

**REGULATIONS OF THE BOARD OF DIRECTORS
OF**

eDreams ODIGEO, S.A.

TITLE I

PREAMBLE

Article 1. Purpose

- 1) These Regulations aim to set out the guiding principles of the Board of Directors of EDREAMS ODIGEO, S.A. (the "**Company**") as well as the basic rules governing its organisation and functioning and the rules of conduct that apply to its members.
- 2) The rules of conduct established in these Regulations and applying to the Company's directors will also apply to the Company's management personnel to the extent they are compatible with the specific nature thereof and with the activities carried out thereby. For the purposes of these Regulations, "management personnel" is understood to be those executives reporting directly to the Board of Directors or to the chief executive officer, where such a figure exists, and, in any case, to the head of the Company's internal audit area.

Article 2. Interpretation

- 1) These Regulations complete the regulatory rules governing the Board of Directors, as set forth in prevailing legislation and the Company's Bylaws. The Regulations must be interpreted in accordance with applicable prevailing legislation and the Bylaws and with the good governance principles and recommendations for listed companies approved or issued by Spanish authorities and the authorities of any relevant countries, as well as by special committees or work groups established by such authorities.
- 2) The Board of Directors is responsible for resolving any questions surrounding the application and interpretation of these Regulations in accordance with the general criteria on interpretation of legal regulations and with the Bylaws

Article 3. Approval and amendment

- 1) These Regulations have been approved by the Board of Directors in compliance with article 528 of the Consolidated Text of the Spanish Limited Liability Companies Law, approved by Royal Legislative Decree 1/2010 of 2 July (the "Spanish Limited Liabilities Companies Law").
- 2) These Regulations must be updated whenever necessary in order to adapt their content to prevailing applicable regulations

Article 4. Circulation

- 1) Directors and management personnel are required to be familiar with, comply with and enforce these Regulations. To that end, the secretary of the Board of Directors will provide all directors and management personnel with a copy of the Regulations at the time they accept their respective appointments or at the effective hiring date, as applicable. Directors and management personnel must provide the secretary with a signed statement acknowledging that they are aware of and accept the content of these Regulations and undertake to comply with any and all obligations falling to them by virtue thereof.

2) Notwithstanding fulfilment of the obligations set out under prevailing applicable legislation, the Company's Board of Directors will adopt the necessary measures so that the Regulations are distributed among shareholders and the investor public in general and, in particular, so that they are duly filed with the Spanish National Securities Market (Comisión Nacional del Mercado de Valores, CNMV). Once this notice is filed, the Regulations will be entered in the Companies Registry in accordance with general provisions. Following that, the text will be published by the CNMV. Furthermore, the prevailing text of these Regulations will be available on the Company's corporate website.

TITLE II

FUNCTIONS OF THE BOARD OF DIRECTORS

Article 5. Responsibilities of the Board of Directors

- 1) The Board of Directors is responsible for any and all matters that are not reserved for the shareholders in General Meeting pursuant to prevailing legislation or the Bylaws.
- 2) As a general rule, the Board of Directors, to which the broadest powers and authority to manage, direct, administer and represent the Company correspond, will entrust day- to-day operation of the Company to delegate bodies and to the management team, establishing the pertinent content, limits and structures. The Board's activity will focus on general supervision and on the consideration of those matters of particular importance for the Company.
- 3) Under no circumstances may the Board of Directors delegate the powers that may not be delegated in accordance with law. In the event of duly justified urgent circumstances, decisions relating to such issues may be taken by delegated bodies or officers, which must be ratified at the first meeting of the Board of Directors following adoption of the decision.
- 4) The Board of Directors is responsible for resolving to issue and seek admission to trading of bonds, as well as to agree to grant bond issuance guarantees.
- 5) With respect to any subsidiaries forming part of the Company's Group and within the legal limits foreseen, the Board of Directors may establish the bases for efficient and appropriate coordination between the Company and its Group companies. In any event, the Board of Directors will respect the autonomy of the governing and management bodies of Group companies, taking into account the interests of both the Company and of its subsidiaries.

Article 6. Corporate interest

The Board of Directors will perform its duties with unity of purpose and independent judgement, according the same treatment to all shareholders in the same conditions. The Board will be guided at all times by the Company's best interest, understood as the creation of a profitable business that is sustainable over time, while maximising its economic value.

Without prejudice to the duty to safeguard the business judgement rule, the Board of Directors will ensure that the Company's interest is suitably reconciled with the legitimate interests of the stakeholders that could be affected. This will be done in accordance with prevailing legislation, fulfilling its obligations and contracts in good faith, respecting the best practices and uses of the sectors and regions in which the Company operates and observing, at all times, any additional

corporate social responsibility principles voluntarily assumed.

TITLE III

COMPOSITION OF THE BOARD OF DIRECTORS

Article 7. Quantitative composition

- 1) The Board of Directors will be formed by no less than five and no more than 15 members, as determined by the shareholders in General Meeting.
- 2) The Board will propose to the shareholders in General Meeting the number of directors that, in accordance with the Company's changing circumstances and within the statutory limits, is most appropriate to ensure the due representativeness and proper functioning of the Board.

