# COMMON MERGER PROJECT

between

**VIDA-CAIXA, S.A.U. DE SEGUROS Y REASEGUROS**

(as absorbing company)

AND

**BANKIA VIDA, SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS, SINGLE SHAREHOLDER COMPANY**

(as absorbed company)

In Barcelona, on 26 April 2022

**COMMON MERGER BY ABSORPTION PROJECT OF BANKIA VIDA, SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS, SINGLE SHAREHOLDER COMPANY (ABSORBED COMPANY) BY VIDA-CAIXA, S.A.U. DE SEGUROS Y REASEGUROS (ABSORBING COMPANY)**

## 1. INTRODUCTION

Pursuant to Title II of Law 3/2009 of 3 April on structural amendments to commercial companies (the '**LME**'), and Articles 109 and 110 of Royal Decree 1060/2015 of 20 November on the organisation, supervision and solvency of insurers and reinsurers ('**ROSSEAR**'), the members of the board of directors of Vida-Caixa, S.A.U. de Seguros y Reaseguros ('**VidaCaixa**'or the '**Absorbing Company**') and Bankia Vida, Sociedad Anónima de Seguros y Reaseguros, Single Shareholder Company ('**Bankia Vida**' or the '**Absorbed Company**', and, jointly with the Absorbing Company, the '**Companies**'), as participating entities in this operation, have drafted and signed this common merger by absorption project of the Absorbed Company by the Absorbing Company (hereinafter, the '**Merger Project**' or the '**Project**').

This Merger Project has been drafted and signed by all members of the aforementioned boards of directors of the Absorbing Company and of the Absorbed Company in the representation that legally corresponds to them of both Companies, pursuant to the provisions of Article 30.1 of the LME .

This Project will be submitted to the sole shareholder of the Absorbing Company and the sole shareholder of the Absorbed Company for approval as provided for in Article 40 of the LME, within a maximum of six (6) months from the date of this Merger Project.

## 2. ECONOMIC JUSTIFICATION

The purpose of this merger Project (the '**Merger**') is framed within the reorganisation and integration process of the insurance and reinsurance business from Bankia, S.A. ('**Bankia**') and its subsidiaries, after the execution of the merger by absorption of Bankia by CaixaBank, S.A. ('**CaixaBank**').

The Merger of Bankia Vida through its absorption by VidaCaixa is a logical consequence of this reorganisation and integration process and aims to unify the insurance and reinsurance business currently carried out by VidaCaixa and Bankia Vida into a single entity, thereby significantly reducing duplication, costs and administrative burdens.

Likewise, the Merger intends to bring the management capacities of both Companies together as insurers and reinsurers and, specifically, to afford a more efficient allocation of human, technical and financial resources in a manner that strengthens the management capacity.

Taking the above into consideration, the Boards of Directors of the Companies identify key synergies derived from the Merger and, consequently, propose it in order to simplify, strengthen and make the structure of the CaixaBank group's insurance and reinsurance business more efficient**.**

## 3. STRUCTURE OF THE OPERATION AND MERGER PROCEDURE

The legal structure chosen to integrate the business of the Absorbed Company into the Absorbing Company is a merger, under the terms provided for in Articles 22 et seq. of the LME.

Specifically, the planned Merger will be implemented through VidaCaixa absorbing Bankia Vida, with the latter's extinction by means of dissolution without liquidation, and the block transfer of all

its assets to VidaCaixa, which will acquire the rights and obligations of Bankia Vida by universal succession.

In this sense, and given that the Absorbing Company is the direct owner of all the Absorbed Company's share capital and voting rights, the special simplified procedure provided for in Article 49.1 of the LME is fully applicable, which allows:

(i) that this Merger Project does not include the 2nd, 6th, 9th and 10th mentions of Article 31 of the LME relating to the following points: (a) type and procedure of exchange; (b) date from which the holders of the new shares, shareholdings or quotas have the right to participate in the profits of the Absorbing Company (since there are no new shares); (c) information on the valuation of the assets and liabilities of the equity that is transferred; and (d) dates of the accounts of the companies involved in the Merger used to establish the conditions under which the Merger is carried out;

(ii) that it is not necessary to prepare reports from directors or independent experts on this Merger Project; and

(iii) that the capital of the Absorbing Company is not increased.

On the other hand, despite not being necessary due to the application of Article 49.1 of the LME, the Merger will be subject to approval by the sole shareholder of the Absorbed Company.

In turn, and as stated in Article 42 of the LME, since this Merger Project is expected to be approved by the sole shareholder of VidaCaixa and the sole shareholder of Bankia Vida, it is not necessary to publish nor deposit this Merger Project prior to the adoption of the merger agreement.

The content of this Merger Project, under the provisions of Articles 31 and 49 of the LME, is detailed below.

## 4. IDENTIFICATION OF THE PARTICIPATING ENTITIES IN THE MERGER

### 4.1 MERGING COMPANY

*Vida-Caixa, S.A.U. de Seguros y Reaseguros*

(i) Name: Vida-Caixa, S.A.U. de Seguros y Reaseguros.

(ii) Registered Office: Paseo de la Castellana, 51, 1ª planta, 28046, Madrid, Spain.

(iii) Tax Identification Number: A-58.333.261.

