



Board of Directors Regulations

UNICAJA BANCO, S.A.

Including the amendment approved by the Board of Directors, at its meeting held on 3 September 2021 and registered in the Trade Register of Malaga on 24 September 2021.

CONTENTS

CHAPTER I - INTRODUCTION	3
Article 1. Purpose.....	3
Article 2. Scope	3
Article 3. Interpretation	3
Article 4. Amendment.....	4
CHAPTER II – COMPOSITION, COMPETENCE AND ROLE OF THE BOARD OF DIRECTORS.....	4
Article 5. Quantitative composition	4
Article 6. Qualitative Composition.....	4
Article 7. Competences of the Board of Directors – List of matters which cannot be delegated	6
Article 8. Specific functions related to the Securities Market.....	8
CHAPTER III –RELATIONS OF THE BOARD OF DIRECTORS	8
Article 9. Relations with shareholders.....	8
Article 10. Relations with markets.....	10
Article 11. Relations with auditors.....	10
CHAPTER IV – APPOINTMENT AND REMOVAL OF DIRECTORS.....	11
Article 12. Appointment of Directors	11
Article 13. Term of office	11
Article 14. Removal of directors	12
CHAPTER V – DUTIES OF DIRECTORS	13
Article 15. General obligations of Directors	13
Article 16. Duty of confidentiality of Directors.....	14
Article 17. Conflicts of interest and related transactions.....	14
Article 18. Use of the Company’s information.....	15
Article 19. Powers of information and inspection	15
Article 20. Business opportunities. Use of company assets.....	16
Article 21. Reporting duties.....	16
CHAPTER VI – REMUNERATION OF DIRECTORS	16

Article 22. Content of remunerations	16
Article 23. Annual report on remunerations	18
Article 24. Remuneration transparency	18
CHAPTER VII – STRUCTURE AND OPERATION OF THE BOARD OF DIRECTORS.....	18
Article 25. Chair. Role.	18
Article 26. Vice-Chairs. Chief Executive Officer. Lead Director	19
Article 27. Board Secretary. Role. Board Vice-Secretary.....	20
Article 28. Meetings of the Board of Directors	20
Article 29. On the Board Committees.....	22
Article 30. Executive Committee	22
Article 31. Audit and Regulatory Compliance Committee.....	23
Article 32. Appointments Committee.....	27
Article 33. Remuneration Committee	29
Article 34. Risk Committee	30
Article 35. Assessment of the Board of Directors, its Committees and positions.....	32
Article 36. Corporate Social Responsibility	33
TRANSITIONAL PROVISION.....	34
1. Duration of the term of office of Directors appointed before the amendment of article 13 of the Board of Directors Regulations in the year 2020.....	34

BOARD OF DIRECTORS REGULATIONS

CHAPTER I - INTRODUCTION

Article 1. Purpose

These Regulations intends to determine the principles that are to govern all actions taken by the Boards of Directors of UNICAJA BANCO, Sociedad Anónima (hereinafter, the "**Company**"), its basic rules of organization and operation and the rules of conduct to be observed by its members, in order to achieve the highest effectiveness and transparency in its management.

Article 2. Scope

1. These Regulations are applicable to the members of the Board of Directors and, to the extent it may affect them, to the Senior Managers of the Company and its subsidiaries and investees where the Company controls the management.

For the purposes of these Regulations, the Company and the set of subsidiary and investee firms where the Company holds the control of the management will be jointly referred to as the "**Group**".

2. The Directors and Senior Managers are required to be familiar with, comply and cause compliance with these Regulations. The Secretary of the Company's Board will provide each of them with a copy of the Regulations.

For the purposes of these Regulations, **Senior Managers** are considered to be those who report directly to the Company's Board, Board Chair, Executive Committee or to the Chief Executive Officer, those responsible for internal control functions and, to the extent to which they may be affected, to other key positions for the daily development of the Group activity.

3. The Board of Directors shall take the appropriate measures to give a wide dissemination to these Regulations among the shareholders and the investor public in general, in accordance with the regulations in force at any given time. For that purpose, these Regulations shall be reported to the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*, CNMV), and, following the mentioned reporting, it will be submitted for registration at the Trade Register under the general rules. It will also be available on the Company website.

Article 3. Interpretation

These Regulations supplement that established for the Board of Directors in the corporate laws currently in force, in the laws applicable to credit institutions and in the Company's Bylaws, and they shall be construed in accordance with the general criteria for interpretation of legal rules, considering mainly their intention and purpose. The Board of Directors may explain their contents.

Article 4. Amendment

1. The Board of Directors may amend these Regulations, in accordance with the requirements in this article.
2. The amendment to the Regulations may be requested by the Chair, the CEO, one third of the members of the Board or the Audit and Regulatory Compliance Committee, whenever circumstances occur that, in their opinion, so require or recommend it. The amendment proposal must be accompanied by an explanatory memorandum and by the scope of the proposed amendment.
3. The amendment proposals must be reported on by the Audit and Regulatory Compliance Committee.
4. The text of the proposal, the explanatory memorandum and the report of the Audit and Regulatory Compliance Committee will be attached to the call for the meeting of the Board of Directors that is to consider it.

The call for the meeting will be made with the advance and other formalities set forth in the Bylaws and in these Regulations.

The amendment of the Regulations will require, for it to be valid, the approval by at least the absolute majority of the members of the Board.

CHAPTER II – COMPOSITION, COMPETENCE AND ROLE OF THE BOARD OF DIRECTORS

Article 5. Quantitative composition

1. In accordance with the Bylaws, the Board of Directors shall be comprised of a minimum of eight members and a maximum of fifteen members, and the General Meeting shall determine the specific number of directors.
2. The Board of Directors shall propose to the General Meeting the amendment of the Bylaws to modify the number of Directors which, according to the Company's changing circumstances, is most appropriate to ensure the due representativeness and an efficient functioning and participation of the body.

Article 6. Qualitative Composition

1. The persons appointed as Directors will have recognized commercial and professional good repute and will possess the knowledge and experience required to perform their duties and will be ready to exercise good governance in the institution. Also, in addition to those conditions required by the Law and the Bylaws, they must meet those established in these Regulations, formally committing themselves when taking office to meet the obligations and duties thereof. It is not necessary to be a shareholder in order to be appointed as a member of the Board.

2. When exercising its powers to propose appointments to the General Meeting and to co-opt directors, the Board of Directors shall endeavor to ensure:
 - a) that non-executive Directors constitute a broad majority of the Board, and that the number of executive Directors will be the minimum required to cover the corresponding functions for the best development of the Company. It will also arrange for the percentage of proprietary Directors with regard to the total of non-executive Directors not to be higher than the existing ratio between the Company's capital represented by those Directors and the rest of the capital;
 - b) that an appropriate number of independent Directors will be integrated in the Board of Directors to comply with the corporate purposes. These will represent, at least, one third of the Directors;
 - c) that the overall composition of the Board of Director ensures that it possesses collectively the knowledge, experience and competencies required to guaranteeing the effective capacity of the Board to make independent and autonomous decisions for the benefit of the Institution;
 - d) that the Board composition favors diversity of gender, experience and knowledge, and that it has not implicit bias that may imply any discrimination and, in particular, that it facilitates the selection of female Directors.
3. For the purposes of these Regulations, the definition of types of Directors included in the applicable regulations will be considered and, in particular, that of the restated text of the Spanish Law on Corporate Enterprises (*Ley de Sociedades de Capital*), approved by the Spanish Royal Legislative Decree 1/2010 of 2 July, or regulation replacing it, in its version in force at any given time.
4. The Board of Directors shall arrange to disclose the following information regarding Directors on the Company's website:
 - a) Professional and biographical profile.
 - b) Other board of directors they may belong to, both in listed and non-listed companies, as well as any other remunerated activities they carry out, whatever their nature may be.
 - c) Indication of the directorship category they belong to. In the case of proprietary directors, the shareholder they represent or to which they are related must be indicated.
 - d) The date of his/her first appointment as director of the Company, as well as subsequent re-elections.
 - e) Shares of the Company, and options thereon, that they hold.

