

# Report from Board on change of the company's name

## **REPORT PRESENTED BY THE BOARD OF DIRECTORS OF CELLNEX TELECOM, S.A. REGARDING THE PROPOSAL TO THE COMPANY'S GENERAL SHAREHOLDERS' MEETING TO AMEND THE CORPORATE BYLAWS**

This report is prepared in compliance with the provisions of article 286 of the Spanish Companies Law (*Ley de Sociedades de Capital*) and is intended to justify the proposed amendments to the Corporate Bylaws of Cellnex Telecom, S.A. (the "**Company**") that will be submitted for approval at the next General Shareholders' Meeting after the issuance of this report.

### **JUSTIFICATION AND SYSTEMATICS OF THE PROPOSAL**

The amendments to the Corporate Bylaws, the approval of which will be proposed at the next General Shareholders' Meeting of the Company after the issuance of this report, are intended to introduce modifications to the Bylaws: (i) because its content is provided for in current legal provisions, or in the Regulations of the General Shareholders' Meeting, or in the Regulations of the Company's Board of Directors; (ii) for the purpose of regulating attendance and electronic participation at the General Shareholders' Meeting and the Board of Directors; and (iii) for the opportunity to adapt its wording, without introducing any modification to the material, as well as to unify the terminology used in the Corporate Bylaws. Additionally, the proposed deletion of certain articles of the Corporate Bylaws means that the articles will have to be renumbered.

This reform of the Corporate Bylaws is also complemented by the reform of the Regulations of the General Shareholders' Meeting of the Company, which will also be submitted for approval at the next General Shareholders' Meeting of the Company after the issuance of this report.

In order to facilitate the understanding of the changes that prompted this proposal and, consequently, to allow the visualization of the scope of the modification and the comparison between the new wording of the corporate bylaws in the proposed terms and the one currently in force, a comparative version of both texts is included as Annex I to this report, purely for informative purposes.

Likewise, in order to make the new wording of the Company Bylaws known after the proposed amendment, if approved, the updated text of the Company Bylaws, which will be submitted for the approval of the General Shareholders' Meeting, is attached as Annex II with the proposed modifications already incorporated.

### **DETAILED JUSTIFICATION OF THE PROPOSAL**

#### **a) Proposed amendment of articles 1, 2, 3, 4, 12, 13, 20, 22 and 29 of the bylaws and renumbering of certain articles**

##### **Justification**

The purpose of modifying articles 1, 2, 3, 4, 12, 13, 20, 22 and 29 of the Bylaws is to adapt their wording, without introducing any modification to the material, as well as to unify the terminology used in the Bylaws. Additionally, the proposed deletion of certain articles of the Bylaws means that the old articles 12, 13, 20, 22 and 29, will be renumbered as 10, 11, 16, 18 and 22, respectively.

### **Proposed amendments**

It is proposed to amend article 1 of the Corporate Bylaws, as drafted in the terms indicated below:

#### *"Article 1. Name*

*The Company is called Cellnex Telecom, S.A. and is governed by the present bylaws and by the currently applicable legal provisions."*

It is proposed to amend article 2 of the Corporate Bylaws, as drafted in the terms indicated below:

#### *"Article 2. Duration*

*The Company has been incorporated for an indefinite period.*

*The Company commenced its operations on the date on which its articles of incorporation were executed."*

It is proposed to amend article 3 of the Corporate Bylaws, as drafted in the terms indicated below:

#### *"Article 3. Registered address*

*The Company's registered address is established at calle Juan Esplandiú, 11, 28007 Madrid."*

It is proposed to amend article 4 of the Corporate Bylaws, as drafted in the terms indicated below:

#### *"Article 4. Company website*

*The Company's corporate website is: [www.cellnextelecom.com](http://www.cellnextelecom.com). The modification, transfer and removal of the Company website may be agreed upon by the Board of Directors."*

It is proposed to amend and renumber article 12 of the Corporate Bylaws, as drafted in the terms indicated below:

#### *"Article 10. Creation of corporate intent. Management and representation of the Company*

*The Company's management bodies include the General Shareholders' Meeting, as the supreme deliberation body in which corporate will is expressed through majority decisions on issues within its area of responsibility, and the Board of Directors, which is responsible for the management, administration and representation of the Company through the powers conferred upon it in law and in the present bylaws and, if applicable, the Executive Committee and the Chief or Chief Executive Officers to whom the Board of Directors may delegate all or part of its powers that may be legally delegated."*

It is proposed to amend and renumber article 13 of the Corporate Bylaws, as drafted in the terms indicated below:

#### *"Article 11. General Shareholders' Meeting*

*The shareholders present at the General Shareholders' Meeting, in accordance with the legal and statutory formalities, make up the supreme body of expression of corporate will, and its resolutions, duly adopted, are binding on all shareholders, even those absent and dissident, except for any actions they are entitled to take in accordance with the Law."*

It is proposed to amend and renumber article 20 of the Corporate Bylaws, as drafted in the terms indicated below:

*"Article 16. Board of Directors*

*The management, administration and representation of the Company in and out of court, and in all acts included in the corporate purpose, shall be the responsibility of the Board of Directors, which shall act as a body, without prejudice to any delegations or powers it may grant."*

It is proposed to amend and renumber article 22 of the Corporate Bylaws, as drafted in the terms indicated below:

*"Article 18. Term of the position of director*

*Directors will be appointed for a term of three (3) years, but may be re-elected by the General Shareholders' Meeting on one or more occasions for periods of a similar maximum duration.*

*The General Shareholders' Meeting may agree the dismissal of any director at any moment."*

It is proposed to amend and renumber article 29 of the Corporate Bylaws, as drafted in the terms indicated below:

*"Article 22. Distribution of Profits. Provision and materialization of reserves*

*The distribution of the net profits of the Company and the provision of the reserves shall be made subject to the agreement of the General Shareholders' Meeting, in the manner and according to the requirements and limitations envisaged in the general and specific legislation in force and applicable to the Company at any given moment and in the present Bylaws."*

**b) Proposed deletion of articles 9, 11, 15, 16, 17, 19, 24, 25, 28, 30, 31 and 32 of the bylaws**

**Justification**

The purpose of deleting articles 9, 11, 15, 16, 17, 19, 24, 25, 28, 30, 31 and 32 of the Bylaws is to simplify them, by suppressing information already included in the applicable legislation.

**c) Proposed renumbering of article 27 of the bylaws**

**Justification**

The proposed deletion of certain articles of the Bylaws means that article 27 will have to be renumbered as article 21.

**d) Proposed amendment of article 5 of the bylaws**

**Justification**

The purpose of modifying the fourth paragraph of article 5 of the Bylaws is to simplify it, by suppressing mandatory information in accordance with applicable legislation, as well as clarifying the corporate purpose already included in the previous version. Additionally, its wording is adapted to unify the terminology used in the Bylaws.

**Proposed Amendments**

It is proposed to amend article 5 of the Corporate Bylaws, as drafted in the terms indicated below:

*“Article 5. Corporate purpose*

*The Company's corporate purpose includes the establishment and operation of any type of infrastructures and/or communications networks, as well as the provision, management, marketing and distribution, for itself and for third parties, of all kind of services based on or through them.*

*The planning, technical assistance, processing, organization, coordination, management, maintenance and conservation of the aforementioned installations and services, under any of the contractual forms permitted by law, particularly through administrative contracting.*

*The aforementioned activities may be carried out by the Company either directly or indirectly, through shareholdings in Companies with a similar nature, or by means of any other forms admitted by law.*

*In addition, it may act as a Holding Company, being able to incorporate or participate in other entities, resident or not in Spain, whatever their nature or purpose, by subscribing or acquiring and holding shares, equities or any other title derived from the aforementioned entities.”*

**e) Proposed amendment and renumbering of article 10 of the bylaws**

**Justification**

The purpose of modifying article 10 of the Bylaws is to update and regulate compliance by shareholders with the corporate governance system and the decisions passed by the Company's governing bodies, as well as the exercise of their rights within the framework of corporate interest. regulate it by modifying the wording in order to also. The proposed deletion of article 9 of the Bylaws means that article 10 will have to be renumbered as article 9.