Article 8. Qualitative composition

- 1) The different director categories will be defined pursuant to prevailing regulations or, in the absence thereof, in accordance with the good governance recommendations applicable to the Company at any time.
- 2) The nature of each director will be explained to the shareholders in the General Meeting at which the respective appointment is to be made or ratified. Such determination must subsequently be either confirmed or modified in each year's annual corporate governance report, after verification by the Remuneration and Nomination Committee. In the event an external director can be deemed neither nominee nor independent, the Company must disclose this circumstance and the links that person maintains with the Company or with its executives or shareholders.

TITLE IV

COMPOSITION OF THE BOARD OF DIRECTORS

Article 9. Chairman

- 1) The chairman of the Board of Directors will be elected from among all members of the Board, based on a report by the Remuneration and Nomination Committee.
- 2) The chairman is entrusted with the basic power to call and to preside over Board meetings, to create the meeting agenda, to preside over the General Meeting, to ensure that directors receive sufficient information in advance of meetings in order to deliberate on agenda items, to guide debates and to encourage healthy discussion and active participation.

However, the chairman must call a meeting of the Board of Directors in the case foreseen in article 11.5 below and whenever so requested by at least three directors or, in the event this number represents more than one-third of total Board members, whenever so requested by at least one-third of all members. In this case, the chairman will call the Board to meet within 15 calendar days from the date the request was submitted. In the event the chairman fails to call a Board meeting

within that 15-day period, the meeting will be called by the vice-chairman, when such a figure has been appointed. Directors also retain the right to call a Board meeting directly, in accordance with prevailing legislation.

3) As the person charged with the efficient functioning of the Board of Directors and in addition to the functions assigned by law and the Company's Bylaws, the chairman will: (i) prepare and submit to the Board a schedule of meeting dates and agenda items; (ii) organise and coordinate regular evaluations of the Board; (iii) exercise leadership of the Board and be accountable for its proper functioning; (iv) ensure that sufficient time is given to the discussion of strategic issues; and (v) approve and review refresher courses for each director, when circumstances so advise.

4) In the event the chairman of the Board of Directors performs executive duties, the Board will name a lead director from among the independent directors. Executive directors must abstain from participating in this selection. The lead independent director will be entrusted with the following:

- (i) Requesting that the chairman call a Board meeting whenever the lead independent director deems pertinent.
- (ii) Requesting that certain items be included in the meeting agenda.
- (iii) Coordinating, gathering and giving voice to the concerns of external directors.
- (iv) Guiding the periodic evaluation of the chairman of the Board and coordinating the succession plan.
- (v) Presiding over Board meetings in the absence of the chairman and of any vice-chairmen.
- (vi) Liaising with investors and shareholders in order to ascertain their points of view and understand their concerns, in particular with respect to corporate governance of the Company.

Article 10. Vice-chairman

The Board may designate one or more vice-chairmen, on the basis of a report from the Remuneration and Nomination Committee. If more than one vice-chairman is appointed, each vice-chairman will be assigned a number. The vice-chairman will serve as a substitute for the chairman in the event the chairman is absent or ill or if the post of chairman is vacant and whenever so determined by the chairman. In the case of multiple vice-chairmen, the order of their numbering will determine the order in which they replace the chairman.

Article 11. Secretary and legal counsel to the Board of Directors

1) The Board of Directors will elect a secretary, at the proposal of the chairman and based on a report from the Remuneration and Nomination Committee. The secretary may or may not be a Board member, providing he or she has the capacity to perform the duties inherent to the position. If the secretary to the Board of Directors is not a director, he or she will have to right to speak but not to vote at the meetings.

In order to safeguard the independence, impartiality and professional nature of the secretary, the appointment and removal thereof will be approved by the Board in a plenary session, based on a report from the Remuneration and Nomination Committee.

2) The secretary will support the chairman in his or her duties and ensure the efficient running of the Board of Directors and, in particular, provide the directors with the advice and information that they need, assist the chairman so that all directors receive relevant information for carrying out their duties, sufficiently in advance of meetings and in the appropriate format, keep corporate

documents, duly and faithfully reflect the meetings in the minute books, and certify the resolutions taken by the Board of Directors. The secretary must also record any concerns not resolved by the Board of Directors in the minutes book, where these concerns were voiced by directors in respect of the functioning of the Company, as well as any concerns voiced by the secretary or the directors on any proposal, at the request of the individual expressing the concern.

3) The secretary will place special attention on ensuring that the Board's actions and decisions: (i) are in accordance with applicable legislation and regulations; (ii) are in accordance with the Company's Bylaws and the Regulations of the General Meeting, the Regulations of the Board of Directors and the Internal Code of Conduct on Matters Relating to the Securities Market; and (iii) take into account the good governance recommendations applicable to the Company.

