chairman, the meeting will be chaired by one of the Deputy Chairmen of the Board of Directors, following the relevant order if there are several Deputy Chairmen. In the case of non existence or absence of a Deputy Chairman, the senior Director will act as Chairman and, in the case of the same seniority, the older one will act as Chairman. In the absence or impossibility to attend the meeting on the part of the Secretary, a Deputy Secretary will act as Secretary, following the relevant order if there are several Deputy Secretaries and, in their absence, the junior Director will act as Secretary. In the case of the same seniority, the youngest director will act as Secretary.
2. The Presiding Committee of the Meeting will be formed by the Chairman and the Secretary, and by those members of the Board of Directors present at the Meeting. The Presiding Committee will help the Chairman to perform his/her duties.

**Article 30.- Preparation of the List of Attendants**

1. Once the Presiding Committee has been appointed, and before discussing the Agenda, a list of attendants will be prepared, indicating the status or representation of each attendant and the number of own or third parties' shares represented. The number of attendants will be indicated at the end of the list (including those shareholders who cast their votes remotely in accordance with the provisions of the legislation in force and the Shareholders' General Meeting Regulations), or by proxy, as well as the capital stock held by them. The list can be prepared either manually or incorporated into a recordable medium. In both cases, the method chosen will be indicated in the Minutes and the Secretary, with the approval of the Chairman, will attach to the sealed cover sheet of the relevant folder or medium used the relevant certificate of identification which, if appropriate, shall be authenticated by a Notary Public.
2. Once the list has been dressed, the Chairman will declare whether the requisites called for to validly constitute the Meeting have been complied with. Any doubts or claims presented in this respect will be solved by the Secretary. Subsequently, if appropriate, the Chairman will declare the Meeting validly constituted.

**Article 31.- Development of the Meeting and Approval of Resolutions**



1. The Chairman, in accordance with the provisions of the Shareholders' General Meeting Regulations, will chair the Meeting so that the discussions are held in accordance with the Agenda and will solve any doubts raised about its contents; when deemed appropriate, the Chairman will give the floor to the shareholders that request it and will withdraw the right to speak when he considers it advisable; the Chairman will indicate when the voting of the resolutions will take place and will inform about the relevant result.
2. The voting of the Resolutions by the attendants at the General Meeting will be in accordance with the provisions of these Bye-Laws and the Shareholders' General Meeting Regulations.

Those shareholders who are entitled to cast their votes at the meeting may exercise such right by mail, by e-mail or through any other remote communications means determined, if appropriate, by the Board of Directors, upon the summons of the Meeting, according to the Regulations that govern the operation of the General Meeting, and provided that the identity of the shareholder who exercises his/her right to vote is properly guaranteed. Those shareholders who have remotely cast their votes will be considered present, for the purposes of the constitution of the General Meeting.

3. Each share present or represented at the General Meeting will give right to cast one vote, unless they are shares without voting rights, in accordance with the law.
4. The corporate resolutions will be approved by a simple majority of votes of those shareholders present or represented, and it will be understood that a resolution has been adopted when the favourable votes of the share capital present or represented exceed the number of unfavourable votes, except in those cases set out in the Bye-laws and the legislation in force that call for a specific majority.

In this context, and for the adoption of those resolutions that call for the special quorum set out in Article 25 of these Byelaws, if the share capital present or represented exceeds (50%) an absolute majority of votes will suffice for the approval of the resolution. However, the favourable vote of two thirds of the Capital Stock present or represented at the Meeting will be required in second call, in case that the Meeting is attended by shareholders who represent twenty five per cent (25%) or more and less than fifty per cent (50%) of the subscribed capital with voting rights.

5. The resolutions approved and the result of the ballots will be published in full in the Corporate Website within a term of five (5) days following the closing of the General Meeting.

#### **Article 32.- Minutes and Certificates**

1. The discussions and resolutions of the General Meeting will be included in the Minutes, as well as all the information required by the Law and the Regulations of the Commercial registry. Once the Minutes have been approved in accordance with the Law, they will be incorporated into the Book of Minutes and signed by the Secretary with the approval of the Chairman or the persons who have acted as such at the Meeting.
2. The Minutes of the Meeting can be approved at the end of the Meeting by the Meeting itself or, alternatively, within a term of fifteen (15) days by the





Chairman and two Controllers, one representing the majority and the other one the minority shareholders.