**Proposed amendments**

It is proposed to amend and renumber article 10 of the Corporate Bylaws, as drafted in the terms indicated below:

*“Article 9. The shareholders and the corporate governance system*

*The ownership of shares implies compliance with the corporate governance system and the duty to respect and comply with the legally adopted decisions of the Company's governing bodies.*

*Shareholders must exercise their rights before the Company and other shareholders and perform their duties with loyalty, good faith and transparency, within the framework of the social interest, as a priority interest over the individual of each shareholder, and in accordance with the system of corporate governance.”*

**f) Proposed amendment and renumbering of articles 14 and 23 of the bylaws, as well as the addition of a new article 13**

**Justification**

The purpose of modifying articles 14 and 23 of the Bylaws is to update them by modifying the regulation that allows the electronic attendance and participation at the General Shareholders' Meeting and the Board of Directors, respectively. Likewise, it is simplified by suppressing mandatory information in accordance with the applicable legislation, and its wording is adapted to unify the terminology used in the Bylaws. The new wording of article 23 of the Corporate Bylaws also allows for a more agile approval of the minutes of the Board of Directors. The proposed deletion of certain articles means that articles 14 and 23 will have to be renumbered as articles 12 and 19 respectively. The addition of a new article 13 of the Bylaws also has the purpose of regulating the attendance and participation of the General Shareholders' Meeting by electronic means.

**Proposed amendments**

It is proposed to amend and renumber article 14 of the Corporate Bylaws, as drafted in the terms indicated below:

*“Article 12. Attendance at General Shareholders' Meetings. Voting rights. Representation*

*The General Shareholders' Meetings may be attended in person with full voting and speaking privileges by shareholders who can accredit ownership of at least one hundred (100) shares registered in their name five (5) days before the date on which the General Shareholders' Meeting is to be held.*

*Shareholders with the right of attendance may cast their vote on the proposals related to the items included in the agenda of any type of General Shareholders' Meeting by post or electronic communication.*

*Votes by post will be cast by sending the Company a letter containing the vote, accompanied by the attendance card.*

*Votes by electronic means will only be accepted when security and suitability conditions have been met, as determined by the Board of Directors through an agreement and prior communication in the announcement of the General Shareholders' Meeting in question. In this agreement, the Board of Directors shall define the conditions applicable for casting remote votes by electronic communication, which must include those which suitably guarantee the authenticity and identification of the shareholder or the representative exercising their right to vote.*

*Attendance by electronic means at the General Shareholders' Meeting will be subject to the provisions of the Bylaws and the General Shareholders' Meeting Regulations, the Law and the rules published on the Company's website.*

*In order for votes cast by any of the aforementioned distance voting means to be considered valid, the Company must receive them at least five (5) days before the date envisaged for the General Shareholders' Meeting in the first convocation. The Board of Directors may extend the deadline for receiving votes, stating that applicable deadline in the announcement for the General Shareholders' Meeting in question.*

*Shareholders may delegate their representation to another person, who may or may not be a shareholder, in writing or by electronic means, specifically for each General Shareholders' Meeting. Holders of shares lower in number than the minimum envisaged for attendance at the General Shareholders' Meetings may also be represented by one of them if, grouped together, they reach the required number of shares."*

It is proposed to amend and renumber article 23 of the Corporate Bylaws, as drafted in the terms indicated below:

*"Article 19. Convening and quorum of Board of Directors' Meetings. Deliberations and adoption of resolutions. Board of Directors' Committees*

*a) Convening and quorum of Board of Directors' Meetings*

*The Board of Directors will meet when required in the Company's interest and at least once every three (3) months. It will be convened by the Chairperson or by the person serving in his/her stead, on his/her own initiative or when requested by one third of the directors. Moreover, the directors who constitute at least one third of the members of the Board of Directors may call a meeting, indicating the agenda, to be held at the Company's registered address if, upon request to the Chairperson, it has not made the convocation within a month. The aforementioned convocation may be made by letter, which can be sent by fax or other electronic means that can be recorded.*

*The meetings of the Board of Directors may be held by videoconference, telephone conference or other similar means, provided that the possibility of interaction and debate is ensured. In these cases, the session of the Board of Directors shall be deemed to be held at the registered address.*

*The Board of Directors will be considered validly constituted when a majority of the members are in attendance, present or represented. Any director may confer his representation to another director in writing, by fax, email or any other similar method. Non-executive directors may only confer their representation to another non-executive director.*

*Notwithstanding the above, the Board of Directors will also be validly constituted without prior call, when all its members are present or represented and they unanimously accept the holding of the meeting and the items on the agenda.*

*b) Deliberations and adoption of resolutions*

*The Chairperson will chair the deliberations, giving the floor to all directors who have so requested. Each point on the agenda will be deliberated and voted on separately.*



*To adopt resolutions, an absolute majority vote of the directors in attendance, present or represented will be required, except in cases where any power of the Board of Directors has been permanently delegated to the Executive Committee or to the Chief Executive Officer and the appointment of the directors who have to occupy such positions, for which the favourable vote of two-thirds of the members of the Board of Directors will be required.*

*The discussions and resolutions of the Board of Directors will be recorded in a minute's book and each of the minutes will be signed by the Chairperson and the Secretary or by those substituting them at the meeting to which the minutes refer. The minutes may be approved either at the end of the meeting (whether in whole or in part) or at the next meeting, or by all the directors after having received the draft minutes and after a period of five business days without opposition from the directors, either by the Chairperson, the Secretary or a director appointed to this effect.*

*c) Board of Directors' Committees*

*The Board of Directors may appoint an Executive Committee and in all cases shall appoint an Audit Committee and a Committee, or two separate Committees, for Nominations and Remunerations, without prejudice to any other Committees that may be formed, as well as any other bodies that may perform advisory or consultative tasks implemented within a certain territory, in which case their remuneration shall be established.*

*As soon as it is applicable and on a supplementary basis, the rules of operation of the Board of Directors will be applied to the Committees of the Board of Directors."*

It is proposed to add a new article 13 to the Corporate Bylaws, as drafted in the terms indicated below:

*"Article 13 Attendance and participation by electronic means*

*Attendance at the General Shareholders' Meeting may be carried out by electronic means that provide the necessary assurance of the identity of the shareholder or his representative and that allow real-time connection with the General Shareholders' Meeting venue, as well as remote electronic voting during the Meeting. The Board of Directors will set in the announcement the procedure for the exercise of shareholders' rights in this way.*

*Provided that the Law does not provide otherwise, attendance at the General Shareholders' Meeting may also be carried out exclusively by electronic means, in which case it will be deemed to be held at the registered office, regardless of where is the Chairman of the Meeting. Likewise, the Board of Directors will set in the announcement the procedure for the exercise of shareholders' rights in this way."*

**g) Proposed amendment and renumbering of articles 18, 21 and 26 of the bylaws**

**Justification**

The purpose of modifying articles 18, 21 and 26 of the Bylaws is to simplify them by eliminating non-mandatory obligations in accordance with the applicable legislation and clarifying certain issues already contained in the applicable legislation; as well as to adapt its wording to unify the terminology used in the Bylaws. The proposed deletion of certain articles means that articles 18, 21 and 26 will have to be renumbered as articles 14, 17 and 20, respectively.

**Proposed amendments**



It is proposed to amend and renumber article 18 of the Corporate Bylaws, as drafted in the terms indicated below:

*“Article 14. Quorum. Constitution of the meeting and deliberations*

*For the valid constitution of the General Shareholders’ Meetings, both ordinary and extraordinary, the attendance quorums required by law will apply.*

*The sessions of the General Shareholders’ Meeting will be presided over by the Chairperson of the Board of Directors or, in his absence, by the Vice Chairperson of the Board of Directors and in the absence of both of them, by the shareholder elected by those attending the meeting.*

*The Secretary of the Board of Directors will act as the Secretary of the General Shareholders’ Meeting and, failing that, the Vice Secretary of the Board of Directors, and in the absence of both of them, the person, whether shareholder or not, that the Chairman designates.*

*The Chairperson will chair the deliberations of the Meeting, will read the questions raised by shareholders attending the meeting by electronic means and will give the floor to all shareholders attending in person who have requested it, enjoying the appropriate powers to ensure order and discipline.”*

It is proposed to amend and renumber article 21 of the Corporate Bylaws, as drafted in the terms indicated below:

*“Article 17. Composition of the Board of Directors*

*The Board of Directors will comprise no less than four (4) Board members and no more than thirteen (13). Being a shareholder is not a requirement for being chosen as director. The General Shareholders’ Meeting is responsible for deciding the exact number of directors.*

*The Board of Directors will appoint from among its members, following a report from the Nominations, Remunerations and Sustainability Committee, a Chairman and, where appropriate, one or more Vice Chairmen. The Chairman of the Board of Directors may be an executive director, in which case, the appointment of the Chairman will require the favourable vote of two-thirds of the Board members. In the event that the Chairman is an executive director, the Board of Directors with the abstention of the executive directors, must necessarily appoint a coordinating director from among the independent directors, who will specially be empowered to request the convening of the Board of Directors or the inclusion of new items in the agenda of a Board of Directors that has already been convened, coordinate and bring together the non-executive directors and direct, where appropriate, the periodic assessment of the performance of the Chairman of the Board of Directors.*