(iv) Registration Information: Recorded in the Company Register of Madrid, volume 36,790, folio 59, sheet M-658.924. It is likewise registered in the Administrative Registry of insurers and reinsurers of the General Directorate of Insurance and Pension Funds ('**DGSFP**') under code C-0611 and in the Administrative Registry of management entities and depositaries of pension funds of the DGSFP under code G-0021.

(v) Share capital: The share capital of VidaCaixa amounts to ONE BILLION, THREE HUNDRED AND FORTY-SEVEN MILLION, FOUR HUNDRED AND SIXTY-ONE THOUSAND, EIGHT HUNDRED AND THIRTY-THREE EUROS (€1,347,461,833) represented by two hundred and twenty-four million, two hundred and three thousand, three hundred (224,203,300) registered shares with a par value of six euros and one euro cent (€6.01) each, numbered consecutively from one (1) to two hundred and twenty-four million, two hundred and three thousand, three hundred (224,203,300), both inclusive, fully subscribed and paid up and all belonging to a single class and series.

### 4.2 ABSORBED COMPANY

*Bankia Vida, Sociedad Anónima de Seguros y Reaseguros, Single Shareholder Company*

(i) Name: Bankia Vida, Sociedad Anónima de Seguros y Reaseguros, Single Shareholder Company.

(ii) Registered Office: Carretera de Pozuelo nº 50, 28222, Majadahonda, Madrid, Spain.

(iii) Tax Identification Number: A-80.434.699.

(iv) Registration Information: Recorded in the Company Register of Madrid, volume 4,280, folio 193, sheet M-71.067. It is likewise registered in the Administrative Registry of insurers and reinsurers of the DGSFP under code C-0778.

(v) Share capital: The share capital of Bankia Vida amounts to TWENTY-TWO MILLION, SIX HUNDRED AND EIGHTY-FIVE THOUSAND, SIX HUNDRED AND FOUR EUROS (€22,685,604) represented by twenty-two million, six hundred and eighty-five thousand, six hundred and four (22,685,604) registered shares with a par value of one euro (€1) each, numbered consecutively from one (1) to twenty-two million, six hundred and eighty-five thousand, six hundred and four (22,685,604), both inclusive, fully subscribed and paid up and all belonging to a single class and series.

## 5. MERGER BALANCE SHEET

For the purposes provided in Article 36 of the LME, the individual balance sheets closed by VidaCaixa and Bankia Vida at 31 December 2021 will be considered as the merger balance sheets.

These balance sheets were prepared by the respective boards of directors of the Companies on 29 March 2022 (in the case of VidaCaixa) and 31 March 2022 (in the case of Bankia Vida) and have been duly verified by the accounts auditors of the Companies through reports dated 31 March 2022 (in the case of VidaCaixa) and 26 April 2022 (in the case of Bankia Vida). Both balance sheets were submitted for approval by the sole shareholder of VidaCaixa on 31 March 2022 and the sole shareholder of Bankia Vida on 26 April 2022, respectively.

## 6. IMPACT ON INDUSTRY CONTRIBUTIONS AND/OR ANCILLARY BENEFITS

For the purposes of the provisions of Article 31.3 of the LME, it is hereby stated that none of the shareholders of the Companies involved in the Merger is an industrial shareholder, nor do the shares of the Companies involved carry ancillary benefits, so therefore the Merger will not have any impact on industry contributions or ancillary benefits, nor will compensation be granted to the sole shareholder of the Absorbing Company.

## 7. RIGHTS TO BE GRANTED TO HOLDERS OF SPECIAL RIGHTS OR HOLDERS OF SECURITIES OTHER THAN SHARES

For the purposes of the provisions of Article 31.4 of the LME, it is hereby stated that there are no holders of special class shares or holders of special rights other than shares in any of the Companies involved in the Merger. Therefore, the granting of any special rights or the offering of any type of option is not applicable.

## 8. ADVANTAGES ATTRIBUTED BY INDEPENDENT EXPERTS OR DIRECTORS OF THE COMPANIES INVOLVED

For the purposes of the provisions of Article 31.5 of the LME, it is hereby stated that no kind of advantage will be attributed to the directors of the Companies involved in the Merger.

On the other hand, the Merger will be carried out without the intervention of independent experts as it is not required due to the Merger being subject to the special simplified procedure provided for in Article 49.1 of the LME.

## 9. EFFECTIVE ACCOUNTING DATE OF THE MERGER

Regarding the 7th mention of Article 31 of the LME, 1 January 2022 is set as the date from which Bankia Vida operations will be considered carried out – for accounting purposes – on behalf of VidaCaixa, pursuant to the provisions of the 20th Registration and Valuation Regulation of the Accounting Plan for Insurers, approved by Royal Decree 1317/2008 of 24 July.

It is hereby stated, for the appropriate purposes, that the retroactive accounting thus determined is in accordance with the Accounting Plan for Insurers, approved by Royal Decree 1317/2008 of 24 July.

## 10. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

There will be no change to VidaCaixa's articles of association resulting from the Merger. Therefore, once the Merger is completed, VidaCaixa, in its capacity as the Absorbing Company, will continue to be governed by the articles of association in force at that time. The text of the articles of association, as they are in force on the date this Project is signed, is attached to this Merger Project as **Annex 1** for the purposes of the provisions of Article 31.8 of the LME.