The Minutes approved in any of these two manners will be enforceable as from the date of their approval.

3. The Secretary, and in his/her absence, the Deputy Secretary, will be responsible for certifying the Minutes and the resolutions of the General Meetings, and for their execution and conversion into a public deed, with the approval of the Chairman and, if appropriate, the Vice Chairman. Furthermore any of the members of the Board of Directors who has been expressly empowered to that effect, provided that his/her office is in force and registered with the Commercial registry, may convert the corporate resolutions into a public deed.
4. The Directors may require the presence of a Notary Public to take the Minutes of the Meeting and they will have to do so provided that this has been requested, at least five (5) days before the date scheduled for the Meeting, by shareholders who represent at least one per cent (1%) of the capital stock. The fees of the Notary Public will be paid by the Company. The certificate of the Notary Public will be considered the Minutes of the Meeting, and the resolutions included in such certificate will be enforceable as from the date of its completion.

## **Second Section.- THE BOARD OF DIRECTORS**

### **Article 33.- The Board of Directors**

1. The Board of Directors is the body in charge of managing and representing the Company judicially and extra-judicially, with full powers, and of exercising any powers not expressly reserved to the General Meeting by virtue of the Law or these Bye-laws.
2. The Board of Directors will be governed by the applicable legal rules and these Bye-Laws. Furthermore, the Regulations of the Board of Directors will contain the rules related to the operation and internal procedures of the Board, its Members and Committees, and the rules that govern the conduct of its members. The General Meeting shall be kept informed about any amendments introduced in the Regulations of the Board of Directors.
3. The General Meeting may not give any instructions to the Board of Directors and the adoption of any decision or resolution regarding specific management issues will not be subject to the authorisation of the General Meeting, without prejudice to the provisions established by the legislation in force.

### **Article 34.- Composition of the Board**

1. The Board of Directors will be formed by a minimum of five (5) and a maximum of fifteen (15) members. Directors may be Executive or Non-executive directors. Directors included in this category may be Nominee Directors, Independent Directors or other External Directors. This terms shall have the meaning assigned to them by the legislation in force and the specifications provided by the Board of Directors.
2. The General Meeting shall determine the number of Directors, as well as their appointment, re-election, ratification and dismissal.



3. Notwithstanding the above, the Board of Directors is empowered to provisionally cover any vacancies by legally appointing the relevant persons that will fill such vacancies until the next General Meeting is held, unless it had been already convened, in which case, the Board of Directors may appoint a Director until the next general Meeting is held.

4. It is not necessary to be a shareholder to be appointed as Director.

Directors may be individuals or companies. In case that a legal entity is appointed director, such legal entity, in turn, shall appoint an individual who permanently performs the duties of such office. The dismissal of its representative by the Director Legal Entity will not be effective until a new representative has been appointed.

Those individuals included in the prohibitions and incompatibilities established by the applicable legislation and the Regulations of the Board of Directors may not be Directors. Furthermore, such limitations shall also be of application to those individuals acting as representatives of Directors that are legal persons.

5. The proposal for the appointment or re-election of independent directors corresponds to the Appointments and Remunerations Committee. In the remaining cases, The proposal corresponds to the Board itself.

6. The Board of Directors, in the performing of its duty to submit to the approval of the General Meeting any proposal for the filling of any vacancy, or to fill such vacancies through cooptation, will make every effort so that Non-Executive Officers represent a broad majority of the members of the Board, when compared with Executive Officers.

Additionally, the Board of Directors will try that the procedures implemented for the selection of its members foster the diversity of genders, experiences and qualifications, and are not implicitly biased so that they may imply any kind of discrimination and, specifically, they favour the selection of Women directors.

#### **Article 35.- Term of Office of the Directors**

1. The members of the Board of Directors will hold their office for a term of four (4) years from their respective appointment. The Directors may be re-elected for similar periods one or several times.

2. The appointment of the Directors will expire, once their term of office has lapsed, upon the holding of the next General Meeting or upon the expiration of the legal term to hold the meeting that will decide on the approval of the accounts of the previous year. In this context, those Directors whose appointment has expired will perform the functions they were exercising up to that time.

3. The directors appointed by co-optation will hold their office until the next General Meeting is held, and their appointment, if appropriate, must be ratified at such Meeting. However, if the vacancy occurs once the General Meeting has been summoned, but before it has been held, the Board of Directors may appoint a Director until the next general Meeting is held.