*The Board of Directors will also appoint a Secretary, who may not be a Board member. It may also appoint a Vice Secretary, non-member, who will replace the Secretary in his absence. In any case, such appointments must be followed by a report from the Nominations, Remunerations and Sustainability Committee.”*

It is proposed to amend and renumber article 26 of the Corporate Bylaws, as drafted in the terms indicated below:

*“Article 20. Remuneration of directors*

*a) General*

*The remuneration policy for directors will be approved by the General Shareholders' Meeting in the manner and terms set out in the current regulations.*

*The directors will be remunerated for exercising the duties which correspond to them by virtue of their membership of the Board of Directors, as the Company's collegiate decision-making body.*

*The remuneration of the directors, in their capacity as such, will consist of a fixed annual allocation.*

*The maximum annual remuneration that the Company will pay to its directors as a whole for the concept envisaged in the preceding paragraph will not exceed the amount determined for this purpose by the remuneration policy approved by the General Shareholders' Meeting.*

*The determination of the remuneration of each director, in his capacity as such, will correspond to the Board of Directors, which will take into account for this purpose the duties and responsibilities attributed to each director, whether they are members of Board of Directors' Committees, and other objective circumstances that it considers relevant.*

*The remuneration of the Board of Directors will be adequate to attract and retain the directors of the desired profile and reward the dedication, qualification and responsibility required by the position, but not so high as to compromise the independence of judgment of non-executive directors.*

*b) Remuneration of executive directors*

*Directors who have been conferred executive functions in the Company, whatever the nature of their legal relationship with the Company, will also be entitled to receive the remuneration provided for the performance of these functions in the contract entered into for this purpose between the director and the Company.*

*The Board of Directors will set the remuneration of the directors for the performance of executive functions and the terms and conditions of their contracts with the Company in accordance with the provisions of the applicable legislation at any given moment and in accordance with the remuneration policy for directors approved by the General Shareholders' Meeting, which must state (i) the amount of the annual fixed remuneration and its variation during the period covered by the policy, the different parameters for setting the variable components and (ii) the main terms and conditions of their contracts, including, in particular, their duration, compensation for early termination or the termination of the contractual relationship and exclusivity agreements, post-contractual non-competition and permanence and loyalty.*

*c) Remuneration in the form of shares*

*In addition to the remuneration system provided for in the previous subsections, directors shall be entitled to be remunerated through the delivery of shares, or through the delivery of option rights over these shares or by a remuneration referenced to the value of the shares, as long as the application of any of these remuneration systems is agreed by the General Shareholders' Meeting.*

*This resolution will determine, if applicable, the maximum number of shares that may be allocated to this remuneration system in each financial year, the exercise price or the system for calculating the price for exercising options over shares, the value of the shares that may, if applicable, be taken as a reference, and the term of duration of this plan.*

*d) Third-party liability insurance*

*The Company may take out a third-party liability insurance for its directors under the usual conditions and in proportion to the circumstances of the Company itself.*

*e) Remuneration for other services*

*The remuneration provided for in the previous subsections, resulting from belonging to the Board of Directors or from assuming executive functions in the Company, will be independent and compatible with the other income additionally pertaining to the directors for any other services that they may, where applicable, render to the Company other than the duties proper to their status as directors or executives.*

*These services will have to be governed by the proper service contracts and will have to be expressly approved case by case by the Board of Directors, following a report from the Nominations, Remunerations and Sustainability Committee.”*

**h) Proposed addition of a new article 15 to the bylaws**

**Justification**

The addition of a new article 15 of the Bylaws is intended to regulate the form of passing of resolutions, contained in the old article 18 of the Bylaws.

**Proposed amendments**

It is proposed to add a new article 15 to the Corporate Bylaws, as drafted in the terms indicated below:

*“Article 15. Adoption of resolutions*

*The resolutions will be adopted by a simple majority vote of the shares present or represented at the General Shareholders’ Meeting, with one vote for each share, unless by legal prescriptions they must be adopted by a qualified majority.”*

Madrid, 19 February 2021.

Note: This document is a translation of a duly approved Spanish language document, and is provided for information purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish language document which this translation is intended to reflect, the text of the original Spanish language document shall prevail.

## **ANNEX I**

### **PROPOSED AMENDMENTS TO THE CORPORATE BYLAWS**

Note: This document is a translation of a duly approved Spanish language document, and is provided for information purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish language document which this translation is intended to reflect, the text of the original Spanish language document shall prevail.

## **CORPORATE BYLAWS**

### **TITLE I**

#### **NAME, REGISTERED ADDRESS AND CORPORATE PURPOSE**

##### **Article 1. Name**

The eCompany is called Cellnex Telecom, S.A. and is governed by the present bylaws and by the currently applicable legal provisions.

##### **Article 2. Duration**

The eCompany has been incorporated for an indefinite period.

The eCompany commenced its operations on the date on which its articles of incorporation were executed.

##### **Article 3. Registered address**

The eCompany's registered address is established at calle Juan Esplandiú, 11, 28007 Madrid.

##### **Article 4. Company website**

The eCompany's corporate website is: [www.cellnextelecom.com](http://www.cellnextelecom.com). The modification, transfer and removal of the Company website may be agreed upon by the Board of Directors.

##### **Article 5. Corporate purpose**

The Company's corporate purpose includes the establishment and operation of any type of infrastructures and/or communications networks, as well as the provision, management,

marketing and distribution, for itself and for third parties, of all kind of services based on or through them.

The planning, technical assistance, processing, organization, coordination, management, maintenance and conservation of the aforementioned installations and services, under any of the contractual forms permitted by law, particularly through administrative contracting.

The aforementioned activities may be carried out by the Company either directly or indirectly, through shareholdings in ~~€~~companies with a similar nature, or by means of any other forms admitted by law.

~~Those activities for whose exercise the applicable regulations demand special requirements which are not met by this company shall be excluded from the corporate purpose. Should the legal regulations require some type of professional qualification or administrative authorisation, or inscription in Public Registries for the exercising of any of the activities included in the corporate purpose, said activities must be conducted by a person who holds said professional qualification and, where applicable, shall not be commenced until the administrative requirements have been met.~~

In addition, it may act as a Holding Company, being able to incorporate or participate in other entities, resident or not in Spain, whatever their nature or purpose, by subscribing or acquiring and holding shares, equities or any other title derived from the aforementioned entities.

## TITLE II

### SHARE CAPITAL. SHARES

#### Article 6. Capital

The share capital is set at ONE HUNDRED TWENTY-ONE MILLION SIX HUNDRED SEVENTY-SEVEN THOUSAND ONE HUNDRED SIXTY-SEVEN EUROS AND TWENTY-FIVE CENTS (121.677.167,25€) and is divided into FOUR HUNDRED EIGHTY-SIX MILLION SEVEN HUNDRED EIGHT THOUSAND SIX HUNDRED SIXTY-NINE (486.708.669) ordinary shares, belonging to a single class and series, each with a nominal value of TWENTY-FIVE EURO CENTS (€0.25), fully subscribed and paid up.

#### Article 7. Nature of the shares

The shares are represented by book entries.

The shares are transferable by all means recognized in Law, according to their nature and in accordance with the rules relating to the transfer of shares represented by book entries.

#### Article 8. Rights conferred by the shares

The shares confer their legitimate holder the status of shareholder and entitlement to the rights recognized in the Law and in these Corporate Bylaws.

#### **Article 9. Indivisible nature of shares. Usufruct and pledge of shares**

~~The Shares are indivisible. If any share ends up under the ownership of several co-owners, a single person will have to be designated by them to exercise the rights of shareholder, while they shall be severally liable to the Company for any obligations derived from the status of shareholder.~~

~~The usufruct and pledge of shares shall be subject to the provisions established in law.~~

#### **Article 10. Obligatory nature of the bylaws**

~~The ownership of one or more share implies acceptance of and agreement with the bylaws and submission to the resolutions of the Company's governing and administrative bodies, adopted in accordance with their powers and in the required manner, without prejudice to the right to challenge conferred upon shareholders in the current legislation.~~

#### **Article 11. Issue of bonds and other sources of finance**

~~The company may issue bonds which shall be represented by book entries, in accordance with the provisions of Royal Decree 116/1992, of 14 February, at the moment their admission for negotiation on the Stock market is requested. It may also dispose of other sources of finance within the limits and under the conditions envisaged in the general and particular rules applicable at any given moment.~~

### **TITLE III**

## **CORPORATE BODIES**

#### **Article 9. The shareholders and the corporate governance system**

The ownership of shares implies compliance with the corporate governance system and the duty to respect and comply with the legally adopted decisions of the Company's governing bodies.