4) The Board of Directors will also have a legal counsel, who will carry out the functions falling to him or her under prevailing legislation. The secretary and, where applicable, the vice-secretary, may perform the role of legal counsel to the Board, when he or she is an attorney and meets all other requirements set out in the related regulations

Article 12. Vice-secretary to the Board of Directors

1) The Board of Directors may appoint a vice-secretary, who need not be a director, to assist the secretary in performing his or her duties or to substitute the secretary in the event of absence thereof and to carry out any other functions or internal Board duties assigned to the secretary, including in respect of any Board committees or commissions.

In order to safeguard the independence, impartiality and professional nature of the vice-secretary, the appointment and removal thereof will be approved by the Board in a plenary session, based on a report from the Remuneration and Nomination Committee.

2) Except where otherwise decided by the Board of Directors, the vice-secretary may attend Board meetings in order to assist the secretary in taking minutes to the meeting and in any other advisory function foreseen in these Regulations.

Article 13. Delegated and advisory bodies

1) Without prejudice to the authorisation that may be bestowed on any individual, the Board of Directors designate one or more chief executive officers, delegating to them, permanently or temporarily, any or all of the powers that may be delegated pursuant to law. In order to be valid, the delegation and appointment of Board members to hold such posts will require the favourable vote of two-thirds of the Board and will not take effect until duly entered in the Companies Registry.

2) An Audit Committee and an Remuneration and Nomination Committee will be created, each entrusted with the respective information, supervision, advisory and proposal duties specified in these Regulations.

3) The Board of Directors may also create other committees with consultative or advisory duties. By way of exception, these committees may be given decision-making powers. The chairmen, secretaries and other members of these committees will be appointed by the Board through a simple majority vote.

4) All committees created by the Board of Directors will be governed by the terms of these Regulations and, where applicable, by their respective internal regulations.

Article 14. Audit Committee Composition, responsibilities and operation

1) The Board of Directors will create a standing Audit Committee for information and advisory purposes. The committee will not have executive functions, but will be entrusted with informing, advising and making proposals to the Board in its area of responsibility, as set out in this article. The Audit Committee will comprise at least three and at most five members designated by the Board itself from among the Board's non-executive directors. The majority of Audit Committee members must be independent directors, at least one of which will be appointed on the basis of knowledge and experience in accounting or auditing, or both.

2) The Board of Directors will also appoint a chairman to the Audit Committee from among the independent directors serving on that committee. The Board may also appoint a vice-chairman if deemed advisable. The provisions governing appointment of the chairman will apply to any vice-chairman appointments.

3) The Board will also appoint a secretary to the Audit Committee, who need not be a member of the committee. In this case, the non-member secretary need not be a member of the Board of Directors. The post of secretary to the Audit Committee may fall to either the secretary of the Board or to a different individual.

4) Directors serving on the Audit Committee will perform the duties of their committee posts for as long as their mandate on the Board itself, except where the Board of Directors determines otherwise. The renewal, re-election and removal of directors serving on the Audit Committee will be governed by the terms established by the Board of Directors.

The chairman will hold his or her post for a maximum of four years. At the end of this period, the chairman may not be re-elected to the same position for at least one year. However, the chairman may continue to be a member of the committee or be re-elected thereto.

5) The Audit Committee will perform the functions assigned by the Law, notwithstanding any other duties that may be assigned thereto at any time by the Board of Directors. In addition, the Audit Committee is also entrusted with carrying out those functions specifically attributed to it in any internal regulations governing the Audit Committee and approved by the Board of Directors.

6) The Audit Committee will meet at least once every quarter in order to review the periodic financial information to be submitted to the securities market authorities as well as the information the Board of Directors must approve and include within its annual public documentation. The committee will also meet at the request of any of its members and whenever convened by its chairman. The committee chairman must call a meeting whenever the Board or the Board chairman requests the issuance of a report or the adoption of proposals and, in any case, whenever appropriate for the efficient running of the committee.

7) A quorum will be met at Audit Committee meetings when the majority of its members are present or represented. Resolutions will be adopted by an absolute majority vote of those present or represented. In the event of a tie, the chairman of the Audit Committee will have a casting vote.

8) The committee must keep minutes of its meetings, a copy of which will be available for inspection by all members of the Board of Directors and to the Board secretary.

9) In order to best carry out its functions, the Audit Committee may avail itself of the advice of external experts, when it deems necessary for the adequate fulfilment of its duties.

Article 15. Remuneration and Nomination Committee. Composition, responsibilities and operation