#### **Article 36.- Summons and Quorum of the Meetings of the Board of Directors**



1. The Board will always meet when so required by the corporate interests and, at least, once every two (2) months. The meeting will be convened by the Chairman. However, the Secretary and, in his/her absence, a Deputy Secretary may also convene the meeting in accordance with the instructions received from the Chairman..
2. The meeting of the Board will be convened in writing (by fax, e-mail, letter), attaching the relevant Agenda, at least five (5) days before the date of the meeting, except in case of urgency, in the opinion of the Chairman. In such a case the meeting will be convened with a prior notice of 24 hours.
3. The Board will hold an extraordinary meeting at the initiative of the Chairman or any person who substitutes him, or at the request of one third of the directors or of the Co-ordinator Director, if appropriate, indicating the agenda of the meeting.

In these cases, if the Chairman, without a valid reason, does not convene the meeting within a term of one month, the Meeting of the Board may be convened by those Directors who had requested it according to the previous paragraph, indicating the relevant items of the agenda, and the Meeting will be held at the city where the registered office of the Company is located..

4. The meetings of the Board of Directors will be held at the Registered Office of the Company, or at the venue stated in the summons; however, the meetings of the Board may also be held via video conference, conference call or any other means which guarantees the real-time recognition, identification and permanent communications among the attendants, irrespective of the place where they are, as well as their interventions and casting of votes. In this latter case, the resolutions will be considered approved on the place where the Chairman is located.
5. The Board will be validly constituted, without a prior summons, if all the Directors are present or represented and unanimously accept to hold the meeting of the Board..

The Board of Directors may also adopt its resolutions in writing (including a prior fax or e-mail message and the subsequent forwarding of the original, by mail), without the need of holding a meeting, provided that no Director objects such procedure.

All the Directors must attend the meetings to be held, except in the case of justified reasons. The Directors absent may grant their representation to another Director, in writing and on a case-by-case basis. However, Non-executive directors may only be represented by another non-executive director.

6. The Board will be validly constituted when the Meeting is attended by a majority of Directors, either present or represented.

#### **Article 37.- Adoption of Resolutions by the Board of Directors**

1. The resolutions will be adopted by a majority of votes of the Directors attending the meeting, either present or represented, except in those cases that the law or these Bye-Laws call for the favourable vote of a higher number of Directors for certain resolutions to be valid.



2. It will be considered that the Directors present are those that physically are present at the meeting and those who personally participate through any of the media referred to in the previous Article.
3. All the Directors may cast their vote and grant their representation to another Director. However, Non-Executive Directors may only be represented by another Non-Executive Director. Such representation will be specially granted for the specific meeting of the Board referred to in the relevant voting instructions, and may be notified through any of the media referred to in the previous Article.
4. Directors shall refrain from participating in the discussion and voting of resolutions where the said director or a related party has a direct or indirect conflict of interest. The above liability will exclude those resolutions or agreements that affect him/her in his/her capacity as Director, such as his/her appointment for or removal from any offices in that administration body or in other analogous bodies..
5. The discussions and resolutions of the Board will be recorded in the Minutes signed by the Secretary, with the approval of the Chairman, or by those persons who have replaced them in the relevant meeting. The Minutes will be included or transcribed in the book of Minutes which can be different from the Book of Minutes of the Shareholders' General Meeting. In the case of votes in writing and without holding a meeting, the resolutions adopted and the votes cast in writing will also be included in the Book of Minutes.
6. The Minutes will be approved by the Board of Directors itself, either at the end of the meeting or at a subsequent meeting.

#### **Article 38.- The Chairman and the Secretary**

1. Subject to a prior report issued by the Appointments and Remunerations Committee, the Board will elect among its Directors a Chairman and one or more Deputy Chairmen. In the case among its members. In case that several Deputy Chairmen are appointed, they will be correlatively numbered. The Deputy Chairman will replace the Chairman either by delegation or in case of absence or illness. In the event that there were several Deputy Chairmen, the Chairman will be replaced by the appropriate Deputy Chairman, following the relevant numbering. In any case, the Deputy Chairmen will perform the functions and hold the powers deemed appropriate by the Board or by the Chairman.
2. Apart from the powers conferred by the legislation and these corporate by-laws, the Chairman of the Board will hold the following powers:
  - a. To convene and chair the meetings of the Board of Directors, fixing the agenda of the meetings and conducting the relevant discussions..
  - b. Unless these byelaws state otherwise, to Chair the General Shareholders' Meeting.
  - c. To ensure that the Directors receive sufficient information, well before the relevant meeting, to discuss the points included in the Agenda.
  - d. To encourage the discussions and the active participation of the Directors during the meetings of the Board, safeguarding their free expression of their opinion.