Shareholders must exercise their rights before the Company and other shareholders and perform their duties with loyalty, good faith and transparency, within the framework of the social interest, as a priority interest over the individual of each shareholder, and in accordance with the system of corporate governance.

#### **Article ~~12~~10. Creation of corporate intent. Management and representation of the Company**

The ~~e~~Company's management bodies include the General Shareholders' Meeting, as the supreme deliberation body in which corporate will is expressed through majority decisions on



issues within its area of responsibility, and the Board of Directors, which is responsible for the management, administration and representation of the Company through the powers conferred upon it in law and in the present bylaws and, ~~in all cases~~ [if applicable](#), the Executive Committee and the Chief or Chief Executive Officers to whom the Board of Directors may delegate all or part of its powers that may be legally delegated.

## Section One

### GENERAL [SHAREHOLDERS'](#) MEETINGS

#### Article ~~13~~[11](#). General [Shareholders'](#) Meeting

The ~~S~~[S](#)hareholders present at the General [Shareholders'](#) Meeting, in accordance with the legal and statutory formalities, make up the supreme body of expression of corporate will, and its resolutions, [duly](#) adopted ~~by a majority~~, are binding on all shareholders, even those absent and dissident, except for any actions they are entitled to take in accordance with the Law.

#### Article ~~14~~[12](#). Attendance at General [Shareholders'](#) Meetings. Voting rights. Representation.

The [General Shareholders'](#) Meetings may be attended in person with full voting and speaking privileges by shareholders who can accredit ownership of at least one hundred (100) shares registered in their name five (5) days before the date on which the [General Shareholders'](#) Meeting is to be held ~~may attend the Meeting with the right to be heard and to vote. Each share will give entitlement to one vote. For this purpose, the shareholders will have to bring to the Meeting the corresponding attendance card issued by the organisations affiliated to Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores (Iberclear) or the organisation that replaces it, or by the company itself, following substantiation of ownership.~~

Shareholders with the right of attendance may cast their vote on the proposals related to the items included in the agenda of any type of General [Shareholders'](#) Meeting by post or electronic communication.

Votes by post will be cast by sending the ~~e~~[C](#)ompany a letter containing the vote, accompanied by the attendance card.

Votes by electronic means will only be accepted when security and suitability conditions have been met, as determined by the Board of Directors through an agreement and prior communication in the announcement of the [General Shareholders'](#) Meeting in question. In this agreement, the Board of Directors shall define the conditions applicable for casting remote votes by electronic communication, which must include those which suitably guarantee the authenticity and identification of the shareholder or the representative exercising their right to vote.

Attendance by electronic means at the General Shareholders' Meeting will be subject to the provisions of the Bylaws and the General Shareholders' Meeting Regulations, the Law and the rules published on the Company's website.

In order for votes cast by any of the aforementioned distance voting means to be considered valid, the Company must receive them at least five (5) days before the date envisaged for the General Shareholders' Meeting in the first convocation. The Board of Directors may extend the deadline for receiving votes, stating that applicable deadline in the announcement for the General Shareholders' Meeting in question.

~~Shareholders who cast their remote votes in the terms indicated in this article shall be deemed to be present for the purposes of the constitution of the Meeting in question. Consequently, any delegations issued prior to the remote vote shall be understood to be revoked and those conferred subsequently shall be deemed to not have been carried out. Votes cast by distance means will be annulled by the physical attendance at the Meeting of the shareholder that has issued said votes, or by the disposal of their shares of which the Company has knowledge at least five (5) days before the date envisaged for the Meeting in the first summons.~~

Shareholders may delegate their representation to another person, who may or may not be a shareholder, in writing or by electronic means, specifically for each General Shareholders' Meeting. Holders of shares lower in number than the minimum envisaged for attendance at the General Shareholders' Meetings may also be represented by one of them if, grouped together, they reach the required number of shares.

~~The power of representation is understood without prejudice to that established in Law for the cases of family representation and the granting of general powers.~~

#### **Article 15. Types of General Meetings**13. Attendance and participation by electronic means

Attendance at the General Shareholders' Meeting may be carried out by electronic means that provide the necessary assurance of the identity of the shareholder or his representative and that allow real-time connection with the General Shareholders' Meeting venue, as well as remote electronic voting during the Meeting. The Board of Directors will set in the announcement the procedure for the exercise of shareholders' rights in this way.

Provided that the Law does not provide otherwise, attendance at the General Shareholders' Meeting may also be carried out exclusively by electronic means, in which case it will be deemed to be held at the registered office, regardless of where is the Chairman of the Meeting. Likewise, the Board of Directors will set in the announcement the procedure for the exercise of shareholders' rights in this way.

~~General Meetings can be ordinary and extraordinary and have to be convened by the Board of Directors.~~

~~The Ordinary General Meeting must be held once a year, within the six (6) months following the close of each financial year, with the purpose of approving the corporate governance and approving, where appropriate, the accounts for the previous year and ruling on the application of the profits.~~

~~The Extraordinary General Meeting will meet when agreed by the Board of Directors or when this is requested by a number of shareholders who own at least three per cent (3%) of the share capital, detailing in this request the subjects to be dealt with at the Meeting. In this last case, the Meeting must be convened to be held within the two (2) months following the date on which the Board of Directors was required so to do by means of a notarial deed. The agenda shall include the items that motivated the request.~~

#### **Article 16. Meeting requests**

~~General Meetings, both ordinary and extraordinary, must be called through an announcement published in at least the Official Gazette of the Mercantile Register or in one of the widely circulated newspapers in Spain, on the website of the Spanish Stock Exchange Commission and on the company's website, at least one (1) month prior to the date established for the meeting.~~

~~Notwithstanding the provisions of the first paragraph of this article, the General Meeting may be held without the need to issue a convocation notice if the entire share capital is present or represented, and the attendees unanimously accept that it be held and the agenda for the meeting. The Universal Meeting may be held at any location within the country or abroad.~~

~~General Meetings shall be held in the location indicated in the convocation notice, within the municipality where the company is domiciled.~~

~~Shareholders who represent at least three percent (3%) of the share capital may request the publication of an addition to the present call for the Ordinary General Meeting, including one or more items on the agenda, provided that the new items are accompanied by a justification or, where appropriate, a justified agreement proposal. This right must be exercised via written notification, which must be received at the company's registered office within the five (5) days from the publication of the convocation. The addition must be published at least fifteen (15) days prior to the date established for holding the Meeting.~~

~~Shareholders representing at least three percent (3%) of the share capital may, within the same period outlined in the above paragraph, submit well-founded proposals of agreements on matters already included or to be included in the agenda of the Meeting convened. The company shall ensure the dissemination of these agreement proposals and any documentation that may be attached thereto among the other shareholders, in accordance with the provisions of the Law. With regard to the right to information, from the same day of publishing the convocation notice for the General Meeting and up to and including the fifth day prior to the date established for holding the Meeting, shareholders may request from the Board of Directors any information or clarification regarding the matters included on the agenda that they deem necessary, or prepare in writing the questions that they consider relevant. The Board of Directors shall be required to provide, in writing, any information requested up to the day on which the General Meeting is held.~~

~~Shareholders may also ask the directors, in writing and within this same period, or verbally during the meeting, for any clarifications that they deem necessary regarding the publicly available information that the Company has provided to the Spanish Stock Exchange Commission since the last General Meeting and regarding the auditor's report.~~

~~The Board of Directors shall be required to provide this information straight away or, if this is not possible, they must provide it in writing within the seven days following the end of the General Meeting.~~

~~Directors are required to provide the aforementioned information except in the cases outlined in the law.~~

#### **Article ~~17~~14. Quorum. Constitution of the meeting and deliberations.**

For the valid constitution of the General Shareholders' Meetings, both ordinary and extraordinary, the attendance quorums required by law will apply, ~~specifically the quorums of article 193 of the Revised Text of the Law on Capital Companies or any provision which may replace it in the future, and the quorums of article 194 of the same Revised Text or any provision which may replace it in the future in cases where the Meeting has to decide on the matters referred to in this legal precept or that which may replace it in the future.~~

#### **~~Article 18. Organisation of the meeting. Deliberations. Adoption of resolutions~~**

The sessions of the General Shareholders' Meeting will be presided over by the Chairperson of the Board of Directors or, in his absence, by the Vice Chairpersons of the Board of Directors and in the absence of both of them, by the shareholder elected by those attending the meeting.