## 11. POSSIBLE CONSEQUENCES OF THE MERGER ON EMPLOYMENT, POSSIBLE GENDER IMPACT ON THE MANAGEMENT BODIES AND IMPACT ON THE COMPANY'S SOCIAL RESPONSIBILITY

For the purposes of the provisions of Article 31.11 of the LME, the considerations taken into account by the boards of directors of VidaCaixa and Bankia Vida are included below to affirm that the Merger subject to this Merger Plan will have no impact on employment, gender in the administrative bodies or VidaCaixa's corporate social responsibility.

### 11.1 POSSIBLE CONSEQUENCES OF THE MERGER ON EMPLOYMENT

Pursuant to the provisions of Article 44 of the consolidated text of the Workers' Statute Law, approved by Royal Legislative Decree 2/2015 of 23 October regulating the assumption of company succession, VidaCaixa will be subrogated in the rights and labour obligations of Bankia Vida workers.

The Companies involved in the Merger will comply with their obligations on information and, where appropriate, consult the legal representation of the workers of each of them, pursuant to the provisions of labour regulations. Likewise, the planned Merger will be notified to public bodies as deemed appropriate and, in particular, to the General Treasury of the Social Security.

After the merger is executed, the Absorbing Company will complete the study of the possible overlaps, duplicates and economies of scale derived from the process. No decisions have been taken at this date in relation to the labour measures that, if applicable, it may be necessary to adopt to proceed with integrating the Company's workforce as a result of the Merger. In any case, the integration of the workforce will be done respecting the legally established procedures in each case and, particularly, with regard to the rights of information and consultation of workers' representatives, having the corresponding meetings and negotiations with them that allow the aforementioned integration of the workforce to be move forwards with the greatest possible agreement between the parties.

### 11.2 POSSIBLE IMPACT OF GENDER ON THE ADMINISTRATIVE BODIES

It is not expected that there will be any changes in the composition of the Absorbing Company's administrative body as a result of the Merger and, therefore, neither from the point of view of distribution by gender.

### 11.3 IMPACT OF THE MERGER ON CORPORATE SOCIAL RESPONSIBILITY

It is not expected that VidaCaixa's current corporate social responsibility policy will undergo any changes as a result of the Merger subject to this Merger Project.

## 12. TAX REGIME

The Merger will apply and be carried out under the special tax regime for mergers, splits, asset contributions, exchange of securities and change of registered office of a European Company or a European Cooperative Company or in one Member State to another of the European Union as established in Chapter VII of Title VII (the '**Neutrality Regime**') of Law 27/2014 of 27 November on Corporation Tax ('**LIS**').

The Merger constitutes a merger operation for tax purposes pursuant to the provisions of Article 76.1.c) of the LIS to the extent that the Absorbed Company transfers – as a consequence of and at the time of its dissolution without liquidation – all of its share capital to the entity that owns all the securities representing its share capital (i.e., VidaCaixa).

Pursuant to the provisions of Article 89.1 of the LIS, the completion of the Merger will be notified to the State Tax Administration Agency on the terms provided for in Articles 48 and 49 of the Corporation Tax Regulations, approved by Royal Decree 634/2015 of 10 July and, where appropriate, the corporate decisions required by the aforementioned regulations will be adopted. Despite applying the Neutrality Regime being supplementary to the operations included in its scope, it will be expressly stated in the communication or communications sent to the State Tax Administration Agency that the parties involved do not waive its application.

Likewise, it is stated that the Merger is not subject to the Company Operations modality of the Tax on Asset Transfers and Documented Legal Acts by virtue of the provisions of Article 19.2.1 of Royal Legislative Decree 1/1993 of 24 September approving the Consolidated Text of the Tax on Asset Transfers and Documented Legal Acts and exempt from the modalities of Onerous Asset Transfers and Documented Legal Acts pursuant to the provisions of Article 45, paragraph I.B.10 of the aforementioned legal text.

## 13. ASSUMPTIONS AND CONDITIONS OF THE MERGER

### 13.1 ASSUMPTIONS

The Merger and, therefore, its registration, have the necessary assumption of approval by the sole shareholder of VidaCaixa on the terms resulting from the LME. Likewise, despite not being necessary due to the application of Article 49.1.4 of the LME, the Merger will be subject to approval by the sole shareholder of Bankia Vida.

### 13.2 CONDITION PRECEDENT

The Merger is subject to the condition precedent involving obtaining authorisation from the Minister of Economic Affairs and Digital Transformation by Ministerial Order, pursuant to the provisions of Article 90 of Law 20/2015 of 14 July on the organisation, supervision and solvency of insurers and reinsurers and in Article 110 of the ROSSEAR.

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Pursuant to the provisions of Article 30 of the LME, it is hereby stated that this Common Merger Project was drafted and approved, on one hand, by the board of directors of the Absorbed

Company at its meeting on 26 April 2022 and, on the other hand, by the board of directors of the Absorbing Company at its meeting on 26 April 2022.

Likewise, it is hereby stated that the Common Merger Project has been signed on three (3) copies, identical in content and presentation, by all directors of VidaCaixa and by all directors of Bankia Vida.

[*SIGNATURE SHEETS FOLLOW*]

In Barcelona, on 26 April 2022, the board of directors of Vida-Caixa, S.A.U. de Seguros y Reaseguros (Absorbing Company) subscribes, approves and signs this Merger Project, with each of the directors stamping their signature on the successive pages.