Article 7. Competences of the Board of Directors – List of matters which cannot be delegated

1. The Board of Directors must establish operating rules and procedures adequate for all its members to comply at any time with their obligations and to assume the responsibilities they have under the ordering, supervision, solvency and discipline regulations of credit institutions, the Spanish Law on Corporate Enterprises (*Ley de Sociedades de Capital*) or other provisions that may be applicable.
2. The Board must assume the powers of supervision, management, control and representation of the Company, assigned by the laws on corporations and by the specific laws on credit institutions, as well as by the Bylaws and, in accordance with them, these Regulations.
3. The core of its mission is the approval of the Company's strategy and the organization required to implement it, as well the supervision and the control of the compliance with the targets set by the management, and the respect to the corporate purpose and interest. The Board of Directors will perform its duties with unity of purpose and independent judgment, will give the same treatment to all the shareholders and will be guided by the interest of the Company. It will arrange, also, for the Company to respect the rules and regulations, to fulfill its obligations and contracts in good faith, to respect the customs and good practices of the sectors and regions where it develops its activity, and to observe those additional principles of social responsibility that it may have voluntarily accepted.
4. In any case, the following matters will correspond to the Board of Directors, by the adoption of resolutions to be approved in each case, as per that established by the Law or the Bylaws, and they are established as a formal list of matters reserved to its exclusive competence:
 - a) the preparation of the annual accounts, the management report and the proposal to allocate the Company's result, as well as, if applicable, the consolidated annual accounts and management report;
 - b) the approval of the Annual Report on Corporate Governance, for it to be presented at the General Meeting, and the approval of the Report on the remuneration of Directors;
 - c) the call of the General Shareholders' Meeting;
 - d) the appointment of Directors by co-option, and the submission of proposals to the General Meeting regarding the appointment, ratification, re-election or removal of Directors, as well as being informed of the resignation of Directors, all that in accordance with that established in the Bylaws and in the present Regulations;

- e) the appointment and renewal of the internal positions of the Board of Directors and its Committees;
- f) the pronouncement on any takeover bid (*oferta pública de adquisición*) made on securities issued by the Company;
- g) the delegation of powers to any of its members, as well as the revocation thereof under the terms established by the Law, the Bylaws and these present Regulations;
- h) the annual assessment, pursuant to that established in the Law, the Bylaws and these present Regulations, and prior the mandatory reports, of the performance and activity of the Board itself, its Chair and its Committees;
- i) the distribution among the Directors of the remuneration they are entitled to due to their role as such, considering the functions and responsibilities assigned to each Director, their belonging to Committees and other objective circumstances deemed as relevant, all in accordance with the remuneration policy approved by the General Meeting;
- j) the prior approval of the contracts to be entered into between the Company and the Directors with executive functions, where the concepts for which they can get a remuneration for the performance of the said functions are included, and the remuneration to be received under the said contracts is set, always in accordance with that established in the Law and in the remuneration policy approved by the General Meeting;
- k) the approval of the Company's general policies and strategies, and especially:
 - i. the strategic or business plan, as well as the annual management targets and budget;
 - ii. the investment and financing policy;
 - iii. the definition of the Group structure;
 - iv. the corporate governance policy;
 - v. the corporate social responsibility policy;
 - vi. the policy on the remuneration and assessment of performance of Senior Managers;
 - vii. the dividend policy, as well as that of treasury shares and, especially, its limits; and
 - viii. the risk control and management policy, including tax risks, as well as the regular monitoring of the internal information and control systems.
- l) The adoption of the following decisions:

- i. the financial information that the Company must disclose regularly;
 - ii. the investments or transactions of all type which, due its high amount or special characteristics, have a strategic nature or special tax risk, unless its approval corresponds to the General Meeting; and
 - iii. the creation or acquisition of stakes in special purpose companies or domiciled in countries or territories considered as tax havens, as well as any other transactions or similar operations which, due to their complexity, may impair the Group transparency.
- m) The examination and approval of transactions that the Company enters into with Directors, Senior Managers, significant shareholders or represented at the Board, or with people related to them ("**related transactions**"), prior favorable report by the Audit and Regulatory Compliance Committee.
 - n) The authorization or waiver of the obligations arising from the duty of loyalty established in the law (unless the decision on the said authorization or waiver corresponds by law to the General Meeting).
 - o) The approval and amendment of the present Regulations; and
 - p) other powers that the Board cannot delegate and established by the law on companies, the laws specific to credit institutions, the Bylaws and these Regulations.

Article 8. Specific functions related to the Securities Market

The Board of Directors shall perform, without prejudice to other duties that it may be assigned in accordance with the applicable regulation, the following specific functions with regard to securities market:

- a) the implementation of as many acts and the adoption of as many measures as necessary to ensure the Company's transparency in financial markets;
- b) the implementation of as many acts and the adoption of as many measures as necessary to promote the correct price setting for the Company's shares, avoiding, especially, manipulations and abuse of privileged information; and
- c) the approval and update of the Internal Code of Conduct in matters related to securities market.

CHAPTER III –RELATIONS OF THE BOARD OF DIRECTORS

Article 9. Relations with shareholders

1. The Board of Directors shall promote the communication of the Company with its shareholders and shall adopt the necessary measures to allow the General

Shareholders' Meeting to perform effectively the functions it has been assigned under the law and the Bylaws.

2. In particular, the Board of Directors shall adopt the following measures:
 - a) It will put at the disposal of shareholders, prior to the General Meeting, all the information that may be legally required and all that information that, even if it is not required, may be of interest and may be reasonably provided.
 - b) It will respond, with the best diligence, to the requests of information or explanations, as well as to the questions posed by the shareholders on the occasion of the General Meeting.
 - c) It will define a policy for the communication and contact with shareholders, institutional investors and proxy advisers. This policy will be available on the Company's website.
 - d) It will put at the shareholders' disposal an updated website of the Company, adapted to the regulations in force, and with access to all the information that may be required by the laws, the Bylaws and the regulations.
3. Public proxy voting requests made by the Board or by any of its member shall express the direction in which the representative shall vote if the shareholder does not give instructions. The vote delegated under the said public request shall not be exercised in the items of the agenda where the proxy is in conflict of interest according to that provided for in the current laws.
4. The Board, through some of its Directors, may organize information meetings on the evolution of the Company and its group, for shareholders living in the most relevant financial locations, in Spain and abroad, provided that no favorable treatment is given to any shareholder and provided that the mentioned informative presentation is made available at the same time to the Spanish National Securities Market Commission and is published on the Company's website.
5. The Board will also establish adequate mechanisms for the regular exchange of information with the institutional investors making part of the Company's shareholders. In no case the relations between the Board and the institutional investors will result in the delivery to the latter of information that may provide them with a privileged or advantageous situation with regard to other shareholders.
6. The Board of Directors will also arrange for no shareholder to receive a privileged treatment with regard to other shareholders, treating in the same way all shareholders which are in the same conditions (in particular, in that referred to information, participation and exercise of the right to vote at the General Meeting).