The Secretary of the Board of Directors will act as the Secretary of the General Shareholders' Meeting and, failing that, the Vice Secretary of the Board of Directors, and in the absence of both of them, the person, whether shareholder or not, that the Chairman designates.

~~The directors must attend General Meetings, without the absence thereof affecting the valid constitution of the meeting. The Directors and Technical staff must also attend whenever required by the Board of Directors or its Chair. The Chair of the Meeting can, likewise, authorise the attendance of any other person s/he deems appropriate under the conditions provided for by article 181 of the Revised Text of the Law on Capital Companies or any provision which may replace it in the future.~~

The Chairperson will chair the deliberations of the Meeting, will read the questions raised by shareholders attending the meeting by electronic means and will giveing the floor to all shareholders attending in person who have requested it, enjoying the appropriate powers to ensure order and discipline.

## Article 15. Adoption of resolutions

The resolutions will be adopted by a simple majority vote of the shares present or represented at the [General Shareholders'](#) Meeting, with one vote for each share, ~~in accordance with Article 14 of these bylaws,~~ unless by legal prescriptions they must be adopted by a qualified majority.

## ~~Article 19. Minutes and certifications~~

~~The deliberations and resolutions of the General Meetings, both ordinary and extraordinary, shall be recorded in the minutes drafted in a general meeting minutes book and shall be signed by the Chair and the Secretary, or the acting Chair or Secretary of the Meeting. The minutes may be approved by the Meeting once it has been held, or otherwise within fifteen (15) days by the Chair and two directors, one appointed by a majority and the other by a minority.~~

~~The certifications of the resolutions of the General Meeting shall be issued by the Secretary of the Board of Directors, with the approval of the Chair of the Board of Directors, or in his/her absence by the Vice Chair.~~

~~The Board of Directors may request the presence of a Notary to take the minutes of the Meeting, and will be obliged to do so five days in advance of the date set for the holding thereof whenever so requested by the shareholders representing at least one per cent of the share capital. In both cases, the Notary minutes will be considered the Meeting minutes.~~

~~The resolutions approved and the results of the votes will be published in full on the corporate website within the five (5) days following the conclusion of the General Meeting.~~

## Section Two

### MANAGEMENT BODIES

## Article ~~20~~[16](#). Board of Directors

The management, administration and representation of the [eC](#)Company in and out of court, and in all acts included in the corporate purpose, shall be the responsibility of the Board of Directors, which shall act as a body, without prejudice to any delegations or powers it may grant.

#### **Article ~~24~~17. Composition of the Board of Directors**

The Board of Directors will comprise no less than four (4) Board members and no more than thirteen (13). Being a shareholder is not a requirement for being chosen as director. The General Shareholders' Meeting is responsible for deciding the exact number of directors. ~~For the election of the directors, the provisions of article 243 of the Revised Text of the Law on Capital Companies or provision that replaces it in the future and additional provisions shall apply.~~

The Board of Directors will appoint from among its members, following a report from the Nominations, Remunerations and Sustainability Committee, a Chairman and, where appropriate, one or more Vice Chairmen. The Chairman of the Board of Directors may be an executive director, in which case, the appointment of the Chairman will require the favourable vote of two-thirds of the Board members. In the event that the Chairman is an executive director, the Board of Directors with the abstention of the executive directors, must necessarily appoint a coordinating director from among the independent directors, who will specially be empowered to request the convening of the Board of Directors or the inclusion of new items in the agenda of a Board of Directors that has already been convened, coordinate and bring together the non-executive directors and direct, where appropriate, the periodic assessment of the performance of the Chairman of the Board of Directors.

The Board of Directors will also appoint a Secretary, who may not be a Board member. It may also appoint a Vice Secretary, non member, who will replace the Secretary in his absence. In any case, such appointments must be followed by a report from the Nominations, Remunerations and Sustainability Committee.

#### **Article ~~22~~18. Term of the position of director**

Directors will be appointed for a term of three (3) years, but may be re-elected by the General Shareholders' Meeting on one or more occasions for periods of a similar maximum duration.

The General Shareholders' Meeting may agree the dismissal of any director at any moment.

#### **Article ~~23~~19. Convening and quorum of Board of Directors' Meetings. Deliberations and adoption of resolutions. Board of Directors' Committees**

##### **a) Convening and quorum of Board of Directors' Meetings**

The Board of Directors will meet when required in the Company's interest and at least once every three (3) months. It will be convened by the Chairperson or by the person serving in his/her stead, on his/her own initiative or when requested by one third of the directors. Moreover, the directors who constitute at least one third of the members of the Board of Directors ~~members~~ may call a meeting, indicating the agenda, to be held at the ~~€~~Company's registered address if, upon request to the Chairperson, it has not made the convocation within

a month. The aforementioned convocation may be made by letter, which can be sent by fax or other electronic means that can be recorded.

~~The Meeting may be convened via telephonic multi-conference, video conference or any similar system, in such a way that one or several directors attend said meeting via the aforementioned system. To this effect, the notification of the meeting, as well as stating the venue at which the physical meeting will take place, which the Secretary of the Board of Directors has to attend, must mention that it can be attended via telephonic conference, video conference or any similar system, and must state and dispose of the technical resources required to this end, which in all cases must allow direct and simultaneous communication between all those present.~~

The meetings of the Board of Directors may be held by videoconference, telephone conference or other similar means, provided that the possibility of interaction and debate is ensured. In these cases, the session of the Board of Directors shall be deemed to be held at the registered address.

The ~~Meeting~~ Board of Directors will be considered validly constituted when a majority of the members are in attendance, present or represented. Any director may confer his representation to another director in writing, by fax, email or any other similar method. Non-executive directors may only confer their representation to another non-executive director.

Notwithstanding the above, the Board of Directors will also be validly constituted without prior call, when all its members are present or represented and they unanimously accept the holding of the meeting and the items on the agenda.

#### **a) b) Deliberations and adoption of resolutions**

The Chairperson will chair the deliberations, giving the floor ~~in strict order firstly~~ to all directors who have so requested ~~in writing and then to those making a verbal request~~. Each point on the agenda will be deliberated and voted on separately.

To adopt resolutions, an absolute majority vote of the directors in attendance, present or represented will be required, except in cases where any power of the Board of Directors has been permanently delegated to the Executive Committee or to the Chief Executive Officer and the appointment of the directors who have to occupy such positions, for which the favourable vote of two-thirds of the members of the Board of Directors will be required.

The discussions and resolutions of the Board of Directors will be recorded in a minutes book and each of the minutes will be signed by the Chairperson and the Secretary or by those substituting ~~for~~ them at the meeting to which the minutes refer. The minutes may be approved ~~of the minutes can be done~~ either at the end of the meeting (whether in whole or in part) or at the next meeting, or by all the directors after having received the draft minutes and after a period of five business days without opposition from the directors, either by the Chairperson, the Secretary or a director appointed to this effect.



### c) Board of Directors' Committees

The Board of Directors may appoint an Executive Committee and in all cases shall appoint an Audit ~~and Control~~ Committee and an Committee, or two separate Committees, for Appointments-Nominations and Remunerations ~~Committee~~, without prejudice to any other ~~€~~Committees that may be formed, as well as any other bodies that may perform advisory or consultative tasks implemented within a certain territory, in which case their remuneration shall be established.

As soon as it is applicable and on a supplementary basis, the rules of operation of the Board of Directors will be applied to the Committees of the Board of Directors.