3. The Office of Chairman of the Board of Directors may be held by an Executive Director. In this case, the appointment of chairman will call for the favourable vote of two thirds of the members of the Board of Directors..
4. When the Chairman is also an executive Director, the Board of Directors, with the abstention of the Executive Directors, shall necessarily appoint a Coordinator-Director among the independent Directors, and such director will be especially empowered to request the summons of a meeting of the Board of Directors or the inclusion of new items in the Agenda of a Meeting of the Board which has been already summoned, to co-ordinate and the work of non-executive directors and manage, if appropriate, the periodical assessment of the Chairman of the Board of Directors.
5. Subject to a prior report issued by the Appointments and Remunerations Committee, the Board of Directors shall appoint one or several Deputy Secretaries, correlatively numbered. 4. The Secretary and, if appropriate, the Deputy Secretaries will only have a right to vote in case that they are Directors. This procedure will also be followed to agree the removal of the Secretary and, if appropriate, each Deputy Secretary, from their offices.
6. Apart from the functions set out by the Law and the Corporate Bye-laws, or the Board of Directors Regulations, the Secretary of the Board will custody the corporate documentation and shall draft the Minutes of the meetings which will be signed by him, with the approval of the Chairman of the relevant body, and will issue, subject to the legal requisites established for each specific case, the Certificates of the Minutes or of any other documents that must be authorized to fulfil the corporate object or at the request of a legitimate party, and will convert the corporate resolutions into a public deed, implementing the necessary measures so that they become fully enforceable. Furthermore, the Secretary shall assist the Chairman so that the Directors receive any information which is relevant for the performance of their functions, sufficiently in advance and in the appropriate format.

In any case, the Secretary will be responsible for the formal and material legitimacy of the actions of the Board, will monitor the compliance with the provisions issued by the regulatory bodies and, if appropriate, their recommendations, and will guarantee the respect of the procedures and regulations of the governing bodies of the Company and, especially, the rules contained in the Regulations of the Board.
7. The actions of the Deputy Secretaries will be equivalent to the actions of the Secretary who will determine, either on a case-by-case basis or in general terms, the occurrence of sufficient reasons to be replaced in his/her activities by a Deputy Secretary or, in case that there were several deputy secretaries, by the appropriate Deputy Secretary, on the basis of the relevant numbering order, always provided that this is feasible from a legal point of view.

In any case, it will be the responsibility of the Secretary to supervise the activities of the Deputy Secretaries..
8. In the absence of the Secretary and the Deputy Secretary or Secretaries, the Director appointed to such effect by the Board will act as Secretary of the Meeting of the Board of Directors.

#### **Article 39.- The Executive Committee**



1. The Board of Directors, with the vote of two thirds of its members, may indefinitely delegate, unless revoked by the same majority, to an Executive Committee which will hold all or part of the faculties of the Board except those that cannot be delegated in accordance with the provisions of the applicable legislation, these Bye-Laws and the Regulations of the Board of Directors.
2. The Executive Committee will be formed by not less than three (3) and no more than nine (9), members appointed among the members of the Board of Directors of the Company. The appointment and dismissal of the members of the Executive Committee will require, at least, the favourable vote of two thirds of the members of the Board of Directors.

In any case and considering their offices, the Chairman of the Board and the Chief Executive Officer, if any, will form part of such Committee.

3. The Committee will be chaired by the Chairman of the Board of Directors, after his appointment as member of the Committee, and in his absence, by the Deputy Chairman or in case of several Deputy Chairmen, by the relevant Deputy Chairman, according to a pre-established order, provided that he is a member of the Committee. In case of absence or impossibility, the Committee will be chaired by the member appointed by the attendants to the meeting
4. The Secretary of the Executive Committee will be the Secretary of the Board of Directors and, in his/her absence, the Deputy Secretary, or one of the Deputy Secretaries, following the relevant order if there are several Deputy Secretaries. In case of absence or impossibility, the member of the Committee appointed by the attendants to the meeting will act as Secretary of the Committee. The Secretary of the Committee will only be entitled to vote if he/she is also a Director and a member of the Executive Committee.
5. The Committee will be summoned by the Chairman. It will meet when deemed necessary in the interests of the company and regularly once a month, unless the Chairman does not consider it necessary.