- 1) The Board of Directors will create a standing Remuneration and Nomination Committee for information and advisory purposes. The committee will not have executive functions, but will be entrusted with informing, advising and making proposals to the Board in its area of responsibility, as set out in this article. The Remuneration and Nomination Committee will comprise at least three and at most five members designated by the Board itself, at the proposal of the Board chairman, from among the non-executive directors. At least two members of the Remuneration and Nomination Committee must be independent directors.
- 2) The Board of Directors will also appoint a chairman from among the independent directors serving on that committee. The Board may also appoint a vice-chairman if deemed advisable. The provisions governing appointment of the chairman will apply to any vice-chairman appointments.
- 3) The Board will also appoint a secretary to the Remuneration and Nomination Committee, who need not be a member of the committee. In this case, the non-member secretary need not be a member of the Board of Directors. The post of secretary to the Remuneration and Nomination Committee may fall to either the secretary of the Board or to a different individual.
- 4) Directors serving on the Remuneration and Nomination Committee will perform the duties of their committee posts for as long as their mandate on the Board itself, except where the Board of Directors determines otherwise. The renewal, re-election and removal of directors serving on the Remuneration and Nomination Committee will be governed by the terms established by the Board of Directors.
- 5) The Remuneration and Nomination Committee will perform the functions assigned by the Law, notwithstanding any other duties that may be assigned thereto at any time by the Board of Directors. In addition, the Remuneration and Nomination Committee is also entrusted with carrying out those functions specifically attributed to it in any internal regulations governing the Remuneration and Nomination Committee and approved by the Board of Directors.
- 6) The Remuneration and Nomination Committee will hold ordinary meetings at least two (2) times per year. The committee will also meet at the request of any of its members and whenever convened by its chairman. The committee chairman must call a meeting whenever the Board or the Board chairman requests the issuance of a report or the adoption of proposals and, in any case, whenever appropriate for the efficient running of the committee.
- 7) A quorum will be met at Remuneration and Nomination Committee meetings when the majority of its members are present or represented. Resolutions will be adopted by an absolute majority vote of those present or represented. In the event of a tie, the chairman of the Remuneration and Nomination Committee will have a casting vote.
- 8) The committee must keep minutes of its meetings, a copy of which will be available for inspection by all members of the Board of Directors.
- 9) The Remuneration and Nomination Committee must consult with the chairman and chief executive officer, especially on matters relating to executive directors and management personnel.
- 10) In order to best carry out its functions, the Remuneration and Nomination Committee may avail itself of the advice of external experts, when it deems necessary for the adequate fulfilment of its duties, seeking to ensure that any potential conflicts of interests do not jeopardise the independence of the external advice furnished to the committee.

TITLE V

OPERATION OF THE BOARD OF DIRECTORS

Article 16. Board of Directors meetings

- 1) The Board of Directors will meet with the frequency appropriate for it to efficiently carry out its duties and at least once every three months, following the schedule of meeting dates and agenda items established at the beginning of the year. Directors may propose other agenda points that were not initially foreseen, providing that such a request is made no later than three calendar days before the scheduled meeting date.
- 2) The Board of Directors will also meet as many times as the chairman deems appropriate for the proper operation of the Company and whenever a meeting is requested in the terms set out in article 9.2 above.
- 3) The call to Board of Directors meetings will be issued by the secretary to the Board or by the person fulfilling those duties, with the authorisation of the chairman. Meeting notices will be issued through any means whereby each Board member listed in the Company's records can duly receive the notice. The meeting notice will be issued at least 72 hours in advance of the meeting time. The meeting agenda must be included in the notice, along with duly prepared and summarised relevant information.
- 4) The meeting agenda must clearly indicate the points on which directors are to adopt a decision or resolution, so they can study or gather, in advance, any information they need for an informed vote.
- 5) The chairman of the Board may call extraordinary Board meetings when, in his or her opinion, circumstances so warrant. In this case the advanced notice term and other requirements laid out in the previous paragraphs will not apply. Nevertheless, any documentation to be provided to directors must be distributed sufficiently in advance, except where the Board meeting was exceptionally arranged due to urgent reasons.
- 6) Notwithstanding the foregoing, the Board of Directors meeting will be considered validly held without the need for a notice if all members are present or represented by proxy and unanimously agree to hold a meeting and to the agenda items to be discussed. Moreover, if no director voices a disagreement thereto, the Board of Directors may vote on matters in writing, without holding a meeting. Votes may be issued in writing or using email, providing that the identity of the voting director is duly evidenced.
- 7) At the beginning of each year, the Board will prepare an annual schedule of its ordinary meetings.
- 8) The Board of Directors will meet at the Company's registered offices, unless another venue is specified in the meeting notice.
- 9) Notwithstanding the above, the Board of Directors may meet at several venues connected by telecommunications systems that enable each member present to be duly identified, that allow

for uninterrupted communication between members, irrespective of their location, and that enable each member to speak and vote, all in real time. Subject to the above, Board meetings may be held through conference calls, videoconference or other similar systems.

For the purposes of the Board of Directors, members attending from any location will be deemed to have attended a single, unified meeting.

Article 17. Meeting structure

- 1) A quorum will be met at Board meetings when one-half plus one of its members are present or represented by another director.
- 2) Board members must make all possible efforts to attend Board meetings. When they are unable to do so in person, they must grant the proxy representation in writing, on a special basis for each meeting, to another Board member, providing the appropriate instructions and reporting this circumstance to the chairman of the Board. Non- executive directors may only be represented by another non-executive Board member. Directors' absences must be quantified in the annual corporate governance report.
- 3) The chairman will organise and encourage debate at the meetings, promoting the active participation of all directors, while safeguarding directors' freedom to take positions and to express their opinions.
- 4) Except where the law or the Bylaws specifically establish other voting quorums, resolutions will be adopted by an absolute majority vote of directors attending the meeting in person or represented by proxy. In the event of a tie, the chairman will have a casting vote.
- 5) Minutes to the Board of Directors meetings will be drawn up and signed at least by the chairman (or, if applicable, the vice-chairman) and the secretary or vice-secretary. The minutes will be transcribed or entered, pursuant to legal requirements, into a special book of minutes of the Board of Directors meetings.
- 6) Minutes will be approved by the Board at the close of each meeting or at the subsequent meeting.