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**Jordi Gual Solé**
Chair of the Board of Directors

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**Tomás Muniesa Arantegui**
Deputy Chair of the Board of Directors

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**Francisco Javier Valle T-Figueras**
Director - Director General

_____

**Víctor Manuel Allende Fernández**
Director

_____

**Natividad Pilar Capella Pifarré**
Director

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**Esperanza del Hoyo López**
Director

**Jordi Deulofeu Xicoira**
Director

**Francisco Javier García Sanz**
Director

**Francisco García-Valdecasas Serra**
Director

**Javier Ibarz Alegría**
Director

**Paloma Jiménez Baena**
Director

**José María Leal Villalba**
Director

**María Dolores Pescador Castrillo**
Director

**Juan Rosell Lastortras**
Director

**Rafael Villaseca Marco**
Director

In Barcelona, on 26 April 2022, the board of directors of Bankia Vida, Sociedad Anónima de Seguros y Reaseguros, Single Shareholder Company (Absorbed Company) subscribes, approves and signs this Merger Project, with each of the directors stamping their signature on the successive pages.

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**Jordi Arenillas Claver**
Chair of the Board of Directors

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**Sergio Bassas Fortuny**
on behalf of **Valoración y Control, S.L.**
Director

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**María Aurora de la Fuente García**
on behalf of
**Participaciones y Cartera de Inversión, S.L.**
Director

_____

**Pablo Pernía Martín**
Director

_____

**Inés Redín Villafañe**
Director

**Annex 1**

**VidaCaixa Articles of Association**

## ARTICLES OF ASSOCIATION OF VIDA-CAIXA, S.A. DE SEGUROS Y REASEGUROS

### NAME, PURPOSE, DURATION AND REGISTERED OFFICE

**ARTICLE 1.** A Limited Company is incorporated under the name 'VIDA-CAIXA, SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS'(hereinafter, the '**Company**') which will be governed subject to these Articles of Association and the legislation that is applicable to it at any time, and in particular due to the activities making up its company purpose.

**ARTICLE 2.** The Company's purpose is carrying out transactions of any form of life insurance and reinsurance, including capitalisation, as well as operations involved with accidents and illness. The latter in both its monetary benefit and health assistance. The Company is also able to manage Pension Funds as a Managing Entity.

The Company may carry out the activities making up its company purpose in the whole of Spain and in the countries where it decides to operate by decision of the Board of Directors, in accordance with the applicable regulations in that respect.

**ARTICLE 3.** The Company is incorporated for an indefinite period of time. The Company commenced operations on 23 November 1988, the date on which it was registered in the Special Registry for Insurance Entities of the Ministry of Economy and Finance.

**ARTICLE 4.** The Company has its registered office at Paseo Castellana 51, Madrid, and may move by decision of the General Meeting. The management body will not be competent to agree a change of registered office within Spanish territory. The Company is Spanish.

**ARTICLE 5.** The directors will be responsible for resolving on the creation, closing or moving of branches, agencies or regional offices, or any other centres or premises, in Spanish territory and in any other European Union member State, or in a non-EU State, in compliance with the requirements and guarantees that may be applicable, and deciding on the provision of services within the company purpose, without the need for a permanent establishment.

### TITLE II. SHARE CAPITAL AND SHARES

**ARTICLE 6.** The share capital is set at the amount of one billion three hundred and forty-seven million four hundred and sixty-one thousand eight hundred and thirty-three Euros (€1,347,461,833), made up of 224,203,300 nominal shares, with a nominal value of €6.01 each, of a single class and series, numbered in numerical order from 1 to 224,203,300, inclusive, which will be represented by certificates which may be unitary or multiple and will contain all the legal requirements. The share capital is fully subscribed and paid up.

**ARTICLE 7.** The share capital may be increased or decreased by decision of the General Meeting legally convened for that purpose, with the quorum for attendance and voting provided for by the Law.

**ARTICLE 8.** The shares are nominal and will be represented by certificates, which will be in counterfoil books, be numbered in numerical order, may include one or more shares in the same series and will also appear in a Register Book, where successive transfers and the constitution of rights in rem and other encumbrances on them will be registered. The share certificate will contain all the details and requirements provided for in the Law and will be signed, as a minimum, by a

director. The signatures may be stamped mechanically, observing the requirements provided for by the Law.

**ARTICLE 9.** Shares give their legitimate holders the status of shareholder, which involves full and complete observance of the provisions of these Articles of Association and of the decisions adopted by the Company´s governing bodies. At the same time, they give them the right to exercise the rights inherent to their status, in accordance with these Articles of Association and the Law.

**ARTICLE 10.** Shares are transferable by all the means allowed in Law, in accordance with the provisions of the applicable regulations. In as far as the transfer of shares involves the loss of the company's single member status, the relevant adaptation of these Articles of Association should be carried out immediately.

**ARTICLE 11.** The shares are indivisible. Co-owners of a share respond jointly to the Company for all obligations arising from their status as shareholders, and they should appoint a single person to exercise the rights inherent to their status as a shareholder in their name. The same rule applies to other cases of co-ownership of rights over shares.

**ARTICLE 12.** In the case of usufruct of shares, the status of shareholder lies with the bare owner. Any other relations between the beneficial owner and the bare owner and the remaining content of the usufruct, with regard to the Company, will be governed by the certificate constituting this right, notified to the Company for registration in the register book. In default, the usufruct will be governed by the provisions of the Capital Companies Act and, where not provided for in it, by applicable civil Law.