Article 10. Relations with markets

1. The Board of Directors shall adopt the provisions required to inform the public immediately, via the submission to the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores) and the simultaneous publishing on the Company website of:
 - a) relevant events that may have a sensitive effect on the price setting of the stock quotation of the Company's share;
 - b) changes affecting significantly to the Company's shareholder structure;
 - c) substantial amendments to the Company's governance rules, currently constituted by the Bylaws and the Board Regulations; and
 - d) treasury shares transactions having to be reported under the relevant regulations.
2. The Board of Directors shall adopt, with the participation if applicable of the Audit and Regulatory Compliance Committee, the necessary measures to ensure that the regular financial information and any other information made available to markets are prepared following the same principles, criteria and professional practices as the annual accounts and have the same reliability as those.

Article 11. Relations with auditors

1. The relation of the Board with the Company's external auditor will be through the Audit and Regulatory Compliance Committee.
2. The Board of Directors will refrain from proposing the hiring of those audit firms where the fees to be paid by the Company and other companies of the Group, for all the concepts, are higher than the percentage established in the applicable regulations.
3. No services other than auditing will be hired with the audit firm if the said services may put at risk the firm's independence.
4. The Board of Directors will arrange for the definitive preparation of the accounts, in a manner that will not result in qualifications or reservations by the account auditor. Nevertheless, when the Board considers that it must maintain its criterion, the Chair of the Audit and Regulatory Compliance Committee, as well as the auditors, will explain to the shareholders the contents and scope of the said reservations or qualifications.

CHAPTER IV – APPOINTMENT AND REMOVAL OF DIRECTORS

Article 12. Appointment of Directors

1. The Board of Directors shall submit to consideration by the General Meeting the proposals to appoint Directors and the appointment decisions adopted by the said body under the co-option powers that it has been legally assigned.
2. The proposals for appointment shall fall on persons of recognized professional and commercial repute, who possess the knowledge and experience required to exercise their duties, and must be ready to exercise good governance in the institution. Proposals for appointment will be subject, in any case, to the assessment by the Competent Authority under the terms provided for in the banking regulations.
3. The appointment or re-election proposal of Board Members corresponds to the Appointments Committee, if it is related to independent directors, and to the Board itself, prior report from the said Committee, in the other cases. A supporting memorandum from the Board must be submitted together with the proposal, where the competencies, experience and merits of the proposed candidate are assessed. This will be attached to the minutes of the General Meeting or of the Board itself, as it may correspond. The mentioned memorandums will be disclosed upon the call for the General Shareholders' Meeting in which the ratification, the appointment or the re-election of each Director is to be considered.
4. The provisions of this article are also applicable to natural persons appointed as representatives of a Director which is a legal person.

Article 13. Term of office

1. The Directors shall hold office during a term of three years, and they can be re-elected indefinitely for periods of the same duration, prior report from the Appointments Committee where the quality of the work and dedication to the position of the Directors during the previous term of office is assessed.
2. Those Directors appointed by co-option shall hold their position until the date of the first Annual General Meeting. This period will not compute for the purposes in the previous paragraph. If the corresponding vacancy occurs once the General Meeting has been called and before it has been held, the Board may appoint a director until the next General Meeting is held.
3. The appointment of Directors will expire when, once the term of office has expired, an Annual General Meeting has been held and they have not been re-elected or the legal period to hold an Annual General Meeting to resolve on the approval of the previous year accounts has expired.

Article 14. Removal of directors

1. Directors will stand down from office when the term for which they were appointed has expired, or upon decision of the General Meeting under the powers that it has received legally and statutorily.
2. Directors must put their position at the disposal of the Board of Directors and formalize their resignation, if considered necessary, in the following cases:
 - a) when they are removed from the positions, charges or functions to which their appointment as Directors is associated;
 - b) when they are affected by circumstances of incompatibility or prohibition as defined under prevailing legislation;
 - c) when requested by the Board itself by majority of, at least, two thirds of its members:
 - i. if as a consequence of breach of their obligations as Directors they are seriously admonished by the Board, prior proposal or report by the Appointments Committee, or
 - ii. when their permanence in the Board may put a risk the Company's interests.
 - d) when requested by the Bank of Spain, the European Central Bank or any other authority with competences in this matter;
 - e) when the Board, prior report from the Appointments Committee, deems it is convenient in those cases that may cause a prejudice to the credit and repute of the Company, when the Director no longer meets the legal requirement of good repute, expertise and good governance established in article 24 of the Law 10/2014 and its implementing provisions or, in particular, when the Director is tried for alleged criminal cases. In particular, if a Director is tried for or an order of commencement of an oral trial has been issued against him for any of the crimes indicated the corporate laws, the Board of Directors will examine the matter as soon as possible and, in view of the particular circumstances, decide whether or not it is appropriate for the Director to remain in his/her position. The Board of Directors will inform, in a detailed way, of all of this in the Annual Corporate Governance Report and, if applicable, will report to the Bank of Spain, European Central Bank or competent authority.
3. Proprietary directors must submit their resignation, in such number as is applicable, when the shareholder they represent transfers or reduces its shareholding.
4. When, due to resignation or by any other reason, a Director stands down from office before the end of his/her term of office, he/she shall explain the reasons thereof in a letter sent to all Board members. Without prejudice to the said

termination being communicated as a relevant event, the reason of the removal will be included in the Annual Corporate Governance Report.

5. The Board of Directors will not be able to propose the separation of an independent Director before the end of the statutory period for which he/she has been appointed, unless there is a fair cause, appreciated by the Board itself prior report from the Appointments Committee. In particular, it will be considered that there is a fair cause when the Director holds new positions or undertakes new obligations which prevent him/her from dedicating the necessary time to the performance of duties of the position of Director, when he/she is in breach with the duties inherent to his/her position as Director, or if he/she incurs in any of the circumstances that make him/her lose his/her condition of independent, in accordance with that established in the applicable regulations.

The separation of independent directors may also be proposed as a consequence of takeover bids (*ofertas públicas de adquisición*), mergers or other similar corporate transactions that involve a change to the company's capital structure, when those changes to the structure of the Board of Directors are caused by the criteria of qualitative composition set in these present Regulations.

CHAPTER V – DUTIES OF DIRECTORS

Article 15. General obligations of Directors

1. Directors must comply with the duties established by the Law, the Bylaws and the Company Regulations with loyalty to the corporate interest.

The role of Directors is to guide and control the management of the Company so as to maximize, in a sustained way, the economic value of the company.

2. When performing their roles, Directors will act with the diligence of an organized businessperson and the loyalty of faithful representatives, acting in good faith and in the best interest of the Company. In particular, Directors must:
 - a) Gather information and prepare properly the meetings of the Board and of the Committees and other corporate bodies they belong to; for that purpose, they have the duty to request and the right to gather the adequate and necessary information for the fulfillment of their obligations.
 - b) Attend the meetings of the bodies they are part of and to participate actively in the deliberations so that their criterion contributes effectively to the decision making.

In the event that they cannot attend the meetings they have been called to, they must instruct the Director to which, in any case, have granted proxy. Non-attendances will be quantified in the Annual Corporate Governance

Report. Non-executive Directors shall grant proxy only to other non-executive Directors.