### **Article 24. Powers of the Board**

The Board of Directors shall have the following powers, among others:

- ~~a) To appoint from among its members, subject to a report from the Appointments and Remuneration Committee, a Chair, and where applicable, one or more Vice-Chairs. The position of Chair of the Board of Director may be filled by an executive director, in which case, the appointment of the Chair will require the favourable vote of two thirds of the members of the Board. In the event that the Chair has the status of executive director, the Board of Directors, with the abstention of the executive directors, must necessarily appoint a coordinating director for the independent directors, who will be specifically empowered to request the convening of a meeting of the Board of directors, or the inclusion of new items on the agenda of a previously convened board Meeting, to coordinate and bring together the non-executive directors and to supervise, where applicable, the periodic evaluation of the Chair of the Board of Directors.~~
- ~~b) To appoint a Secretary, who does not have to be a director. It may also appoint a non-executive Vice-Secretary, to cover for the Secretary when the latter is absent. In all cases, the aforementioned appointments must all have a prior report from the Appointments and Remuneration Committee.~~
- ~~c) To nominate the appointment or re-election of the members of the Board of Directors who are not independent directors.~~
- ~~d) To agree the convening of the General Meetings, both ordinary and extraordinary, in the required manner and within the required deadlines, according to the law and the present Bylaws, drafting the agenda and making the appropriate proposals, in accordance with the type of General Meeting being called.~~
- ~~e) To represent the Company in all administrative, legal, civil, mercantile and criminal matters and actions, before the State Administration and public bodies of all classes, and before any jurisdiction (ordinary, administrative, special, employment etc.) and in any instance, exercising all classes of action within its powers in defence of its rights, in and out of court, conferring and granting the appropriate powers to legal~~

~~representatives and appointing lawyers to represent it and to defend the Company before such courts and bodies.~~

~~To manage the Company business in a consistent manner. To this end, it will establish the rules of governance and the system of administration and operation of the Company, organising and regulating the technical and administrative services thereof.~~

- ~~g) To formalise all types of contracts regarding any class of assets or rights, through the stipulations or conditions it considers appropriate, and to constitute and cancel mortgages and other real charges or rights over the assets of the Company, and to waive, with or without payment, all classes of privileges or rights.~~

~~It may also decide upon the participation of the Company in other companies, societies or associations under the corresponding form of integration, association, collaboration or participation.~~

- ~~f) To sign and act on behalf of the Company in all types of bank operations, opening and closing current accounts, disposing of the same intervening in bills of exchange as a drawer, acceptor, guarantor, endorser, endorsee or holder of the same, opening and cancelling loans, with or without a guarantee, transferring funds, revenues, credits or securities, by any means of money transfer, approving any settlements of account balances, constituting and withdrawing deposits and bonds, balancing accounts, formalising exchanges, etc., all of them convertible, with the Bank of Spain and official banks, private banks and any bodies of the State Administration.~~

- ~~g) To appoint, allocate and dismiss all company employees, remunerating them with the appropriate salaries and benefits.~~

- ~~h) To appoint an Executive Committee and regulate the operation thereof, and to appoint one or several Managing Directors and delegate to said Managing Directors the powers it considers appropriate, in accordance with the Law. It may also confer power upon any persons.~~

- ~~i) To annually assess its own operation and that of its Committees and propose, based on the results of said assessment, an action plan to rectify and shortcomings identified.~~

- ~~j) It shall regulate its own duties in all aspects not specifically envisaged in the law or by the present bylaws.~~

~~The above responsibilities are stated by way of example and without limitation, on the understanding that the Board of Directors shall be entitled to exercise all the powers not expressly reserved to the General Shareholders' Meeting by law or by the present bylaws.~~

#### **Article 25. remuneration policy for the directors.**

~~The remuneration policy for the directors will be adapted to the remuneration system established in the bylaws and will be approved by the General Shareholders' Meeting at least every three (3) years as a separate item on the agenda.~~

~~The proposal for the remuneration policy from the Board of Directors will be reasoned and must be accompanied by a specific report from the Appointments and Remuneration Committee. Both documents will be made available to the shareholders on the Company website from when the call for the General Meeting is issued, and shareholders may also request the free delivery or remittance thereof. Mention of this right must be made in the call for the General Meeting.~~

~~The remuneration policy for the directors will remain in force throughout the three (3) business years following that in which it is approved by the General Meeting. Any amendment to or replacement of the same during said period will require the prior approval of the General Shareholders' Meeting, in accordance with the procedure established for the approval thereof.~~

~~The Board of Directors will draft and publish an annual report on the remuneration of directors, which will include comprehensive, clear and understandable information on the remuneration policy applicable to the current business year, a global summary of the application of the remuneration policy during the previous business year, and a breakdown of the individual remuneration accrued for all items by each of the directors during the aforementioned business year. This report will be made available to shareholders when the Ordinary General Meeting is convened and will be put to an advisory vote during said Meeting, as a separate agenda item. Should the aforementioned annual report on the remuneration of directors be rejected in the advisory vote of the Ordinary General Meeting, the remuneration policy applicable to the following business year must be submitted for the approval of the General Meeting prior to the application thereof, even if the aforesaid period of three (3) years has not yet elapsed. This will not apply to cases in which the remuneration policy has been approved during the same Ordinary General Meeting.~~

~~Any remuneration paid to the directors for the exercise or termination of their role and for the performance of executive functions will be in accordance with the remuneration policy for directors in force at any given moment, except any remuneration that has been expressly approved by the General Shareholders' Meeting.~~

#### **Article ~~26~~<sup>20</sup>. Remuneration of directors.**

##### **a) General**

The remuneration policy for directors will be approved by the General Shareholders' Meeting in the manner and terms set out in the current regulations.

The directors will be remunerated for exercising the duties which correspond to them by virtue of their membership of the Board of Directors, as the Company's collegiate decision-making body.

The remuneration of the directors, in their capacity as such, will consist of a fixed annual allocation.

The maximum annual remuneration that the Company will pay to its directors as a whole for the concept envisaged in the preceding paragraph will not exceed the amount determined for this purpose by the remuneration policy approved by the General Shareholders' Meeting.

The determination of the remuneration of each director, in his capacity as such, will correspond to the Board of Directors, which will take into account for this purpose the duties and responsibilities attributed to each director, whether they are members of Board of Directors' Committees, and other objective circumstances that it considers relevant.

~~With regard to independent directors, The remuneration of the Board of Directors will be adequate to attract and retain the directors of the desired profile and reward the dedication, qualification and responsibility required by the position, but not so high as to compromise the independence of judgment of non-executive directors. and the Appointments and Remuneration Committee will adopt all measures within their powers to ensure that the remuneration of these directors is in line with the commitment made and offer them incentives for their commitment, but which do not constitute an obstacle to their independence.~~

#### **b) Remuneration of executive directors**

Directors who have been conferred executive functions in the Company, whatever the nature of their legal relationship with the Company, will also be entitled to receive the remuneration provided for the performance of these functions in the contract entered into for this purpose between the director and the Company.

The Board of Directors will set the remuneration of the directors for the performance of executive functions and the terms and conditions of their contracts with the Company in accordance with the provisions of the applicable legislation at any given moment and in accordance with the remuneration policy for directors approved by the General Shareholders' Meeting, which must state (i) the amount of the annual fixed remuneration and its variation during the period covered by the policy, the different parameters for setting the variable components and (ii) the main terms and conditions of their contracts, including, in particular, their duration, compensation for early termination or the termination of the contractual relationship and exclusivity agreements, post-contractual non-competition and permanence and loyalty.

### c) Remuneration in the form of shares

In addition to the remuneration system provided for in the previous subsections, directors shall be entitled to be remunerated through the delivery of shares, or through the delivery of option rights over these shares or by a remuneration referenced to the value of the shares, as long as the application of any of these remuneration systems is agreed by the General Shareholders' Meeting of Shareholders. ~~In this case, the shares may be those of the Company itself or those of other companies in the Company's own group of companies or of its parent company, subject to effective legislation on this matter.~~

This resolution will determine, if applicable, the maximum number of shares that may be allocated to this remuneration system in each financial year, the exercise price ~~for exercising options over shares~~ or the system for calculating the price for exercising ~~these options over shares~~, the value of the shares that may, if applicable, be taken as a reference, and the term of duration of this plan.

### d) Third-party liability insurance

The Company may take out a third-party liability insurance ~~policy~~ for its directors ~~in~~ under the usual conditions and in proportion to the circumstances of the Company itself.

### ~~k)~~ e) Remuneration for other services

The remuneration provided for in the previous subsections, resulting from belonging to the Board of Directors or from assuming executive functions in the Company, will be independent and compatible with the other income additionally pertaining to the directors for any other services that they may, where applicable, render to the Company other than the duties proper to their status as directors or executives.

These services will have to be governed by the proper service contracts and will have to be expressly approved case by case by the Board of Directors, following a report from the ~~Nominations and~~ Nominations, Remunerations and Sustainability Committee.

## TITLE IV

### BUSINESS YEAR. ~~ACCOUNTING DOCUMENTS AND~~ APPLICATION OF THE YEAR RESULT

#### Article ~~27~~ 21. Business year

The business year commences on 1 January and ends on 31 December of each calendar year.