**ARTICLE 13.** In the event of a pledge or embargo of shares, the provisions of the Capital Companies Act will be observed.

## TITLE III. COMPANY BODIES

**ARTICLE 14.** The Company bodies are the General Shareholders' Meeting and the Board of Directors, which have the powers that, respectively, are assigned to them in Law and these Articles of Association. These powers may be delegated in the manner and to the extent determined in Law and these Articles of Association.

### GENERAL SHAREHOLDERS' MEETING

**ARTICLE 15.** The shareholders, constituted in a duly called General Meeting, will decide on the matters that are the responsibility of the Meeting by majority. All partners, including those voting against and those that did not take part in the meeting, will be subject to the decisions of the General Meeting. The rights of withdrawal and objection provided for in the Law remain unaffected.

**ARTICLE 16.** General Meetings may be ordinary or extraordinary and must be called by the Board of Directors. An ordinary meeting is one that should be held within the first six months of each financial year in order, as appropriate, to approve company management, the accounts for the previous financial year and resolve on the application of the profits. It may adopt decisions on any other matter within its jurisdiction, as long as it appears on the agenda for the call to the meeting, or is legally required, and the General Meeting is constituted with the required amount of share capital present. An Extraordinary Meeting is any other that is not the ordinary annual meeting.

**ARTICLE 17.** The ordinary or extraordinary General Meeting will be validly constituted, in the first session, when the shareholders present, or by proxy, hold at least twenty-five per cent (25%) of the issued capital with the right to vote. In the second session, the Meeting will be validly held whatever the share capital attending may be.

**ARTICLE 18.** Notwithstanding the provisions of the previous article, in order for the Meeting to validly resolve on the issue of debentures, the increase or decrease of the share capital, the suppression or limitation of pre-emption rights over new shares, the conversion, merger, division, global assignment of assets and liabilities and the changing of the registered office to abroad, along with any other amendment to the articles, the first session must be attended by shareholders, either present or by proxy, holding at least fifty per cent (50%) of the issued capital with the right to vote. In the second session, attendance by twenty-five per cent (25%) of the issued capital with the right to vote will be sufficient.

**ARTICLE 19.** All General Meetings must be called with an announcement published on the Company's website, with at least the minimum advance notice required by the Law. The announcement will state the Company's name, the date and time of the meeting and the place it is to be held, along with the agenda showing the points to be dealt with and the position of the person or persons making the call. The date of the second session may also be shown, if appropriate, which must be at least 24 hours after the first. In any case, it will mention the right of all shareholders to obtain the documents to be submitted for their approval and, as appropriate, the auditor's report, immediately and free of charge from the Company. However, the Meeting may be held without the need for a prior call whenever the entire share capital is present and those attending unanimously accept that the Meeting be held.

**ARTICLE 20.** In any case, shareholders who, five days prior to the meeting being held, have their shares registered in the Share Register Book may attend the Meeting.

**ARTICLE 21.** All shareholders who have the right to attend may be represented at the Meeting by another person, even if that person is not a shareholder. Proxy must be granted in writing and specifically for each Meeting, under the terms and with the scope provided for in the Capital Companies Act. This last requirement will not be necessary where the proxy is the spouse, ascendant or descendent of the party represented, or where they hold a general power of attorney granted in a public deed with powers to administer all the assets held by the party represented in Spanish territory. The proxy is always revocable. Personal attendance by the party represented at the Meeting will be considered to be a revocation.

**ARTICLE 22.** The Board of Directors may call an Extraordinary Meeting whenever they consider it suitable for company interests. They must also call it when requested by shareholders who represent at least five per cent of the share capital, stating the points to be dealt with in it in the request. In this case, the Meeting must be called to be held within the two months following the relevant notarial request to the directors, who will, necessarily, include the points subject to the request on the agenda.

**ARTICLE 23.** The Chairperson and Secretary of the Meeting will be those holding the posts on the Board of Directors or, in default, the shareholders chosen by those attending the meeting.

**ARTICLE 24.** Every share gives the right to one vote. The decisions of the Meeting will be adopted by simple majority of the votes of the shareholders, present or by proxy, at the General Meeting, with the decision being understood to be adopted when there are more votes in favour than against

by the share capital present or by proxy. For the adoption of decisions that require a qualified quorum in accordance with the law and the provisions of article 18 of these Articles of Association, if the share capital present or by proxy exceeds 50%, an absolute majority will be sufficient. However, a vote in favour for two-thirds of the share capital present or by proxy at the General Meeting will be required when, in the second session, shareholders representing 25% or more of the issued capital with the right to vote, without reaching 50%.

**ARTICLE 25.** The minutes of the Meeting may be approved by the Meeting itself immediately after it is held and, in default, within 15 days, by the Chairperson of the General Meeting and two comptrollers, one representing the majority and the other the minority. Minutes in either of these two forms will have executive force from the date they were approved. Certificates of the minutes will be issued and the decisions will be notarised by the persons entitled to do so according to these Articles of Association and the Companies Registry Regulations.

The provisions of the articles in these Articles of Association relating to the General Shareholders' Meeting will be understood to be without prejudice to the fact that, in the event the Company has a single shareholder, the latter will exercise the powers of the General Meeting and their decisions in that regard will be recorded in minutes signed by them, or their representative, and may be enforced and formalised by the shareholder themselves or by the Company's Board of Directors.