- c) Attend the General Meetings.
 - d) Carry out any specific task assigned by the Board of Directors and reasonably within their dedication commitment.
 - e) Not exercise their powers with other purposes different from those for which they were granted.
 - f) Exercise their functions under the principle of personal responsibility with freedom of criterion or judgment and independence with regard to third-party instructions and relations.
 - g) Make the appropriate statements, recorded in the corresponding minutes, when the Board of Directors or the Committees they belong to make significant or reiterated decisions on which the Director may have expressed serious reservations and, if he/she decides to resign, he/she must explain the reasons of the resignation in a letter sent to all Directors.
 - h) Adopt the necessary measures to avoid situations where their interests, for their own or third-party account, may enter into conflict with the corporate interest and with their duties towards the Company.
 - i) Report to the Board of Directors, according to the established procedure, any direct or indirect situation of conflict that they, or a person related to them, may have with the interest of the Company.
 - j) Have the appropriate dedication and adopt the necessary measures for the good management and control of the Company. In particular, Directors must report to the Appointments Committee their other professional obligations, in case they may interfere with the dedication inherent to their position.
3. Directors shall not be part of more board of directors than those allowed by the applicable banking regulation, in particular, by Circular 2/2016 of 2 February, of the Bank of Spain, excluding that of the Company itself and those of its Group companies.

Article 16. Duty of confidentiality of Directors

Directors will keep in secret the deliberations of the Board and the bodies to which they belong, as well as the information, data, reports or background to which they may have had access during the exercise of their duties, even after they have left office, with the exception of those cases established by law.

Article 17. Conflicts of interest and related transactions

Directors shall refrain from:

- a) entering into transactions with the Company, unless they are ordinary transactions, carried out on the standard terms for customers and of scarce relevance, considering as such those whose reporting is not required to give a true and fair view of the Company's equity, financial situation and results of operations;
- b) carrying out activities for their own or third-party account which entail an effective competition, current or potential, to the Company or which, in any other way, place them in a permanent conflict with the Company's interests;
- c) attending and participating in the deliberations and voting of agreements or decisions where they or a person related to them have a conflict of interest, whether direct or indirect. The resolutions or decisions that may affect them in their role as directors (for instance, appointment or revocation for positions in the Board or similar) will be excluded from this duty to abstain.

For the purposes thereof, persons related to Directors will be: spouses or persons with a similar relationship of affection; first-degree ascendants or descendants and siblings of the subject person or of his/her spouse (or persons with similar relationship of affection), the companies or institutions where the person subject to the rules of conflicts of interest, or any of its related persons, by themselves or by proxy, have control, as defined by article 42 of the Code of Commerce (Código de Comercio).

Article 18. Use of the Company's information

Directors will not be able to use the Company's confidential information for private purposes.

Article 19. Powers of information and inspection

1. Directors have been vested with the broadest powers to get information on any aspect of the Company, to examine its books, records, documents and other background of the Company's transactions and to inspect all its facilities.
2. In order not to interfere with the ordinary management of the Company, the exercise of the powers to get information will be channeled through the Chair or Secretary of the Board of Directors, who will respond to the requests from the Directors by providing them directly with the information, offering them the appropriate contact persons within the organization or establishing the measures for them to carry out on-site the desired examination and inspection diligences.
3. The Company will establish the suitable channels for Directors to get the adequate advice to fulfill their duties including, if so required by the circumstances, external advice on the Company's account. In particular, the Company will also offer to Directors programmes to update knowledge if the circumstances so recommend it.

4. Directors will be regularly informed of the movements in the shareholding and of the opinion that the relevant shareholders, investors and rating agencies have on the Company and the Group.

Article 20. Business opportunities. Use of company assets

The Directors and the persons related to them will not:

- a) use for their own benefit any business opportunity of the Company;
- b) use the Group's assets for private purposes;
- c) use their position in the Company to get an economic advantage;
- d) get advantages or remunerations from third-parties different from the Company and its Group associated to the performance of their positions, with the exception of mere courtesies.

Article 21. Reporting duties

Directors must report to the Company all the positions that they hold and the activities that they carry out in other companies or institutions and, in general, any fact or situation that may be relevant for their performance as Company managers.

CHAPTER VI – REMUNERATION OF DIRECTORS

Article 22. Content of remunerations

1. The position of director is remunerated. The remuneration policy for Board Members shall be subject to approval by the General Shareholders' Meeting in the same terms as those established for listed companies in the corporate area.
2. The remuneration of Directors due to their role as such shall be composed of a fixed remuneration and of attendance fees for the meetings of the Board of Directors and its Committees. The maximum annual aggregate remuneration amount that all Directors receive due to their role as such shall be approved by the General Meeting and shall remain unchanged until its modification is approved. The distribution of the remuneration among the different Directors shall correspond, within the limits set in the remuneration policy for directors approved by the General Meeting, to the Board of Directors in the way that it determines, and it will take into account the duties and responsibilities allocated to each Director, the membership on Board Committees, the attendance to the meetings of the Board of Directors and its Committees and other objective circumstances considered as relevant.
3. Executive Directors shall be entitled, too, to receive remuneration composed of: (a) a fixed part, adapted to the services and responsibilities assumed; (b) a variable part, correlated with some indicator of the performance of the Director or the Company or the Group; (c) an assistance part, covering the appropriate welfare and insurance systems; and (d) compensation in case of separation or

any other way of termination of the legal relationship with the Company not due to non-compliance attributable to the Director; all of the above in accordance with the terms and conditions established in the corresponding contract signed between the executive director and the Company, under the laws in force.

Determination of the amount of the remuneration items composing the fixed part, the way to configure and the indicators for calculation of the variable part, the assistance provisions, and the compensation or the criteria for calculation thereof, also corresponds to the Board of Directors, taking into account the remuneration policy.

4. The remuneration policy shall incorporate the limits and the technical measures needed to ensure that remunerations are linked to the professional performance of Directors and not only to the general market or sector evolution.

In this sense, remunerations related to the Company's results shall take into account the possible reservations that may be reflected in the external auditor's report and that reduce those results. Likewise, the variable components of remunerations:

- a) will be linked to performance criteria that are predetermined and measurable and which consider the risk taken to achieve a result;
 - b) will promote the Company sustainability and will include non-financial criteria suitable for the creation of long-term value, such as compliance with the Company's internal rules and procedures and with the policies for risk control and management;
 - c) will be configured on the basis of a balance between the compliance with short-, medium- and long-term goals, which allow to remunerate the performance for an ongoing service during a period of time long enough to appreciate their contribution to the sustainable creation of value, so that the measurement elements of the said performance do not turn only around punctual, occasional or extraordinary facts; and
 - d) will be configured in such a way that the payment of a relevant part thereof is deferred for a period of time minimum enough to check that the performance conditions established in advance have been met.
5. All the concepts for which executive Directors may receive remuneration for their performance of executive functions will be included in a contract. The contract will be approved by the Board of Directors with the favorable vote of two thirds of its members. The affected Director will refrain from attending the deliberation and from participating in the voting to adopt the corresponding resolution. The approved contract will be attached to the minutes of the meeting. The contract will include a clause to allow the Company to claim the

reimbursement of the variable remuneration components if the payment did not adjust to the performance conditions, or if it was been made on the basis of data whose inaccuracy is proved later. Payments for termination of the contract will not exceed an established amount equivalent to two years of the total annual remuneration and will not be paid until the Company has been able to check that the Director has met the performance criteria established in advance.