#### ~~Article 28. Accounting documents~~

~~Within a maximum period of three (3) months counted from the closure of each financial year, the Board must prepare the Annual Accounts (Balance Sheet, Profit and Loss Account, Statements of Changes in the Net Equity, Cash Flow Statement and Report), Management Report and Proposed Allocation of Profits. These documents must also be subject, in the form and periods established in the Law, to the examination and report of the Accounts Auditors.~~

## **Article ~~29~~22. Distribution of Profits. Provision and materialisation of reserves**

The distribution of the net profits of the Company and the provision of the reserves shall be made subject to the agreement of the General Shareholders' Meeting, in the manner and according to the requirements and limitations envisaged in the general and specific legislation in force and applicable to the Company at any given moment and in the present Bylaws.

~~\*\*\*\*\*~~

## **~~TITLE V~~**

### **~~COMPANY DISSOLUTION AND LIQUIDATION~~**

#### **~~Article 30. Dissolution~~**

~~The company will be dissolved in the cases established by law and in provisions of lesser importance which regulate the operation of the Company.~~

#### **~~Article 31. Manner of dissolution~~**

~~Once the dissolution of the Company has been agreed by the General Shareholders' Meeting, the same shall, at the request of the Board of Directors, determine the method of liquidation and shall appoint one or more liquidators, always in an odd number, and shall establish their powers. Said appointment shall bring an end to the powers of the Board of Directors. Throughout the liquidation period, the General Shareholders' Meeting shall maintain the same powers as during the normal life of the Company and shall, in particular, have the power to approve the accounts and the final balance of the liquidation.~~

#### **~~Article 32. Liquidation regulations~~**

~~The liquidation of the Company shall observe the regulations established in law.~~

Note: This document is a translation of a duly approved Spanish language document, and is provided for information purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish language document which this translation is intended to reflect, the text of the original Spanish language document shall prevail.

## **ANNEX II**

### **PROPOSAL FOR A NEW DRAFTING OF THE CORPORATE BYLAWS**



Note: This document is a translation of a duly approved Spanish language document, and is provided for information purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish language document which this translation is intended to reflect, the text of the original Spanish language document shall prevail.

## **CORPORATE BYLAWS**

### **TITLE I**

#### **NAME, REGISTERED ADDRESS AND CORPORATE PURPOSE**

##### **Article 1. Name**

The Company is called Cellnex Telecom, S.A. and is governed by the present bylaws and by the currently applicable legal provisions.

##### **Article 2. Duration**

The Company has been incorporated for an indefinite period.

The Company commenced its operations on the date on which its articles of incorporation were executed.

##### **Article 3. Registered address**

The Company's registered address is established at calle Juan Esplandiú, 11, 28007 Madrid.

##### **Article 4. Company website**

The Company's corporate website is: [www.cellnextelecom.com](http://www.cellnextelecom.com). The modification, transfer and removal of the Company website may be agreed upon by the Board of Directors.

##### **Article 5. Corporate purpose**

The Company's corporate purpose includes the establishment and operation of any type of infrastructures and/or communications networks, as well as the provision, management, marketing and distribution, for itself and for third parties, of all kind of services based on or through them.

The planning, technical assistance, processing, organization, coordination, management, maintenance and conservation of the aforementioned installations and services, under any of the contractual forms permitted by law, particularly through administrative contracting.

The aforementioned activities may be carried out by the Company either directly or indirectly, through shareholdings in Companies with a similar nature, or by means of any other forms admitted by law.

In addition, it may act as a Holding Company, being able to incorporate or participate in other entities, resident or not in Spain, whatever their nature or purpose, by subscribing or acquiring and holding shares, equities or any other title derived from the aforementioned entities.

## **TITLE II**

### **SHARE CAPITAL. SHARES**

#### **Article 6. Capital**

The share capital is set at ONE HUNDRED TWENTY-ONE MILLION SIX HUNDRED SEVENTY-SEVEN THOUSAND ONE HUNDRED SIXTY-SEVEN EUROS AND TWENTY-FIVE CENTS (121.677.167,25€) and is divided into FOUR HUNDRED EIGHTY-SIX MILLION SEVEN HUNDRED EIGHT THOUSAND SIX HUNDRED SIXTY-NINE (486.708.669) ordinary shares, belonging to a single class and series, each with a nominal value of TWENTY-FIVE EURO CENTS (€0.25), fully subscribed and paid up.

#### **Article 7. Nature of the shares**

The shares are represented by book entries.

The shares are transferable by all means recognized in Law, according to their nature and in accordance with the rules relating to the transfer of shares represented by book entries.

#### **Article 8. Rights conferred by the shares**

The shares confer their legitimate holder the status of shareholder and entitlement to the rights recognized in the Law and in these Corporate Bylaws.

## **TITLE III**

### **CORPORATE BODIES**

#### **Article 9. The shareholders and the corporate governance system**

The ownership of shares implies compliance with the corporate governance system and the duty to respect and comply with the legally adopted decisions of the Company's governing bodies.

Shareholders must exercise their rights before the Company and other shareholders and perform their duties with loyalty, good faith and transparency, within the framework of the

social interest, as a priority interest over the individual of each shareholder, and in accordance with the system of corporate governance.

#### **Article 10. Creation of corporate intent. Management and representation of the Company**

The Company's management bodies include the General Shareholders' Meeting, as the supreme deliberation body in which corporate will is expressed through majority decisions on issues within its area of responsibility, and the Board of Directors, which is responsible for the management, administration and representation of the Company through the powers conferred upon it in law and in the present bylaws and, if applicable, the Executive Committee and the Chief or Chief Executive Officers to whom the Board of Directors may delegate all or part of its powers that may be legally delegated.

### **Section One**

#### **GENERAL SHAREHOLDERS' MEETING**

##### **Article 11. General Shareholders' Meeting**

The shareholders present at the General Shareholders' Meeting, in accordance with the legal and statutory formalities, make up the supreme body of expression of corporate will, and its resolutions, duly adopted, are binding on all shareholders, even those absent and dissident, except for any actions they are entitled to take in accordance with the Law.

##### **Article 12. Attendance at General Shareholders' Meetings. Voting rights. Representation**

The General Shareholders' Meetings may be attended in person with full voting and speaking privileges by shareholders who can accredit ownership of at least one hundred (100) shares registered in their name five (5) days before the date on which the General Shareholders' Meeting is to be held.

Shareholders with the right of attendance may cast their vote on the proposals related to the items included in the agenda of any type of General Shareholders' Meeting by post or electronic communication.

Votes by post will be cast by sending the Company a letter containing the vote, accompanied by the attendance card.

Votes by electronic means will only be accepted when security and suitability conditions have been met, as determined by the Board of Directors through an agreement and prior communication in the announcement of the General Shareholders' Meeting in question. In this agreement, the Board of Directors shall define the conditions applicable for casting remote votes by electronic communication, which must include those which suitably guarantee the

authenticity and identification of the shareholder or the representative exercising their right to vote.

Attendance by electronic means at the General Shareholders' Meeting will be subject to the provisions of the Bylaws and the General Shareholders' Meeting Regulations, the Law and the rules published on the Company's website.

In order for votes cast by any of the aforementioned distance voting means to be considered valid, the Company must receive them at least five (5) days before the date envisaged for the General Shareholders' Meeting in the first convocation. The Board of Directors may extend the deadline for receiving votes, stating that applicable deadline in the announcement for the General Shareholders' Meeting in question.

Shareholders may delegate their representation to another person, who may or may not be a shareholder, in writing or by electronic means, specifically for each General Shareholders' Meeting. Holders of shares lower in number than the minimum envisaged for attendance at the General Shareholders' Meetings may also be represented by one of them if, grouped together, they reach the required number of shares.

#### **Article 13 Attendance and participation by electronic means**

Attendance at the General Shareholders' Meeting may be carried out by electronic means that provide the necessary assurance of the identity of the shareholder or his representative and that allow real-time connection with the General Shareholders' Meeting venue, as well as remote electronic voting during the Meeting. The Board of Directors will set in the announcement the procedure for the exercise of shareholders' rights in this way.

Provided that the Law does not provide otherwise, attendance at the General Shareholders' Meeting may also be carried out exclusively by electronic means, in which case it will be deemed to be held at the registered office, regardless of where is the Chairman of the Meeting. Likewise, the Board of Directors will set in the announcement the procedure for the exercise of shareholders' rights in this way.

#### **Article 14. Quorum. Constitution of the meeting and deliberations**

For the valid constitution of the General Shareholders' Meetings, both ordinary and extraordinary, the attendance quorums required by law will apply.

The sessions of the General Shareholders' Meeting will be presided over by the Chairperson of the Board of Directors or, in his absence, by the Vice Chairperson of the Board of Directors and in the absence of both of them, by the shareholder elected by those attending the meeting.