## DIRECTORS

**ARTICLE 26.** The management and representation of the Company, in and out of court, falls to a Board of Directors, made up of a minimum of three and a maximum of fifteen Directors who will be chosen by the General Meeting. The Board of Directors will be responsible for all matters included in the company purpose, apart from those expressly reserved by Law of the Articles of Association as the responsibility of the General Meeting. The Board of Directors is responsible for approving and monitoring corporate governance policies, relating to transparency of information, remuneration, risk management and internal control and audit, amongst others. Furthermore, the Board of Directors is responsible for setting up the relevant coordination and supervision mechanisms in relation to its subsidiary companies.

The Board of Directors may appoint an Executive Committee from amongst its number, as well as one or several Managing Directors, establishing the content, limits and types of delegation and is able to delegate all the powers that are not ones that cannot be delegated according to the Law or the provisions of these Articles of Association to them.

**ARTICLE 27.**

1. As long as the General Meeting has not appointed one, the Board of Directors will chose a Chairperson from amongst its members and may appoint one or several Vice-Chairpersons. When the same person holds the post of Chairperson of the Board of Directors, or Vice-chairperson of the Board of Directors, and the post of Managing Director, they will be known as the Executive Chairperson, or Executive Vice-chairperson. The Board will also have a Secretary, and may have a Vice-secretary. The Secretary and Vice-secretary may not be directors. In the event of absence or being unable to attend, the Chairperson and the Secretary will be replaced by one of the Vice-chairpersons and by the Vice-secretary, and, in default, by the oldest and youngest Board member, respectively. The Board will meet whenever considered appropriate and will hold at least one meeting every quarter. The Board will be called to meet by the Chairperson on their own initiative, or at the request of at least two Board members, by any means that allows proof of receipt. The

directors making up at least one-third of the Board's members may also call a meeting if, on prior request to the Chairperson, the latter has not made the call within one month with no justified reason. The meeting will be validly constituted when the majority of its members are present. Board members may be represented by another Board member by proxy. Decisions will be adopted by an absolute majority of the Board members attending the meeting, except for qualified decisions for which the Law requires a higher majority. Decisions may be made by voting in writing, without a meeting, as long as no board member opposes this procedure.

Furthermore, the Board of Directors may hold meetings in several places connected by systems that enable those attending to be recognised and identified, continuous communication amongst the attendees, regardless of where they are, and speaking and voting, all in real time. Those attending in any of the places will, for all purposes relating to the Board of Directors, be considered to be attending the same, single meeting. In the event that any of the board members are at the registered office, the meeting will be understood to have been held there. Otherwise, the meeting will be understood to have been held wherever the board member chairing it is.

The Board minutes may be wholly or partially approved by two board members appointed by the Board itself, and signed by the Chairperson, or Vice-chairperson, and the Secretary, or Vice-secretary.

2. Board members must be people of recognised commercial and professional repute and have suitable expertise and experience to be able to carry out their duties in the Company. Furthermore, the Board of Directors must have members who, taken as a whole, have sufficient professional expertise and experience.

3. The Board of Directors will appoint an Audit and Control Committee from amongst its number, made up of a minimum of three (3) and a maximum of five (5) members, aiming to encourage diversity in its make up, who must, necessarily, be non-executive directors. The majority of the members of the Audit and Control Committee will be independent and one of them will be appointed bearing in mind their expertise and experience in the field of accountancy, auditing or both. Without prejudice to the foregoing, the aim will be that all Committee members are appointed taking into account their expertise and experience in the field of accountancy, auditing, finance, internal control, risk management and information technology. As a whole, Committee members will have the relevant technical knowledge in relation to the entity's sector of activity. The Audit and Control Committee will appoint a Chairperson from amongst its members who are independent directors, who must be replaced every four years, but may be re-elected after one year has passed since their removal. A Secretary will also be appointed, who does not have to be a Committee member, and, in default of this appointment or in the event of absence, the Secretary of the Board will act as such. The Audit and Control Committee will meet as many times as necessary to carry out their duties and will be called to the meeting by order of its Chairperson, either on their own initiative or at the request of the Chairperson of the Board of Directors or two (2) members of the Committee itself. The Audit and Control Committee will be validly constituted when the majority of its members are present, in person or by proxy. Decisions will be adopted by the majority of the members attending, in person or by proxy. In the event of a tied vote, the Chairperson of the Committee will have a casting vote. The Committee's minutes will be available to all the members of the Board of Directors. The Audit and Control Committee will have the following remit, without prejudice to other duties that may be assigned to it by the Board of Directors:

i. Report to the General Shareholders' Meeting on matters posed by the shareholders in matters within its remit and, in particular, on the result of the audit, explaining how it has contributed to the integrity of financial information and the function performed by the Committee during the process.

ii. Supervise the efficiency of the Company's internal control, internal audit and risk management systems, and discuss significant weaknesses in the internal control system detected while carrying out the audit with the auditor, without infringing on their independence. For these purposes, if necessary, it may submit recommendations or proposals to the Board of Directors and the relevant time frame for their follow-up.

iii. Supervise the process of drawing up and presenting the required financial information and submit recommendations or proposals to the Board of Directors, aimed at safeguarding its integrity.

iv. Take proposals for recruitment, appointment, re-election and replacement of the auditor to the Board of Directors, taking responsibility for the recruitment process in accordance with the legislation applicable to the Company, and the terms of their recruitment, and regularly collecting information about the audit plan and its performance, as well as preserving their independence when performing their duties.

v. Set up the appropriate relationship with the external auditor in order to receive information about any matters that may involve a threat to their independence, which will be examined by the Committee, and any others relating to the process of carrying out the audit, and, where appropriate, the authorisation of services, other than those that are prohibited, under the terms provided for in the applicable legislation relating to rules of independence, and any other communications provided for in audit legislation and audit standards.