TITLE VI

APPOINTMENT AND REMOVAL OF DIRECTORS

Article 18. Appointment and re-election of directors

- 1) Directors will be appointed by the shareholders in General Meeting or by the Board of Directors through the co-optation procedure, based on a report by the Remuneration and Nomination Committee or, in the case of independent directors, at the proposal of that committee, in accordance with applicable regulations, the Company Bylaws and these Regulations.
- 2) Shortly after their appointment, new directors will receive sufficient knowledge about the Company and its corporate governance rules.

3) To the extent applicable, Board members will be subject to Law 53/1984 of 26 December on Conflicts of Interest among Public Administration Personnel and Law 3/2015 of 30 March governing the exercise of senior positions in the General State Administration, as well as to other related legislation.

4) The Board of Directors will strive to ensure that persons of recognised trustworthiness, abilities and experience are selected, and will be extremely rigorous regarding those who are called to fill the posts of independent director.

5) Prior to proposing the re-election of directors to the shareholders in General Meeting, the Board will evaluate the quality of the work performed and the dedication to the post of those directors during their previous tenure on the Board. The directors in question will abstain from participating in this evaluation.

Article 19. Term of office

1) Directors will remain in their posts for a term of three years. At the end of this three- year period, directors may be re-elected one or more times for periods of equal length.

2) Directors' appointments will expire upon the first General Meeting held following the end of their mandated term or upon expiry of the legal period for holding the General Meeting at which the annual financial statements of the previous year were to be approved.

3) Directors appointed through the co-optation procedure will remain in their posts until the first General Meeting held subsequent to their appointment. In the event the shareholders, at that General Meeting, do not ratify the appointment, the director will be removed from the Board. In the event a post on the Board becomes vacant after the General Meeting is called but before it is held, the Board may appoint a director to serve up until the date of the next General Meeting.

4) Independent directors may not remain in their posts for a continuous period of more than 12 years.

Article 20. Removal of directors

1) Directors will cease to hold office once their term of office has expired and when removed by the shareholders in General Meeting by virtue of the powers vested therein by law and the Company Bylaws.

2) Directors must to place their posts under the review of the Board and, where the Board deems appropriate, tender their resignation in the following cases:

(i) When they no longer occupy the executive positions by virtue of which they were appointed

(ii) When they are involved in any of the cases of conflict of interest or disqualification stipulated by law.

(iii) When they are seriously admonished by the Board of Directors as a result of breaching their obligations as directors.

(iv) When their presence on the Board could jeopardise the credibility and reputation of the Company or when the reasons for their appointment cease to exist, including but not limited to significant changes in their professional situation or in the conditions by virtue of which they were appointed as directors.

(v) When they have been prosecuted on criminal charges or when supervisory bodies

have charged them with serious or very serious offenses.

(vi) Nominee directors must resign when: (i) the shareholders they represent dispose of their ownership interest in its entirety or reduce it significantly; and such shareholders reduce their stakes to a level requiring a reduction of the number of its nominee directors, in which case the latter's number should be reduced accordingly.

(vii) When they serve on the boards of directors of more than four listed companies other than the Company.

(viii) When due to facts attributable to the director, his or her remaining on the Board could cause serious damage to the corporate net worth or reputation, in the judgment of the Board.

Article 21. Objective voting

Directors affected by any proposals for appointment, re-election or removal must abstain from participating in the related discussions and votes.

TITLE VII

INFORMATION RESPONSIBILITIES

Article 22. Information and inspection duties

1) Directors have the duty of diligently informing themselves on the running of the Company. To that end, they may request information on any aspect falling to the Board of Directors and examine the Company's books, ledgers, records and other documentation. The right to information extends to subsidiaries and to investees, provided that this information is available.

2) Requests for information must be submitted to the secretary to the Board of Directors, who will forward the request to the chairman of the Board and to the appropriate liaison at the Company.

3) The secretary will inform directors of the confidential nature of the information requested and received, as well as of their confidentiality duties pursuant to these Regulations.

4) The chairman may deny the request for information if he or she considers that: (i) it is not necessary for the proper performance by directors of their assigned duties; or (ii) the cost is not reasonable, in view of the magnitude of the issue and the assets and revenues of the Company.

Article 23. Assistance from experts

1) In order to assist them in carrying out their duties, all directors are entitled to receive relevant guidance from the Company. To that end, the Company will provide suitable channels, extending in special circumstances to external assistance at the Company's expense.

These services must relate to specific, important and complex problems arising during the performance of directors' duties.