6. Additionally, the members of the Board of Directors shall be entitled to the reimbursement of any reasonable expense duly justified and directly related to the exercise of their position of Directors. Directors may also receive remuneration for the provision of services or the performance of tasks different from those inherent to their condition as directors.
7. The Company shall take out a civil liability insurance for its Directors in the usual conditions and proportional to the circumstances of the Company itself.
8. In any case, the remunerations of the members of the Company's governing bodies shall be adjusted to the provisions which, on that matter, are established in the corporate and banking regulations.

Article 23. Annual report on remunerations

1. Together with the annual Corporate Governance Report, the Board of Directors will prepare and make available to shareholders an annual report on the remunerations of the Directors. This will include comprehensive, clear and easy to understand information on the Company's remuneration policy for the current year and, if applicable, the expected remuneration policy for future years. It will also include an overall summary on how the remuneration policy was applied during the financial year, as well as a breakdown of the individual remunerations received by each one of the Directors.
2. This report will be disclosed on the same terms as the Annual Corporate Governance report and will be submitted to voting, with consultative nature, and as a separated item on the agenda, at the General Shareholders' Meeting.

Article 24. Remuneration transparency

The Company will comply with the obligations on remuneration disclosure established in the applicable regulations. The Board of Directors will be responsible for keeping the said information updated.

CHAPTER VII – STRUCTURE AND OPERATION OF THE BOARD OF DIRECTORS

Article 25. Chair. Role.

1. The Chair of the Board of Directors will be elected, prior report from the Appointments Committee, by the Board of Directors from among its members, and will have the powers established in the Bylaws and in these Regulations. In

the event that the position of Chair of the Board of Directors falls on an executive Director, the appointment of the Chair will require the favorable vote of at least two thirds of the Board members.

2. It is the duty of the Chair to call the Board of Directors, to set meeting agendas and to direct the debates. The Chair, however, will have to call the Board and include items on the agenda if so required by one third of its members.
3. The Chair will arrange for Directors to receive prior to the meetings information enough to deliberate about the items on the agenda. He will also endeavor to promote debate and active participation of the Directors in the meetings, safeguarding their freedom in the decision making.
4. Additionally, the Chair will prepare and submit to the Board of Directors a schedule of dates and topics to consider, will organize and coordinate the regular assessment of the Board and that of the Company's CEO. The Chair will also be responsible for directing the Board and for the effectiveness of its functioning, he/she will make sure that time enough is given for the discussion of strategic topics, and will approve and review knowledge updating programmes for each Director, if so recommended by the circumstances.

Article 26. Vice-Chairs. Chief Executive Officer. Lead Director

1. The Board of Directors may appoint, prior report from the Appointments Committee, one or more Vice-Chairs, and shall determine, if applicable, their order of preference, which will replace the Chair in case of illness or absence, in accordance with that established in the Bylaws.
2. The Board of Directors, with the favorable vote of at least two thirds of its members, may appoint a CEO, providing him/her with the corresponding powers. Those powers reserved to the Board by the Law, the Bylaws or these Regulations shall not be delegated.
3. Also, when required by the laws in force or by the Bylaws, the Board of the Directors, with the abstention of the executive Directors and prior report from the Appointments Committee, shall appoint necessarily a Lead Director (*Consejero coordinador*) from among the independent Directors. The Lead Director will be especially authorized to request the call of the Board of Directors or the inclusion of new items on the agenda of a meeting already called; to chair the Board of Directors in the absence of the Chair and Vice-Chairs; to coordinate and meet with the non-executive Directors and to be aware of their concerns; to direct, if applicable, the periodic assessment of the Chair of the Board of Directors; to coordinate the Chair's succession plan; and to keep contact with investors and shareholders to know their points of view so as to have an opinion on their concerns, in particular, with regard to the Company's corporate governance.

Article 27. Board Secretary. Role. Board Vice-Secretary

1. The Secretary of the Board of Directors may or may not be a Director.
2. The Secretary shall assist the Chair and shall provide for the good functioning of the Board, duly reflecting in the minutes the development of the meetings and the content of the deliberations, as well as certifying the resolutions of the body. Additionally, the Secretary shall:
 - a) keep custody of the documents of the Board of Directors, record in the minutes books the development of the meetings and to certify their content and resolutions adopted;
 - b) arrange for the compliance of actions of the Board of Directors with the applicable regulations and with the Bylaws and other internal regulations;
 - c) assist the Chair for Directors to receive the relevant information for the exercise of their duties sufficiently in advance and in the appropriate format.
3. The Secretary will especially endeavor to make the Board of Directors to bear in mind in its actions and decisions the recommendations on good governance that may be applicable to the Company.
4. The appointment and removal of the Secretary will be, at the proposal of the Chair, reported previously by the Appointments Committee and approved by the Board.
5. When the Board of Directors makes relevant or reiterated decisions on which the Secretary has expressed serious concerns, he/she will make the appropriate statements and will record them in the minutes of the meeting (and if he/she decides to resign, will explain the reasons in a letter sent to all Directors).
6. The Board of Directors may appoint, prior report from the Appointments Committee, a Vice-Secretary, which may or not be Director, to assist the Secretary of the Board of Directors or to replace him/her in the performance of his/her duties in case of absence. In case of absence of the Secretary and Vice-Secretary, the Board shall appoint one of the Directors present at the meeting to exercise the functions of the Secretary only during that meeting.

Article 28. Meetings of the Board of Directors

1. The Board of Directors will meet in ordinary session with the frequency established in the Bylaws. The Board will prepare a schedule of dates and items at the beginning of the financial year, which may be modified by agreement of the Board or by decision of the Chair.

Additionally, the Board will meet as often as considered necessary by its Chair, who has the power to make the call, either on his/her own initiative or at the request of, at least, one third of the directors. In the latter case, the Chair will

call the extraordinary meeting in a maximum term of three working days after the receipt of the request, for it to be held within the three following working days, including the agenda of the meeting.

2. The call to the meeting will be made by individual notice to all the Directors by letter, e-mail, fax or telegram, and it will be authorized with the signature of the Chair or of the Secretary or Vice-Secretary, by order of the Chair.

Arrangements will be made for the call to be made at least three (3) days in advance. Together with the call for each meeting, the Board Members will be sent the agenda and the relevant documents for them to be able to make their opinion and, if applicable, to cast their vote regarding the items submitted to their consideration.

In those cases where, in the opinion of the Chair, the urgency of the matters to consider requires not to delay the meeting, it will be called by the previous means and will be held sufficiently in advance to allow the Directors to comply with their duty to attend.