The Secretary of the Board of Directors will act as the Secretary of the General Shareholders' Meeting and, failing that, the Vice Secretary of the Board of Directors, and in the absence of both of them, the person, whether shareholder or not, that the Chairman designates.

The Chairperson will chair the deliberations of the Meeting, will read the questions raised by shareholders attending the meeting by electronic means and will give the floor to all shareholders attending in person who have requested it, enjoying the appropriate powers to ensure order and discipline.

#### **Article 15. Adoption of resolutions**

The resolutions will be adopted by a simple majority vote of the shares present or represented at the General Shareholders' Meeting, with one vote for each share, unless by legal prescriptions they must be adopted by a qualified majority.

### **Section Two**

#### **MANAGEMENT BODIES**

#### **Article 16. Board of Directors**

The management, administration and representation of the Company in and out of court, and in all acts included in the corporate purpose, shall be the responsibility of the Board of Directors, which shall act as a body, without prejudice to any delegations or powers it may grant.

#### **Article 17. Composition of the Board of Directors**

The Board of Directors will comprise no less than four (4) Board members and no more than thirteen (13). Being a shareholder is not a requirement for being chosen as director. The General Shareholders' Meeting is responsible for deciding the exact number of directors.

The Board of Directors will appoint from among its members, following a report from the Nominations, Remunerations and Sustainability Committee, a Chairman and, where appropriate, one or more Vice Chairmen. The Chairman of the Board of Directors may be an executive director, in which case, the appointment of the Chairman will require the favourable vote of two-thirds of the Board members. In the event that the Chairman is an executive director, the Board of Directors with the abstention of the executive directors, must necessarily appoint a coordinating director from among the independent directors, who will specially be empowered to request the convening of the Board of Directors or the inclusion of new items in the agenda of a Board of Directors that has already been convened, coordinate and bring

together the non-executive directors and direct, where appropriate, the periodic assessment of the performance of the Chairman of the Board of Directors.

The Board of Directors will also appoint a Secretary, who may not be a Board member. It may also appoint a Vice Secretary, non-member, who will replace the Secretary in his absence. In any case, such appointments must be followed by a report from the Nominations, Remunerations and Sustainability Committee.

#### **Article 18. Term of the position of director**

Directors will be appointed for a term of three (3) years, but may be re-elected by the General Shareholders' Meeting on one or more occasions for periods of a similar maximum duration.

The General Shareholders' Meeting may agree the dismissal of any director at any moment.

#### **Article 19. Convening and quorum of Board of Directors' Meetings. Deliberations and adoption of resolutions. Board of Directors' Committees**

##### **a) Convening and quorum of Board of Directors' Meetings**

The Board of Directors will meet when required in the Company's interest and at least once every three (3) months. It will be convened by the Chairperson or by the person serving in his/her stead, on his/her own initiative or when requested by one third of the directors. Moreover, the directors who constitute at least one third of the members of the Board of Directors may call a meeting, indicating the agenda, to be held at the Company's registered address if, upon request to the Chairperson, it has not made the convocation within a month. The aforementioned convocation may be made by letter, which can be sent by fax or other electronic means that can be recorded.

The meetings of the Board of Directors may be held by videoconference, telephone conference or other similar means, provided that the possibility of interaction and debate is ensured. In these cases, the session of the Board of Directors shall be deemed to be held at the registered address.

The Board of Directors will be considered validly constituted when a majority of the members are in attendance, present or represented. Any director may confer his representation to another director in writing, by fax, email or any other similar method. Non-executive directors may only confer their representation to another non-executive director.

Notwithstanding the above, the Board of Directors will also be validly constituted without prior call, when all its members are present or represented and they unanimously accept the holding of the meeting and the items on the agenda.

#### **b) Deliberations and adoption of resolutions**

The Chairperson will chair the deliberations, giving the floor to all directors who have so requested. Each point on the agenda will be deliberated and voted on separately.

To adopt resolutions, an absolute majority vote of the directors in attendance, present or represented will be required, except in cases where any power of the Board of Directors has been permanently delegated to the Executive Committee or to the Chief Executive Officer and the appointment of the directors who have to occupy such positions, for which the favourable vote of two-thirds of the members of the Board of Directors will be required.

The discussions and resolutions of the Board of Directors will be recorded in a minutes book and each of the minutes will be signed by the Chairperson and the Secretary or by those substituting them at the meeting to which the minutes refer. The minutes may be approved either at the end of the meeting (whether in whole or in part) or at the next meeting, or by all the directors after having received the draft minutes and after a period of five business days without opposition from the directors, either by the Chairperson, the Secretary or a director appointed to this effect.

#### **c) Board of Directors' Committees**

The Board of Directors may appoint an Executive Committee and in all cases shall appoint an Audit Committee and a Committee, or two separate Committees, for Nominations and Remunerations, without prejudice to any other Committees that may be formed, as well as any other bodies that may perform advisory or consultative tasks implemented within a certain territory, in which case their remuneration shall be established.

As soon as it is applicable and on a supplementary basis, the rules of operation of the Board of Directors will be applied to the Committees of the Board of Directors.

### **Article 20. Remuneration of directors**

#### **a) General**

The remuneration policy for directors will be approved by the General Shareholders' Meeting in the manner and terms set out in the current regulations.

The directors will be remunerated for exercising the duties which correspond to them by virtue of their membership of the Board of Directors, as the Company's collegiate decision-making body.

The remuneration of the directors, in their capacity as such, will consist of a fixed annual allocation.



The maximum annual remuneration that the Company will pay to its directors as a whole for the concept envisaged in the preceding paragraph will not exceed the amount determined for this purpose by the remuneration policy approved by the General Shareholders' Meeting.

The determination of the remuneration of each director, in his capacity as such, will correspond to the Board of Directors, which will take into account for this purpose the duties and responsibilities attributed to each director, whether they are members of Board of Directors' Committees, and other objective circumstances that it considers relevant.

The remuneration of the Board of Directors will be adequate to attract and retain the directors of the desired profile and reward the dedication, qualification and responsibility required by the position, but not so high as to compromise the independence of judgment of non-executive directors.

#### **b) Remuneration of executive directors**

Directors who have been conferred executive functions in the Company, whatever the nature of their legal relationship with the Company, will also be entitled to receive the remuneration provided for the performance of these functions in the contract entered into for this purpose between the director and the Company.

The Board of Directors will set the remuneration of the directors for the performance of executive functions and the terms and conditions of their contracts with the Company in accordance with the provisions of the applicable legislation at any given moment and in accordance with the remuneration policy for directors approved by the General Shareholders' Meeting, which must state (i) the amount of the annual fixed remuneration and its variation during the period covered by the policy, the different parameters for setting the variable components and (ii) the main terms and conditions of their contracts, including, in particular, their duration, compensation for early termination or the termination of the contractual relationship and exclusivity agreements, post-contractual non-competition and permanence and loyalty.

#### **c) Remuneration in the form of shares**

In addition to the remuneration system provided for in the previous subsections, directors shall be entitled to be remunerated through the delivery of shares, or through the delivery of option rights over these shares or by a remuneration referenced to the value of the shares, as long as the application of any of these remuneration systems is agreed by the General Shareholders' Meeting.

This resolution will determine, if applicable, the maximum number of shares that may be allocated to this remuneration system in each financial year, the exercise price or the system for calculating the price for exercising options over shares, the value of the shares that may, if applicable, be taken as a reference, and the term of duration of this plan.

**d) Third-party liability insurance**

The Company may take out a third-party liability insurance for its directors under the usual conditions and in proportion to the circumstances of the Company itself.

**e) Remuneration for other services**

The remuneration provided for in the previous subsections, resulting from belonging to the Board of Directors or from assuming executive functions in the Company, will be independent and compatible with the other income additionally pertaining to the directors for any other services that they may, where applicable, render to the Company other than the duties proper to their status as directors or executives.

These services will have to be governed by the proper service contracts and will have to be expressly approved case by case by the Board of Directors, following a report from the Nominations, Remunerations and Sustainability Committee.

**TITLE IV**

**BUSINESS YEAR. APPLICATION OF THE YEAR RESULT**

**Article 21. Business year**

The business year commences on 1 January and ends on 31 December of each calendar year.

**Article 22. Distribution of Profits. Provision and materialization of reserves**

The distribution of the net profits of the Company and the provision of the reserves shall be made subject to the agreement of the General Shareholders' Meeting, in the manner and according to the requirements and limitations envisaged in the general and specific legislation in force and applicable to the Company at any given moment and in the present Bylaws.

\*\*\*\*\*