The Committee will be validly constituted when a majority of its members is present or represented, and will take its decisions by a majority of its members present or duly represented by another Director who is also a member of the Executive Committee. However, a Non-Executive Director may only delegate his/her representation to another Non-Executive Director.

6. In case of tie, the Chairman will have the casting vote..
7. The Secretary will prepare the Minutes of each meeting. The Minutes of the meetings will be available for all the members of the Board of Directors.
8. In those matters no specifically foreseen, the rules of operation established in these Bye-Laws and in the Board of Directors' Regulations in connection with the Board will be applicable, provided that they are compatible with the nature and functions of the Committee.

#### **Article 40.- The Chief Executive Officer**

The Board of Directors may appoint one or several Chief Executive Officers among its members. With the vote of two thirds of its members, the Board may also permanently delegate all its faculties and powers that can be delegated, in accordance with the Legislation in force, these Bye-laws, and the Board of Directors' Regulations, without prejudice to the delegations and powers granted to





other members of the Board of Directors or any other person. Similarly, the dismissal and the revocation of powers of the Chief Executive Officers will also require, at least, the favourable vote of two thirds of the members of the Board.

When the Office of Chief Executive Officer is held by one of the members of the Board of Directors, the Chief Executive Officer and the Company will enter into a contract that will be previously approved by the Board, with the favourable vote of two thirds of its members. The Director involved shall not attend the discussions and will abstain from voting. The approved contract shall be included as an attachment to the minutes of the meeting.

#### **Article 41.- Internal Committees of the Board of Directors**

1. The Board of Directors may create as many committees, of a purely internal nature and without executive functions, as it deems appropriate, assigning them any tasks related to the preparation of reports, advice and submission of proposals for the Board of Directors, its Chairman or the Chief Executive Officer.
2. However, the Board of Directors shall create and maintain an Audit and Control Committee and an Appointments and Remunerations Committee. The organizational and operating rules of such Committees will be developed in the Board of Directors' Regulations, on the basis of the provisions included in these corporate Bye-Laws.
3. In those matters not specifically foreseen, the rules of operation established in these Bye-Laws and in the Board of Directors' Regulations in connection with the Board will be applicable to the Internal Committees of the Board, provided that they are compatible with the nature and functions of such Committees.

#### **Article 42.- Audit and Control Committee**

1. The Board of Directors will appoint an Audit and Control Committee formed by a minimum of three (3) and a maximum of five (5) external Directors appointed by the Board of Directors among its members.
2. At least two (2) of the members of the Audit and Control Committee shall be independent directors, and one (1) of them shall be appointed on the basis of his/her skills in the fields of audits, accountancy or both.
3. The members of the Committee shall be removed from their offices when they are no longer directors, or when so agreed by the Board of Directors.
4. The Chairman of the Audit and Control Committee will be appointed by the Committee itself among its members for a maximum term of four (4) years and can be re-elected only once after a term of one (1) year has lapsed since his dismissal.
5. The Secretary of the Audit and Control Committee will be the Secretary of the Board of Directors, or one of its Deputy Secretaries, following the appropriate order of preference. In case of absence or impossibility, the member of the Committee appointed by the attendants to the relevant meeting will act as Secretary of the Committee.
6. Without prejudice to any other functions defined by the applicable legislation, these Corporate Bye-Laws or the Board of Directors' regulations, the Audit and Control Committee will have, at least, the following competences:



- a) To keep the Shareholders' General Meeting informed about any issues raised in connection with those subjects that are the competence of the Committee.
- b) To supervise the efficiency of the internal control of the Company, the internal audit and the risk management systems, including tax risks, and to discuss with the accounts auditor any significant weaknesses noticed in the course of the audit.
- c) To supervise the process of preparation and filing of any regulated financial information.
- d) To submit to the Board of Directors any proposals related to the selection, appointment, re-election and substitution of the external auditor, and the terms and conditions of its contract, to request information, on a regular basis, regarding the audit plan and its implementation, and to safeguard the independent exercise of its functions by the auditor.
- e) To establish the appropriate relationships with the External Auditors to receive information related to issues that might impair its independence, so that it may be scrutinized by the Committee, as well as any other issues related to the development process of the audit of the accounts, and to receive information and maintain with the Auditor or the Audit Firm the communications set out in the accounts audit legislation and the audit technical rules. In any case, the Committee will receive every year from the Auditor or Audit Firm a written statement confirming their independence vis-à-vis any entity or entities that are directly or indirectly linked to such Firm, as well as any information on any kind of additional services rendered by the auditor or the Audit Firm, or by any related individuals or companies, in accordance with the provisions established by the Accounts Audit legislation currently in force.
- f) To issue, on an annual basis and prior to the issue of the accounts audit report, a report stating an opinion on the Independence of the Accounts Auditor or Audit Firm. In any case, such report should issue an opinion on the rendering of the additional services referred to in the previous paragraph, taken individually and jointly, other than legal audit services, and in connection with the required independence or the regulations governing audit issues.
- g) To inform the Board of Directors about all those issues contained in the legislation in force, the Corporate Bye-laws and the Board Regulations and, especially, those matters regarding:
  - 1º) The financial information that the company must divulge from time to time.
  - 2º) The creation or acquisition of shareholdings in special purpose companies or companies domiciled in countries or territories that are considered tax havens.
  - 3º) The transactions with related parties.

The provisions contained in points d), e) and f) of the previous paragraph shall be understood without prejudice to the regulations governing accounts audit issues.





7. The Committee will meet quarterly, duly summoned by the Chairman, and when so requested by at least three (3) of its members, the Executive Committee or the Chief Executive Officer.
8. The Audit and Control Committee will be validly constituted when the number of Members present or duly represented exceeds the number of Members absent, and will approve its resolutions by an absolute majority of those present. In case of tie, the Chairman will have the casting vote. The members of the Committee may delegate their representation to another member.
9. The Operation of the Audit and Control Committee established by virtue of this Article will be developed in the Board of Directors' Regulations

#### **Article 43.- The Appointments and Remunerations Committee.**

1. The Board of Directors will establish an Appointments and Remunerations Committee formed at least by three (3) directors, subject to a limit of five (5) directors, all of them Non-Executive Directors, appointed among the members of the Board of Directors
2. At least two (2) members of the Appointments and Remunerations Committee shall be Independent Directors. Notwithstanding this, the Board will appoint the members of this Committee taking into consideration the skills, aptitudes and experience of the Directors and the tasks to be fulfilled by the Committee, maintaining their independence at all times.
3. The members of the Committee shall be removed from their offices when they are no longer directors, or when so agreed by the Board of Directors.
4. The Appointments and Remunerations Committee will be chaired by an independent Director. The Secretary of the Appointments and Remunerations Committee will be the Secretary of the Board of Directors or one of its Deputy Secretaries, following the appropriate numbering order. In case of absence or impossibility, the member of the Committee appointed by the attendants to the relevant meeting will act as Secretary of the Committee.
5. Without prejudice to the remaining functions assigned by the applicable legislation, these Corporate Byelaws or the Board Regulations, the following functions, at least, shall be performed by the Appointments and Remunerations Committee:
  - a) Evaluate the skills, knowledge and experience necessary for the Board, consequently defining the functions and qualifications required from the candidates that must fill each vacancy, and to assess the time and dedication required for the proper performance of their offices.
  - b) To establish a criterion for the representation of the gender which is less represented at the Board of Directors and prepare guidelines aimed at the accomplishment of such objective.
  - c) To submit to the Board of Directors any proposals for the appointment of Independent Directors so that they may be elected by co-optation or by a decision of the General Shareholders' Meeting, as well as any proposals for the re-election or removal of such Directors by the General Meeting.
  - d) To inform about the proposals for the appointment of the remaining Directors so that they may be elected by co-optation or by a decision of



- the General Shareholders' Meeting, as well as any proposals for the re-election or removal of such Directors by the General Meeting.
- e) To inform about the proposals for the appointment and dismissal of senior executives, and the basic terms and conditions of their contracts.
  - f) To examine or arrange, as appropriate, the succession of the Chairman and the Chief Executive Officer and, if appropriate, to submit proposals to the Board, so that the succession is carried out in an orderly and well planned manner.
  - g) To propose to the Board of Directors the remuneration policy followed for the Directors, General Managers and top executives who directly report to the Board of Directors, the Executive Committee or the Chief Executive Officers as well as the individual remuneration and the rest of contractual terms and conditions of application to Executive Directors, and watch over their fulfilment.
6. The Committee will meet quarterly, duly summoned by the Chairman, when he deems it appropriate, and when so requested by at least three (3) of its members, the Executive Committee or the Chief Executive Officer.
  7. The Appointments and Remunerations Committee will be validly constituted when the number of Members present or duly represented exceeds the number of Members absent and will approve its resolutions by an absolute majority of those present. In case of tie, the Chairman will have the casting vote.
  8. The operation of the Appointments and Remunerations Committee, according to the provisions of this Article, will be developed in the Board of Directors' Regulations.