3. The Chair shall set the agenda of the meeting. The Directors may request to the Chair the inclusion of items on the agenda, and the Chair will have to include them if the request is made at least, by three Directors, or by any of the Board Committees, at least ten (10) days prior to the date scheduled for the meeting.
4. When, exceptionally, for urgency matters, the Chair wants to submit to approval by the Board of Directors decisions or resolutions which are not on the agenda, the express and previous consent of the majority of the Directors present will be necessary, and this will be duly reflected in the minutes.
5. The constitution, the order of meetings and the regime to adopt resolutions by the Board will be subject to that established in the Law and in the Bylaws. The Chair shall decide, in case of doubt, on the validity of the proxies conferred by Directors who may not attend the meetings. The said proxies may be granted by letter or by any other written mean which, in the Chair's opinion, ensures the certainty of the representation.
6. When Directors or the Secretary express their concern on any proposal or, in the case of Directors, on the evolution of the Company, and the said concerns are not solved in the Board, that fact will be reflected in the minutes, at the request of the person who may have expressed so.
7. Except if one third of the directors state their opposition to the use of the following technical media, meetings of the Board of Directors may be held by multiple conference call, videoconference or other similar mean, so that any or several Directors may attend the meeting using the said system. For that purpose, the call to the meeting will include the physical location where it is to be held, and where the Secretary of the Board will attend, and will also

mention that attendance by conference call, videoconference or equivalent system is allowed, indicating and providing the technical resources that may be required to allow the direct and simultaneous communication of those present. In the cases referred to in this present section, the resolutions are deemed to be adopted at the registered office.

Article 29. On the Board Committees

1. Without prejudice to the statutory capacity of the Board to establish other Committees, the following will be created:
 - a) Audit and Regulatory Compliance Committee.
 - b) Appointments Committee.
 - c) Remuneration Committee.
 - d) Risk Committee.
2. The regime for the call, quorum needed for the constitution, adoption of resolutions and other aspects related to the operation of the Committees, where not expressly registered in the Bylaws and in the present Regulations, will be those established for the Board of Directors in those aspects that may be applicable.

Article 30. Executive Committee

1. The Board, with the favorable vote of two thirds of its members, may delegate permanently to the Executive Committee all the powers corresponding to the Board of Directors, with the exception of those which cannot be delegated by law, by the provisions of the Bylaws or these Regulations.
2. In case of urgency, the Executive Committee may assume all the powers of the Board of Directors, which will be later submitted to ratification by the Board.
3. The Board of Directors shall appoint the Directors to integrate the Executive Committee.
4. The Executive Committee will be comprised of a minimum of five and a maximum of seven members, maintaining a participation structure of all the different categories of directors similar to that of the Board of Directors itself. The Chair of the Board of Directors will be the chair of the Executive Committee, and the CEO will also be part of the Committee. The Board Secretary will be the secretary of the Committee.
5. The members of the Executive Committee will terminate their office upon removal of their condition as Directors or when agreed by the Board.
6. The Executive Committee will meet as often as called by its Chair, who, except in case of justified urgency, will call the meeting at least twenty-four hours in advance.

7. The call to the meetings will be communicated by the Committee secretary to each one of its members by letter, fax, e-mail or any other mean in writing.
8. The Executive Committee will be validly constituted when half plus one of its members attend the meeting, personally or by proxy.
9. The Executive Committee will inform the Board of Directors of the matters and decisions adopted in its sessions, and will put at the disposal of the Board members copy of the minutes of the said meetings.
10. The Executive Committee may rely on external advice when considered necessary for the performance of its duties.
11. The Committee Chair will report, in the first meeting of the Board following the Committee meeting, on the activity that it has carried out, making sure that all the Board members have access to the minutes of the Executive Committee meeting.

Article 31. Audit and Regulatory Compliance Committee

1. The Company will have an Audit and Regulatory Compliance Committee which will perform all the functions established for the said body in the laws in force at any given time, giving support to the Board of Directors in its oversight duties via the regular review of the process of preparation of financial and economic information, of the internal audit and Regulatory Compliance functions and of the independence of the external auditor.
2. The Audit and Regulatory Compliance Committee will oversee the internal audit, which will work to ensure the good performance of the internal control and information systems. Those persons responsible for the internal audit and regulatory compliance functions will present to the Audit and Regulatory Compliance Committee their annual work plan; will report directly the incidences in their development and, at the end of each financial year, will submit an activity report. Also, through its Chair, the Audit and Regulatory Compliance Committee will report to the Board of Directors at least twice a year.
3. The Audit and Regulatory Compliance Committee will be composed of a minimum of three and a maximum of five Directors, appointed by the Board of Directors for a period not exceeding their term of office as Directors and notwithstanding with the possibility to be re-elected for indefinite term, as long as they are re-elected as Directors.

All the members of the Audit and Regulatory Compliance Committee will be Directors without executive functions and most of them and, in any case, the Chair will be independent Directors. The members of this Committee and, especially its chair, will be appointed taking into account their knowledge and experience in the areas of accounting, audit or risk management.

4. The Board of Directors will appoint, for a period not exceeding four years, a Chair of the Audit and Regulatory Compliance Committee from among the independent Directors who make part of the said Committee. The Committee members who have exercised the position of Chair shall not be able to hold the said position in the following year after the end of his/her term of office.
5. The Board of Directors will also appoint a Secretary for the Audit and Regulatory Compliance Committee, who may or not be a Committee member and who will assist the Chair and will provide for the good functioning of the Committee. The Secretary will reflect in the minutes the development of the meetings and the content of the deliberations. The Secretary, or whoever assumes his/her duties, will draw up the minutes of each meeting, which will be signed by the Committee members in attendance. The minutes will be at the disposal of all the Board members.
6. The Audit and Regulatory Compliance Committee will meet at least quarterly and, additionally, as often as called by its Chair, or upon request of two of its members. The call for the meetings will be communicated at least two working days prior to the scheduled meeting day. The Committee will prepare annually an action plan for the year, which will be reported to the Board of Directors.
7. The Audit and Regulatory Compliance Committee may rely on external advice when considered necessary for the performance of its functions.
8. In addition to the duties established in the law and in the Bylaws, the following functions correspond to the Audit and Regulatory Compliance Committee:
 - a) With regard to information and internal control systems:
 - (i) To oversee the preparation process and the integrity of the financial information related to the Company and the Group, reviewing the compliance with the regulatory requirements, the adequate delimitation of the consolidation perimeter and the correct application of accounting criteria, as well as to report on the proposals to modify accounting principles and criteria suggested by the management. In particular, to review, analyze and comment with the senior management and internal and external auditors the financial statements and other significant financial information, in order to confirm that the said information is reliable, easy to understand, relevant and that the accounting criteria followed are consistent with the closing of the previous financial year.
 - (ii) To arrange for the independence of the unit which assumes the internal audit function; to propose the selection, appointment, re-election and removal of the responsible for the internal audit service; to propose the budget of that service; to approve its approach and working plans, ensuring that its activity is focused mainly towards the relevant risks of the Company; to receive periodic information on its activities; and to

verify that the Senior Managers take into account the conclusions and recommendations of its reports.

- (iii) To establish and oversee a mechanism allowing the employees to report confidentially and, if possible and deemed appropriate, anonymously, the irregularities of potential transcendence -especially financial and accounting- that they notice within the Company.

b) With regard to the external auditor:

- (i) In case of resignation of the external auditor, to examine the circumstances that may have caused it.
- (ii) To check that the remuneration of the external auditor for its work does not compromise its quality or its independence.
- (iii) To oversee that the Company notifies as a relevant event to the CNMV the change of auditor and that it attaches a statement on the eventual existence of disagreements with the leaving auditor and, if there were any, to include its contents.
- (iv) To ensure that the external auditor holds annually a meeting with the Board of Directors to inform them about the works carried out and the evolution of the accounting and risk situation of the Company.
- (v) To ensure that the Company and the external auditor respect the regulations in force on the provision of services other than audit services, the limits to the auditor's business concentration and, in general, all the other regulations on auditors' independence.

c) With regard to compliance with corporate governance rules:

- (i) The oversight of compliance with the internal codes of conduct and with the Company's corporate governance rules.
- (ii) The oversight of the communication and shareholder and investor relations strategy, including small and medium shareholders.
- (iii) The periodic assessment of the suitability of the Company's corporate governance system, for it to fulfill its mission to promote the corporate interest and to take into account, as corresponding, the legitimate interests of the other stakeholders.
- (iv) The review of the Company's corporate social responsibility policy, arranging for it to be focused on the creation of value.
- (v) The follow-up of the corporate social responsibility strategy and practices, and the assessment of its degree of achievement.
- (vi) The oversight and assessment of the processes of relations with the different stakeholders.