   In any case, it must receive a declaration of independence from the external auditors annually, relating to the Company or entities directly or indirectly associated with it, along with detailed, individualised information about the additional services provided of any kind and the relevant fees received from the entities by the external auditor, or by the persons or entities associated with it, in accordance with the provisions of the legislation regulating audit activities.

vi. Prior to the issue of the auditor's report, annually issue a report expressing an opinion on whether the auditor's independence is compromised. The report should, in any case, contain a reasoned assessment of the provision of each and every one of the additional services referred to in the previous paragraph, considered individually and as a whole, other than the legal audit, and in relation to the rules on independence or the legislation regulating audit activities.

vii. Report to the Board of Directors beforehand about all matters provided for in the Law and in the Articles of Association and, in particular, on the financial information that the Company must make public periodically, the information reported by those in charge of the entity's fundamental functions and the creation or acquisition of holdings in special purpose entities, or domiciled in countries or territories considered to be tax havens, and transactions with associated parties.

4. The provisions of subsections (iv), (v) and (vi) of the previous section shall be understood without prejudice to the regulations governing the audit of accounts.

5. The Board may appoint an Appointments, Remuneration and Sustainability Committee made up of a minimum of three (3) and a maximum of five (5) members, who must be non-executive directors. The Appointments, Remuneration and Sustainability Committee will appoint a Chairperson from amongst its members. A Secretary will also be appointed, who does not have to be a Committee member, and, in default of this appointment or in the event of absence, the Secretary of the Board will act as such. The Committee will meet whenever called by its Chairperson, who should do so whenever the Board or its Chairperson requests a report to be issued or proposals to be adopted and, in any case, whenever appropriate for the proper performance of its duties. It will be called by the Chairperson of the Committee, either on their own initiative or at the request of the Chairperson of the Board of Directors or two (2) members of the Committee itself. The Appointments, Remuneration and Sustainability Committee will be validly constituted when the majority of its members are present, in person or by proxy. Decisions will be adopted by the majority of the members attending, in person or by proxy. Without prejudice to other duties that may be assigned to it by the Board of Directors, the Appointments, Remuneration and Sustainability Committee will have the following basic responsibilities:

i. Assess the skills, expertise and experience needed in the Board of Directors.

ii. Set a target for representation of the least represented gender on the Board of Directors and draw up guidelines on how to achieve the target.

iii. Take proposals for appointing independent directors to the Board of Directors for their appointment by co-opting or for submission to the General Shareholders' Meeting for a decision, along with proposals for re-election or dismissal of such directors by the General Meeting, and inform on proposals for appointing the remaining directors;

iv. Report on proposals for appointment and dismissal of Senior Management and the basic terms of their contracts.

v. Review and organise the succession of the Chairperson of the Board of Directors and the Company's first executive and, as appropriate, make proposals to the Board of Directors so that the succession occurs in an orderly, planned manner.

vi. Propose the remuneration policy for the directors and director generals, or those carrying out their senior management functions coming directly under the Board, executive committees or managing directors to the Board of Directors, along with individual remuneration and other contractual terms for the managing directors, ensuring this is observed.

vii. Supervise the Company's actions in relation to sustainability and submit the sustainability/corporate responsibility policy to the Board for approval.

6. The Board may appoint a Risk Committee made up of a minimum of three (3) and a maximum of five (5) members, who must be non-executive directors. The aim will be that all Committee members are appointed taking into account their expertise, ability and experience to fully understand and control the Company's risk strategy and risk appetite. The Risk Committee will appoint a Chairperson from amongst its members. A Secretary will also be appointed, who does

not have to be a Committee member, and, in default of this appointment or in the event of absence, the Secretary of the Board will act as such. The Committee will meet as many times as necessary to carry out their duties and will be called to the meeting by order of its Chairperson, either on their own initiative or at the request of the Chairperson of the Board of Directors or two (2) members of the Committee itself. The Risk Committee will be validly constituted when the majority of its members are present, in person or by proxy. Decisions will be adopted by the majority of the members attending, in person or by proxy. In the event of a tied vote, the Chairperson of the Committee will have a casting vote. The Committee's minutes will be available to all the members of the Board of Directors. The Risk Committee will have the following remit, without prejudice to other duties that may be assigned to it by the Board of Directors:

i. Support and advice to the Board of Directors on the Company's current and future global risk appetite and its strategy in the area, reporting on the risk appetite framework, assisting in monitoring the application of the strategy, ensuring the Company's actions are consistent with the level of risk appetite previously decided on and following up on the level to which the risks assumed are in line with the profile defined.
ii. Supervise the efficiency of the risk management systems.

iii. Advise the Board of Directors on the definition and assessment of risk policies affecting the Company.

iv. Monitor performance of the capital management strategy and all other relevant financial and non-financial risks at the company, including actuarial risks, in order to assess whether they are in line with the approved risk strategy and appetite.