2) The decision to engage external advisors at the Company's expense lies with the chairman of the Board of Directors. This decision may be vetoed by the Board, provided it demonstrates that:

- (i) It is not necessary for the proper fulfilment of the duties entrusted to the external director in question;
- (ii) The cost is not reasonable, in view of the magnitude of the issue and the assets and revenues of the Company; or
- (iii) The technical assistance to be received may be adequately provided by the Company's own experts and specialists.

TITLE VIII

REMUNERATION OF MEMBERS OF THE BOARD OF DIRECTORS

Article 24. Remuneration of directors

- 1) Directors are entitled to receive the remuneration established in the Company Bylaws. The total remuneration the Company may pay to all directors for all items foreseen in the Bylaws may not exceed the amount determined by the shareholders in General Meeting.
- 2) The Board of Directors will determine the specific amount corresponding to each director for all items, in accordance with the policy on remuneration of directors, which will be submitted to the shareholders in General Meeting for approval on a three-year basis. To that end, the Board positions held by each director and the director's membership on and attendance at any Board committee will be taken into account.
- 3) Director remuneration must be reasonably proportionate to the magnitude of the Company, the Company's financial position at any time and market conditions in companies of similar size or activity, and must take into account the director's dedication to the Company. The remuneration system must be aimed at promoting the Company's long-term profitability and sustainability and include the necessary safeguards to avoid excessive risk-taking or the reward of poor performance. In particular, in the event the remuneration system features variable compensation mechanisms, the system must include the limits and safeguards needed to ensure that variable remuneration is proportionate to the professional performance of the recipients and does not derive solely from general market or sector gains.
- 4) The Board of Directors must also ensure that the remuneration received by external directors is sufficient to incentivise their dedication without compromising their independence.
- 5) Remuneration linked to Company earnings must take into account any qualifications stated in the auditor's report that reduce their amount.

In the event a correction is made to the annual financial statements on which remuneration was based, the Board of Directors will evaluate whether to cancel or reinstate, partially or in full, the variable compensation paid.

- 6) The Board of Directors will prepare an annual report on directors' remuneration, in the terms established in applicable regulations.

This report will be made available to shareholders when the Ordinary General Meeting is called and will be brought to an advisory vote at the meeting, as a separate agenda item.

TITLE IX

DIRECTOR DUTIES

Article 25. General obligations falling to directors

1) In performing their duties, directors must act with the diligence of a careful business owner and a loyal representative, taking into account the nature of the post and the responsibilities attributed to each director. Their actions will be guided solely by good faith and the interest of the Company, as they strive to defend and protect the interests of the shareholders as a whole, from whom their mandate derives and to whom they are accountable. In particular, directors are required to:

- (i) Be informed regarding and prepare suitably for Board meetings and meetings of any Board committees on which they serve.
- (ii) Attend Board of Directors meetings and take an active part in deliberations, so their opinions can effectively contribute to decision-making.
- (iii) If, for a justified reason, a director is unable to attend a meeting to which he or she has been called, that director must provide detailed instructions to a proxy director named for that purpose.
- (iv) Contribute their strategic vision, as well as innovative measures, opinions and concepts for the optimal functioning and performance of the Company's business (this particularly applies to independent directors).
- (v) Perform their duties under the principle of individual accountability, freedom of criteria or judgement and independence with respect to instructions from and relationships with third parties.
- (vi) Carry out any specific task entrusted to them by the Board of Directors or any of its delegated and/or advisory bodies that is reasonably within the purview of their dedication undertaking.
- (vii) Encourage investigation into any irregularities in Company management of which they have been informed and immediately forward this information to the Board of Directors, while monitoring any risk situation.
- (viii) Urge persons with meeting-calling capacity to call an extraordinary meeting of the Board of Directors or to include the points they deem appropriate in the agenda of the first meeting to be held.
- (ix) Oppose any resolutions that are contrary to the law, to the Bylaws or to the Company's interest, and request that their position be entered into the minutes when they deem that such action is more appropriate to safeguard the Company's interest. Independent directors and other directors not affected by a potential conflict of interest must particularly and clearly express their opposition in the event of decisions that could cause detriment to the shareholders not represented on the Board of Directors.
- (x) If the Board takes material or reiterated decisions about which a director has expressed serious reservations, then he or she must draw the pertinent conclusions. Directors resigning for such causes must set out their reasons in a resignation letter.
- (xi) This provision also applies to the secretary of the Board and, where applicable, to the vice-secretary, even if such an individual is not a director.

2) In any event, directors must dedicate the time and effort needed to effectively carry out

their duties. Consequently, directors must inform the Remuneration and Nomination Committee of their other professional obligations, lest they interfere with the dedication required.

Article 26. Confidentiality obligation

1) Directors will keep secret all deliberations of the Board of Directors and the Board committees on which they serve and, in general, will refrain from disclosing the information to which they have been privy in performing their duties.

2) The duty of confidentiality will remain even after directors have left their position. Directors must keep secret all confidential information and all information, data, reports or background of which they become aware as a result of performing their duties. Directors may not communicate said information to third parties or disclose it when so doing might be detrimental to the Company's interest. Excepted from the duties referred to in this paragraph are cases in which the law permits information to be disclosed to third parties, as are, if applicable, cases in which directors are ordered to disclose the information to the respective oversight authorities, in which case the relinquishment of information must conform to legal requirements.