#### **Article 44.- Remuneration of Directors**

1. The remuneration of the Members of the Board will be of a mixed nature, consisting of a fixed sum and a variable sum, this latter in the form of allowances for the attendance to the meetings of the Board and of its Committees.
2. For each fiscal year and for those fiscal years set out by the Meeting itself, the Shareholders' General Meeting will decide the amount of the remuneration either on an individual basis or fixing a maximum aggregate sum for each remuneration item or for both, and will be able to fix a different remuneration for each Director. Such resolution of the Meeting will be in force as far as it is not expressly amended by the General Meeting itself.
3. Subject to the prior approval of the General Meeting, the remuneration of the Directors may also consist, notwithstanding the provisions of the previous paragraphs, of the assignment of shares or stock option rights, and of a remuneration based on the price of the shares of the Company.
4. The remuneration as Director set out in this article will be compatible with the remaining professional or work remuneration of the Directors related to whatever executive or advisory services that they might render to the Company, other than the supervision and decision taking functions as Directors which will be subject to the applicable legal system.



#### **Article 45.- Remunerations Policy**

1. The Shareholders' General Meeting shall approve, at least every three years, and as a separate item of the agenda, the Remunerations Policy applicable to the Directors, that will be in line with the remunerations scheme described in the previous section. The remunerations policy applicable to the Directors will be valid for the three years following the year on which it was approved by the General Meeting. Any amendment or replacement of such policy during said term shall require the prior approval of the Shareholders' General Meeting, in accordance with the procedure established for its approval in the applicable legislation and in the Regulations of the Board of Directors of the Company.

The remunerations policy applicable to the Directors of the Company, shall determine the remuneration to be paid to them, in their capacity as such, within the scope of the remunerations scheme foreseen in these Byelaws, and shall include the maximum amount of the annual remuneration to be paid to the Directors, in their capacity as such. The Board of Directors shall determine the remuneration to be paid to each Director, within the maximum limit established by the General Meeting, and to that effect, the Board shall take into account the functions and responsibilities assigned to each Director, their presence in the Committees of the Board and other objective circumstances deemed relevant.

The remunerations scheme applied shall be commensurate with the importance of the Company, the financial situation of the Company from time to time, and the market standards for similar companies. Similarly, it will be focused towards the profitability and sustainability of the Company in the long term, and will avoid to assume excessive risks and to reward unfavourable results.

2. The remuneration of Directors for the fulfilment of executive roles shall be in line with the remunerations policy applicable to the Directors, that shall necessarily contemplate the amount of the fixed remuneration per annum and its changes during the applicable period, the different parameters considered for the calculation of the variable items and the main terms and conditions of their contracts, especially including the effective term, indemnities for dismissal or early termination of the labour relationship and exclusivity agreements, non post-contractual competition and loyalty clauses.

The Board of Directors shall establish the remuneration to be received by the Directors for the exercise of executive functions and the terms and conditions of their contracts with the Company, in accordance with the remunerations policy approved by the General Meeting. The contract shall detail all those items that can be the subject matter of a remuneration for the performance of executive functions, including, if appropriate, any eventual indemnity for early dismissal and the amounts to be paid by the Company as insurance premiums or contribution to savings plans. In this context, Directors may not receive any remuneration for the performance of executive functions whose amounts or concepts have not been foreseen in their contracts.

3. The Board shall prepare and publish an Annual Report on the remunerations received by its members, including those received or to be received in their capacity as Directors and, if appropriate, for the fulfilment of executive functions. Such Annual report on Remunerations shall include a complete,



clear and understandable information on the policy related to the remunerations of Directors for the year under consideration. It shall also include a global summary on the application of the remunerations policy during the year under review, as well as detailed information on the individual remunerations accrued by each and every one of the Directors during the said year. The report shall be published by the Company as a Significant Event, simultaneously to the Annual report on Corporate Governance, and shall be subject to the voting of the Shareholders' Ordinary General Meeting, as a separate item of the agenda and on a consultative basis.