- (vii) The assessment of all those matters related to the Company's non-financial risks –including operational, technology, legal, social, environmental, politic and reputational risks-.
 - (viii) The coordination of the process of reporting on non-financial information and on diversity, according to the applicable regulations and to the international standards of reference.
- d) With regard to regulatory compliance:
- (i) To arrange for compliance with the applicable regulations, national or international, in matters related to money laundering prevention, conduct in securities markets, data protection and criminal risk prevention, among others; carrying out a monitoring of the main legal risks applicable to the Company in those matters under its remit.
 - (ii) To know the degree of regulatory compliance by the different units and departments of the Company, as well as the correcting measures recommended by the internal audit in previous actions, informing the Board in those cases which may entail a relevant risk for the Company.
 - (iii) To review the drafts of ethical and conduct codes and their respective amendments, which may have been prepared, and to issue an opinion before submitting the proposals to the Board of Directors.
 - (iv) To oversee the compliance with the Internal Code of Conduct in Securities Market and the development of the functions assigned to the Regulatory Compliance Unit, and to be aware of the reports and proposals sent by the said Unit.
 - (v) To approve the annual work plan of Regulatory Compliance and the report or annual report of activities, to receive periodic information on its activities, to reply to the information requests and to check that the senior management takes into account the conclusions and recommendations of its reports.
9. The Audit and Regulatory Compliance Committee is entitled to call any Company employee or officer, and even to arrange for them to declare without the presence of any other officer.
10. The Audit and Regulatory Compliance Committee will be informed on the structural and corporate modification transactions that the Company intends to carry out, for its analysis and previous report to the Board of Directors on the economic conditions and its accounting impact and, especially, on the proposed exchange ratio.
11. The Audit and Regulatory Compliance Committee will regulate its own operation in those aspects not considered in the Bylaws and the present Regulations, being supplemented by, and to the extent allowed by its nature and functions,

the statutory and regulatory provisions related to the operation of the Board of Directors.

12. The Committee Chair will inform, in the first Board meeting following the Committee meeting, about the decisions that it has adopted.
13. The Committee will submit annually to the Board of Directors a report on its performance.

Article 32. Appointments Committee

1. The Company will have an Appointments Committee with the functions attributed at any time by the laws in force and applicable to the Company, including the function to propose and inform on appointments and removals of Directors and Senior Managers.
2. The Appointments Committee will be composed of a minimum of three and a maximum of five Directors without executive functions in the Company. Most of them, and in any case, the Chair, will be independent directors. The members of the Appointments Committee shall be appointed by the Board of Directors taking into account the knowledge, experience and skills required for the functions to be carried out.
3. The Directors appointed by the Board of Directors as member of this Committee will hold office for a period not exceeding their term of office as Directors and notwithstanding with the possibility to be re-elected, as long as they are re-elected as Directors.
4. The Board of Directors will appoint a Chair from among the independent Directors who are part of the Appointments Committee. It will also appoint a Secretary, which may not be a Committee member and which will assist the Chair and will provide for the good performance of the Committee, reflecting in the minutes the development of the meetings. The minutes will be put at the disposal of all the Directors.
5. Without prejudice to other functions assigned by the law, the Bylaws or, in accordance with them, these Regulations, the Appointments Committee shall have the following functions:
 - a) to assess the competences, diversity, balance of knowledge and experience required in the Board of Directors. For those purposes, it will define the functions and skills to be fulfilled by the candidates to cover each vacancy, and will assess the dedication required for the good performance of their duties.
 - b) To identify and recommend, via the corresponding report, in the case of executive and proprietary Directors, or to propose, in the case of independent Directors, candidates to cover the vacancies in the Board, with a view to approval by the Board of Directors or by the General Meeting.

- c) To assess regularly, and at least once a year, the structure, size, composition and performance of the Board of Directors, making recommendations to it regarding possible changes.
 - d) To assess regularly, and at least once a year, the suitability of the different members of the Board of Directors and of the board as a whole, and to report to the Board of Directors accordingly.
 - e) To ensure that non-executive Directors have enough time availability for the correct performance of their functions.
 - f) To review regularly the Board of Directors' policy on the selection and appointment of Senior Managers and to make recommendations in relation to it.
 - g) To inform of the proposals to appoint and separate Senior Managers, as well as of the basic conditions of their contracts.
 - h) To examine and to organize the succession of the Chair of the Board of Directors and, if applicable, of the Company's first executive, making proposals to the Board so that the said succession takes place orderly and as planned.
 - i) To review annually the compliance with the policy for the selection of Directors and to inform on that in the Annual Corporate Governance Report.
 - j) To establish a target for the representation of the less-represented gender on the Board of Directors and to develop guidance on how to achieve that target.
 - k) To report the appointments of the Vice-Chairs of the Board, of the Chief Executive Officer, the Lead Director and the Committee's Chairs.
 - l) To report the appointment and removal of the Secretary and Vice-Secretary of the Board of Directors.
6. The Committee will meet as often as determined by the Committee itself, and every time it is called by its Chair or requested by two of its members. Annually, the Committee will prepare an action plan for the financial year, which will be reported to the Board.
 7. The Appointments Committee must consult with the Chair of the Board of Directors, and be consulted by him/her, especially when dealing with matters related to executive Directors and Senior Managers. Also, any Director may request the Appointments Committee to consider potential candidates to fill Director vacancies, in case they are deemed suitable as per its opinion.
 8. In the exercise of its tasks, the Appoints Committee will take into account, to the extent that it is possible and in an ongoing way, the need to ensure that the decision-making of the Board of Directors is not dominated by an individual

or by a reduced group of individuals in a way the interests of the Company as a whole are negatively affected.

9. The Appointments Committee may rely on external advice when deemed necessary for the performance of its functions.
10. The Committee Chair will report, in the first Board meeting following the Committee meeting, on the decisions it has adopted.
11. Annually, the Committee will submit to the Board of Directors a report on its performance.

Article 33. Remuneration Committee

1. The Company will have a Remuneration Committee that will assume the functions attributed at any time by the laws in force and applicable to the Company, including the function of informing on remunerations.
2. The Remuneration Committee will be composed of a minimum of three and a maximum of five Directors, without executive functions in the Institution. Most of them and, in any case, the Chair, will be independent Directors. The members of the Remuneration Committee will be appointed by the Board of Directors taking into account the knowledge, experience and skills required for the functions to be performed.
3. The Directors appointed by the Board of Directors as members of this Committee will hold office for a period not exceeding their term of office as Directors and notwithstanding with the possibility to be re-elected, as long as they are re-elected as Directors.
4. The Board of Directors shall appoint a Chair from among the independent Directors who are part of the Remuneration Committee. It shall also appoint a Secretary, which may not be a Committee member and which will assist the Chair and will provide for the good performance of the Committee, reflecting in the minutes the development of the meetings.
5. Without prejudice to other functions assigned by the law, the Corporate Bylaws or, in accordance with them, these Regulations, the Remuneration Committee will have the following functions:
 - a) To arrange for the observance of the remuneration policy established by the company.
 - b) To prepare the decisions related to remunerations, including those having an effect on risk and risk management of the Company, which must be adopted by the Board of Directors.
 - c) To propose to the Board of Directors the remuneration policy for Directors and Senior Managers, as well as the individual remuneration and other

contractual conditions of executive Directors and Senior Managers, and to arrange for their observance.