Article 27. Non-compete obligation

1) Directors must refrain from engaging in activities, whether on their own account or through third parties, that in effect or potentially involve their entering into competition with the Company or that place them in ongoing conflict with the interests of the Company in any other way.

2) The obligation to not compete with the Company may only be waived if no damage is expected to be caused to the Company or if the Company is expected to be compensated for the earnings lost by virtue of the waiver. The waiver must be granted through an express and separate resolution by the shareholders in General Meeting.

3) In any case, at the request of any shareholder, the shareholders in General Meeting will vote on the removal of any director engaging in competitive activities, should the risk of harm to the Company have grown significant.

Article 28. Conflicts of interest

1) A conflict of interest will be deemed to exist in those situations in which the interest of the Company or of any Group company enters into direct or indirect conflict with the personal interest of a director. A personal interest will be considered to exist for a director when a matter affects him or her, or a person related thereto or, in the case of nominee directors, when a matter affects the shareholder(s) proposing or bringing about their appointment or parties related directly or indirectly to the latter.

2) For the purposes of these Regulations, the following definitions apply:

(i) Related party of an individual director:

a) The director's spouse or person with a similar affective relationship.

b) Ascendants, descendants and siblings of the director or of the director's spouse (or the person with which the director shares a similar affective relationship).

c) Spouses (or persons with a similar affective relationship) of the ascendants, descendants or siblings of the director.

d) Companies or entities with which the director (or any party related thereto), directly or by proxy, falls under any of the situations foreseen in article 42 of the Code of Commerce.

- e) In the case of nominee directors, this also includes the shareholders that proposed the director's appointment.
- (ii) Related party of a legal entity director:
 - a) Shareholders affiliated with the legal entity director in any of the manners described in article 42 of the Code of Commerce.
 - b) Companies forming part of the same group, as the latter term is defined in article 42 of the Code of Commerce, and the shareholders thereof.
 - c) The individual representative, the de jure or de facto directors, liquidators, and authorised representatives with general powers of attorney for the legal entity director.
 - d) The persons considered related parties of the individuals representing the legal entity director, in accordance with paragraph 2(i) of this article in respect of individual directors.

3) Directors must report any direct or indirect conflicts of interest to the Board of Directors and refrain from acting as a representative of the Company in the related transaction, except for in the exemption cases foreseen in prevailing legislation. Furthermore, the Company must report, when so required by law, any conflicts of interest involving directors (or related parties thereof) during the period in question, of which they have been informed by the affected by director or through any other means. Any conflicts of interest involving directors must be disclosed in the notes to the Company's annual financial statements.

Article 29. Use of Company assets

Directors may not use the Company's assets, including the Company's confidential information, or avail themselves of their position at the Company to obtain an economic advantage unless they have paid an adequate consideration.

Article 30. Non-public information

Directors must observe the rules of conduct established in the regulations governing the securities market and, in particular, those laid down in the Internal Code of Conduct on Matters Relating to the Securities Market, in respect of inside information.

Article 31. Business opportunities

1) Directors may not avail of a business opportunity involving the Company, for their own benefit or for that of a party related thereto as defined in article 28 herein, unless the opportunity is first offered to the Company and the Company declines to pursue it.

2) For the purposes of the preceding paragraph, a business opportunity is understood to be any possibility of carrying out an investment or commercial operation that has arisen or has been discovered in connection with the director's performance of his or her duties or the director's use of the Company's resources and information, or that has arisen under circumstances that reasonably indicate that a third party offer was in fact intended for the Company.

Article 32. Indirect dealings

Directors violate their duties of loyalty vis-à-vis the Company if, with prior knowledge, they permit or fail to disclose the existence of transactions carried out by the related parties indicated in article 28 herein, that were not submitted to the conditions and controls set forth in the preceding articles.

Article 33. Disclosure requirements for directors

1) Directors must inform the Company of the Company shares they hold directly or indirectly through the related parties indicated in article 28 herein, in accordance, in all respects, with the Internal Code of Conduct on Matters Relating to the Securities Market.

2) Directors must also inform the Company of the positions they hold and the activities they carry out in the governing bodies of other companies and, in general, of facts, circumstances or situations that may prove significant for their performance as Company directors, pursuant to the terms of these Regulations.

3) Directors must also inform the Company of any circumstance that might harm the Company's name or reputation and, in particular, of any criminal charges brought against them or for which they are under investigation, and the progress of any subsequent trial.

The moment a director is indicted or tried for any of the offences prohibited by corporate law, the Board of Directors must open an investigation and, in light of the particular circumstances, decide whether or not the director should be called on to resign. The Board must give a reasoned account of all such matters in the annual corporate governance report.