#### **CHAPTER IV.- FISCAL YEAR AND ANNUAL ACCOUNTS**

##### **Article 46.- Fiscal Year**

The fiscal year will coincide with the calendar year.

##### **Article 47.- Accountancy and Annual Accounts**

1. In accordance with the provisions of the Commercial Code, the Company must keep a proper accountancy in line with its activities that enables a chronological follow up of the operations and the preparation of inventories and balance sheets. The Accountancy Books will be authenticated by the relevant Commercial Registry of the city where the registered office is located.
2. The Board of Directors will have to prepare within a maximum term of three (3) months from the closing of the fiscal year the annual accounts, the management report and the proposal for the allocation of results and, if appropriate, the consolidated annual accounts and management report. The annual accounts will include the balance sheet, the profit and loss account, the statement of changes in net worth, the statement of cash flows and the annual report for the year, as well as any other document considered appropriate by the applicable regulations. These documents, altogether, will be clearly drafted and show a true and fair image of the net worth, the financial situation and the results of the Company in accordance with the provisions of the law and the Commercial Code and must be signed by all the members of the Board.

##### **Article 48.- Deposit of the accounts with the Commercial Registry**

Within a term of one month following the approval of the annual accounts by the Shareholders' General Meeting, they will be filed by the Directors of the Company, along with the relevant certificate evidencing such approval and the allocation of the results and, if appropriate, the Consolidated Accounts, so that they are deposited with the Commercial Registry according to the applicable legislation.

##### **Article 49.- Allocation of the results**

1. The Shareholders' General Meeting will decide on the allocation of the results for the year, in accordance with the approved balance sheet.
2. From the profits obtained each year, once the allocation to legal reserves and the remaining provisions set out by the legislation in force have been covered, the Meeting may apply the amount considered appropriate to voluntary



reserves, investment fund and any other legal provisions, provided that the value of the accounting net worth does not become lower than the Capital Stock of the Company, as a consequence of the distribution.

3. In case that the Shareholders' General Meeting decides to pay any dividend, it will also determine the time and the method of payment, and such dividend, if appropriate, will be distributed among the shareholders on a pro rata basis to the capital paid up per each share.
4. Any decision regarding any measure that could be necessary or convenient for the effectiveness of the resolution may be delegated to the Board of Directors.
5. The Shareholders' General Meeting may agree the payment of in kind dividends, either wholly or partially, provided that the goods or securities to be distributed are of an homogeneous nature and they are listed on an official market when the distribution resolution becomes effective; it will be understood that this last requisite has been also met when the Company offers substantial guarantees of liquidity, or when it guarantees that such liquidity will be obtained within a maximum term of one year. The goods or securities that are the subject matter of the distribution cannot be distributed at a value which is lower than the value shown in the balance sheet of the Company.
6. The rule established in the previous paragraph will also be applicable to the reimbursement of contributions in case of a capital decrease.
7. The payment of interim dividends will be subject to the provisions of the law.

## **CHAPTER V.- Winding-up and Liquidation**

### **Article 50.- Winding-up**

The company will be wound up for the reasons set out by the law. Mergers and total split-offs are excluded from the winding-up period. In case of winding up, the liquidation will be the responsibility of the Directors who, as liquidators, will prepare the liquidation and distribution in accordance with the resolutions of the General Meeting and the legal provisions in force.

### **Article 51.- Liquidation**

Once all the creditors have been paid and the amount of their credits against the Company recorded, and those not matured yet guaranteed, the remaining assets will be distributed among the shareholders in accordance with the applicable legislation.

## **CHAPTER VI.- CORPORATE WEBSITE**

### **Article 52. – Corporate Website**

1. The Company will maintain a corporate website ("[www.atresmediacorporacion.com](http://www.atresmediacorporacion.com)"), to divulge the information and documentation required by the regulations applicable to listed companies, these Bye-laws, the Shareholders' General Meeting Regulations and the Board of Directors' Regulations, as well as any other information that, in the opinion of the Board of Directors, should be provided to shareholders and investors through such channel.



2. The corporate website will be considered as a "virtual branch" of the Company, in accordance with the provisions of the Corporations Act.
3. The Board of Directors may agree the elimination and transfer of the website, in accordance with the procedures established by the applicable regulations.