- d) To prepare a specific report accompanying the proposal of the Board of Directors' remuneration policy.
 - e) To review regularly the remuneration policy applied to Directors and Senior Managers, including share-based remuneration schemes and their application, as well as to ensure that their individual remuneration is proportionate to that of the other Directors and Senior Managers of the Company.
 - f) To arrange for the eventual conflicts of interest not to cause a prejudice to the independence of the external advice provided to the Committee.
 - g) To verify the information on remunerations of Directors and Senior Managers included in the different corporate documents, including the annual report on remuneration of Directors.
- 6. The Committee will meet as often as determined by the Committee itself, and every time it is called by its Chair or requested by two of its members. Annually, the Committee will prepare an action plan for the financial year, which will be reported to the Board.
 - 7. The Remuneration Committee must consult with the Chair of the Board, and will be consulted by him/her, especially when dealing with matters related to executive Directors and Senior Managers.
 - 8. When preparing its decisions, the Remuneration Committee will take into account the long-term interests of shareholders, investors and other parties with interest in the Company, as well as the public's interest.
 - 9. The Remuneration Committee may rely on external advice when deemed necessary for the performance of its functions.
 - 10. The Committee Chair will report, in the first Board meeting following the Committee meeting, on the decisions adopted by the Committee.
 - 11. Annually, the Committee will submit to the Board of Directors a report on its performance.

Article 34. Risk Committee

- 1. The Company will have a Risk Committee that will assume the risk management function.
- 2. Without prejudice to other functions assigned by the law, the Bylaws or, in accordance with them, these Regulations, the Risk Committee will have the following functions:

- a) To advise the Board of Directors on the Company's overall risk appetite, current and future, and its strategy in this regard, and to assist the Board in overseeing the implementation of the mentioned strategy.
 - b) To ensure the good functioning of the risk control and management systems and, in particular, the adequate identification, management and quantification of all the important risks affecting the Company.
 - c) To arrange for the risk control and management systems to properly mitigate the risks within the framework of the policy defined by the Board of Directors.
 - d) To assess whether the prices for assets and liabilities offered to customers take full account the business model and risk strategy of the Company. If the Committee notices that prices do not reflect risks properly in accordance with the business model and the risk strategy, it shall submit a correction plan to the Board of Directors.
 - e) To determine, together with the Board of Directors, the nature, amount, format and frequency of the information on risks to be received by the Committee itself and by the Board.
 - f) To collaborate to establish rational remuneration policies and practices. For that purpose, the Risk Committee will assess, without prejudice to the duties of the Remuneration Committee, whether the foreseen incentive policy takes account of risk, capital, liquidity, probability and timing of profits.
 - g) To participate actively in the preparation of the Company's policy for risk management, trying for it to identify at least:
 - (i) The different kinds of risks, financial and non-financial (such as operational, technological, legal, social, environmental, political and reputational risks) that the Company faces, including among the economic or financial risks contingent liabilities and other off-balance sheet risks.
 - (ii) The setting of the risk level that the Company deems acceptable.
 - (iii) The measures foreseen to mitigate the impact of the identified risks, should they materialize.
 - (iv) The internal information and control systems that will be used to control and manage the mentioned risks, including contingent liabilities or off-balance sheet risks.
3. The Committee will be composed of a minimum of three and a maximum of five Directors, appointed by the Board of Directors from among its members without executive functions, and having the adequate knowledge, capacity and experience to fully understand and control the Company's risk strategy and risk

appetite. Most of them and, in any case, the Chair, will be independent directors.

4. The Board of Directors shall appoint a Chair from among the independent Directors belonging to the Risk Committee, as well as a Secretary, which will not be a member of the Committee.
5. In the absence of or impossibility to attend by the Chair, his/her functions shall be performed by the oldest Committee member and, if there are many, by the eldest.
6. The Committee will meet at least quarterly and, additionally, as often as deemed necessary by its Chair, to perform the functions it has received, or upon request of two of its members.
7. The call for the meetings will be communicated at least two days prior to the scheduled meeting day, by the Committee secretary to each of its members, by letter, fax, e-mail or any other mean in writing.
8. The Risk Committee may rely on external advice when it considers it is necessary to perform its functions.
9. The Committee Chair will report, in the first Board meeting following the Committee meeting, on the decisions adopted by the Committee.
10. Annually, the Committee will submit to the Board of Directors a report on its performance.

Article 35. Assessment of the Board of Directors, its Committees and positions

1. The full Board of Directors will assess once a year, and will adopt, if applicable, an action plan to correct the deficiencies detected with regard to:
 - (a) The quality and efficiency of the Board of Directors operation.
 - (b) The operation and composition of its Committees.
 - (c) The diversity in the composition and competences of the Board of Directors.
 - (d) The performance of the Chair of the Board of Directors and of the Company's first executive.
 - (e) The performance and contribution of each Director, paying special attention to those responsible for the different Board Committees.
2. To carry out the assessment of the different Committees, the report that these submit to the Board of Directors will be used. In the assessment of the Board, the report submitted by the Appointments Committee will be considered.

3. Every three years, the Board of Directors will be assisted in the performance of the assessment by an external consultant –its independence being verified by the Appointments Committee-. The commercial relations that the said consultant or any company of its group has with the Company or any firm of the Company's Group will be detailed in the Annual Corporate Governance Report.
4. The assessed processes and areas will be described in the Annual Corporate Governance Report.

Article 36. Corporate Social Responsibility

1. The Board of Directors, pursuant to the Company's responsibility towards its environment, will develop a corporate social responsibility policy including the principles or commitments undertaken by the Company in its relation with the different stakeholders and identifying, at least:
 - (a) The goals of the corporate social responsibility policy and the development of supporting instruments.
 - (b) The corporate strategy related to sustainability, environment and social issues.
 - (c) The specific practices in matters related to: shareholders, employees, customers, providers, social issues, environment, diversity, tax responsibility, respect of human rights and prevention of illegal conducts.
 - (d) The methods or systems to monitor the results of the application of the specific practices in the section above, the associated risks and their management.
 - (e) The mechanisms to oversee the non-financial risk, ethics and corporate conduct.
 - (f) The channels for communication, participation and dialogue with the stakeholders.
 - (g) The responsible communication practices to avoid informative manipulation and protecting integrity and honor.
2. The Board of Directors will arrange for the Company to inform, in a separate document or in the management report, about topics related to corporate social responsibility, using for that purpose any of the methodologies internationally accepted.

TRANSITIONAL PROVISION

1. Duration of the term of office of Directors appointed before the amendment of article 13 of the Board of Directors Regulations in the year 2020

Regarding article 13.1 of the Board of Directors Regulations, the term of office of members of the Board Directors in force on the date of approval by the General Meeting of the corresponding amendment of article 17.1 of the Bylaws (29 April 2020) will maintain its duration of four years, applying the term of three years only to their re-elections approved after that date.