Article 34. Transactions with directors and significant shareholders

1) The Board of Directors (or the chief executive officer, for urgent matters, with subsequent ratification by the Board) must review and authorise, where applicable, in all cases subject to a report by the Audit Committee, the performance by the Company of any transaction with directors and shareholders owning interests considered significant pursuant to applicable securities market regulations or that have proposed the appointment of any Company director or with any of the persons related thereto, as defined in article 28 herein.

2) Prior to allowing the Company to carry out such transactions, the Audit Committee and the Board of Directors will evaluate the transaction from the standpoint of equal treatment of shareholders and market conditions.

3) Board authorisation is not required for related-party transactions that simultaneously meet the following three conditions: (i) they are governed by standard form agreements applied on an across-the-board basis to a large number of clients; (ii) they are performed at market rates, generally set by the person supplying the goods or services; and (iii) their amount is no more than 1% of the Company's annual revenues.

4) In the case of transactions falling within the ordinary course of business and that are habitual or recurring in nature, a generic authorisation from the Board of Directors is sufficient.

5) In the case of a transaction with a director or related party where the transaction value exceeds 10% of the Company's assets, the authorisation must be granted by the shareholders in General Meeting.

TITLE X

BOARD OF DIRECTORS POLICY ON INFORMATION AND

RELATIONS

Article 35. Website

- 1) The Company will maintain a corporate website so that shareholders can exercise their right to information and in order to publish the information required by securities market regulations. The website must include links to the documents and information mandated under prevailing legislation, including in respect of the call to the General Meeting, along with any other documentation and information the Board of Directors considers should be made available to shareholders through this resource.
- 2) The Company will disclose the legally required information about the director on its website and keep them regularly updated
- 3) The Board of Directors must compile the information to be posted on the Company's website in compliance with prevailing regulations. The Board is responsible for updating this information as provided for by law.

Article 36. Relations with shareholders

- 1) The Board of Directors will familiarise itself with any proposals formulated by shareholders with regard to management of the Company.
- 2) Through some of its directors and with the collaboration of the members of senior management the Board deems appropriate, the Board may organise informational meetings on the running of the Company and its Group, for shareholders residing in the most important financial markets, either in Spain or other countries.
- 3) The Board of Directors will also establish adequate mechanisms for the regular sharing of information with institutional investors holding interests in the Company. In no event may the relations between the Board of Directors and these institutional shareholders translate into the delivery to the latter of any information that might give them a privilege or advantage over other shareholders.
- 4) Public requests for proxy representation made by the Board of Directors or by any of its members must indicate how the representative must vote in the event the shareholder does not give instructions.
- 5) The Board of Directors will promote shareholders' informed participation at the General Meeting and will adopt all timely measures required to allow the shareholders in General Meeting to effectively exercise the duties falling to them in accordance with the law and the Company's Bylaws.

In particular, the Board of Directors will adopt the following measures:

- (i) It will strive to make available to the shareholders, prior to the General Meeting, all information that can legally be demanded and all information that, even though not legally demandable, may be of interest and can be reasonably provided.
- (ii) It will respond, with utmost diligence, to requests for information formulated by shareholders prior to the General Meeting.
- (iii) Also with utmost diligence, it will answer questions posed by shareholders during the course of the General Meeting.

Article 37. Relations with markets

- 1) The Board of Directors, through the CNMV and the corporate webpage, will immediately provide the public with all information in the terms set forth in prevailing regulations.
- 2) The Board of Directors will designate one or more individuals to serve as authorised representatives before the CNMV, notifying the latter of any such appointment, in accordance with the pertinent regulations.
- 3) The Board of Directors will adopt the necessary measures to ensure that half-yearly, quarterly and any other financial information to be made available to markets following prudent criteria is prepared in accordance with the same principles, criteria and professional practices as used in the annual financial statements and is as reliable as the latter.
- 4) In its annual public documentation, the Board of Directors will include disclosures on the Company's corporate governance rules and the degree of compliance therewith.

Article 38. Relations with auditors

- 1) The Audit Committee is entrusted with proposing to the Board of Directors, for submission to the shareholders in General Meeting, the designation (indicating the contract conditions and the scope of the professional engagement), renewal and removal of the Company's statutory auditor and with supervising compliance with the audit contract, pursuant to article 14 herein and to any Audit Committee internal regulations approved by the Board of Directors. The Audit Committee will refrain from proposing to the Board of Directors, and the Board will refrain from submitting to the shareholders in General Meeting, the appointment as statutory auditor of any audit firm meeting any of the disqualification criteria foreseen in prevailing audit legislation, as well as any other firm in which the fees to be paid by the Company, for all items, exceed 5% of total revenue during the previous reporting period.
- 2) The Board of Directors will endeavour to prepare the financial statements so that the auditor's report thereon contains no qualifications. In the exceptional case that such qualifications could exist, both the chairman of the Audit Committee and the statutory auditor will clearly explain to the shareholders the content of such qualifications. Nevertheless, when the Board deems that it must maintain its position, it will publicly explain the content and scope of the discrepancy.
- 3) The Board of Directors will publically disclose, in the manner foreseen in prevailing regulations, the detailed breakdown of the statutory audit fees and fees for other services rendered by the auditor, as well as any fees charged by persons or entities related therewith.