v. Determine, jointly with the Board of Directors, the nature, amount, format and frequency of the information about risks that the Board of Directors should receive and define the information that the Risk Committee has to receive.

vi. Regularly review principle exposures, sectors of economic activity, geographical areas and types of risk.

vii. Review the Group's information processes and risk control, and the information systems and indicators, that should enable:

    a) the suitability of the structure and functionality of risk management in the entire Group;
    b) knowledge about the exposure to risk in the Group to assess if it is in line with the profile decided on by the Company;
    c) having sufficient information to have an accurate understanding of the exposure to risk for decision making; and
    d) appropriate functioning of the policies and procedures that mitigate operational risks.

viii. Assess the regulatory compliance risk in its field of action and decision, understood to be the management of the risk of legal or regulatory sanctions, financial, material or reputational loss that the Company may have as a result of non-compliance with laws, regulations regulatory standards and codes of conduct, detecting any risk of non-compliance and following it up, and reviewing possible deficiencies in the conduct principles.

ix. Report on new products and services, or significant changes to the existing ones, with the aim of determining:

a) risks faced by the Company with their issue and marketing on the markets, along with the significant changes to those already in existence;
b) information and internal control systems for managing and controlling these risks;
c) corrective measures to limit the impact of the risks identified, in the event that they materialise; and
d) suitable means and channels for marketing them with the aim of minimising reputational and defective marketing risks.

7. In as far as not provided for in each case, the Board of Directors' operational rules will be applicable to the Committees appointed by the Board of Directors.

**ARTICLE 28.** It will not be necessary to be a shareholder to be a Director. They will be appointed by the General Meeting for a term of four years and may be re-elected indefinitely. Directors may be removed from their post at any time with a decision by the General Meeting.

**ARTICLE 29.** Anyone finding themselves in a legal position of incapacity or incompatibility, as provided for in the current legislation, may not be a Director.

**ARTICLE 30.** If a legal person is appointed as a Director, it will designate a natural person as its representative to carry out the duties of the post.

**ARTICLE 31.** The post of board member will be remunerated.

The maximum amount of the annual remuneration for all the board members, for all applicable remuneration items, must be approved by the General Meeting and will remain in force until its amendment is approved.

Remuneration for belonging to the Board of Directors and its Committees will consist of a fixed annual amount set by the Board of Directors in the form it considers most appropriate, depending on the duties, responsibilities and dedication of each board member (particularly the Chairperson and Vice-chairpersons). It may also take into account their membership in the various Committees, which may give rise to different remuneration for each one of them. The maximum limit approved by the General Meeting must be respected in all cases.

Independently from the foregoing, and also within the maximum limit approved by the General Meeting referred to, board members who are given delegated or executive duties in the Company, under any title, whatever the nature of their legal relationship with it, will have the right to receive remuneration for the provisions of these duties. This will be determined by the Board of Directors and may consist of a fixed amount, a supplementary variable amount and, in addition, incentive schemes according to certain parameters, as well as benefits which may include a pension plan and appropriate insurance and, if relevant, Social Security. The relationships with board members who are given executive duties must be recorded in a contract between the board member and the Company that regulates such relationships and, in particular, their remuneration in accordance with the aforementioned remuneration items. This contract must be in accordance with the

remuneration policy approved, as appropriate, by the General Meeting, and must be approved by the Board of Directors with the majority legally provided for and included as an appendix to the minutes of the meeting of the Board of Directors.

## TITLE IV. FINANCIAL YEAR AND ANNUAL ACCOUNTS

**ARTICLE 32.** The financial year will coincide with the calendar year.

**ARTICLE 33.** In accordance with the provisions of the Commercial Code, the Company must keep orderly accounting, in line with the company´s activity, that enables chronological monitoring of the operations, and inventories and balance sheets to be drawn up. The Directors are under the obligation to draw up the annual accounts, management report and the proposal for application of the profits within a maximum of three months after the close of the financial year. The annual accounts will include all the documents provided for in current legislation. These documents, which form a single whole, should be drawn up with clarity and show a true image of the Company's assets, financial situation and the Company's profit/loss, in accordance with the provisions of the Law and the Commercial Code, and must be signed by all the directors. If any of their signatures are lacking, express indication of the reason will be shown on each one of the documents where it is lacking.

**ARTICLE 34.** Within one month after the annual accounts are approved, they will be submitted, together with the appropriate certificate proving the approval and application of the profit/loss, for deposit at the Companies Registry in the form determined by the Law.

**ARTICLE 35**. The Meeting may apply the amount it considers suitable to voluntary reserve, investment provision fund and any other provision legally permitted from the profit obtained in each financial year, once the legal reserve and other provisions legally provided for are covered. The remainder will be distributed as dividends between the shareholders in proportion to the paid-up capital for each share, as appropriate. Payment of dividends on account will be subject to the provisions of the Law.

## TITLE V. DISSOLUTION AND LIQUIDATION

**ARTICLE 36.** The Company will be dissolved on the grounds legally provided for. Cases of complete merger or division are excepted from the liquidation period. In the event of dissolution, liquidation will be the responsibility of the Directors who, as liquidators by nature in general, will carry out the liquidation and division in accordance with the decisions of the General Meeting and the legal provisions in force.

**ARTICLE 37.** Once all creditors have been paid and the amounts of their credits allotted against the Company, and those not yet due have been ensured, the resulting asset will distributed amongst the shareholders, in accordance with the Law.