

## **ARTICLES OF INCORPORATION**

**COMPAÑÍA ESPAÑOLA DE FINANCIACIÓN DEL DESARROLLO,  
COFIDES S.A., S.M.E.**



## CHAPTER I

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

#### **Article 1.- Registered Name.**

The Company, created by the Resolution of the Council of Ministers of 12 February 1988 authorising the incorporation of the former, is called COMPAÑIA ESPAÑOLA DE FINANCIACION DEL DESARROLLO, COFIDES, S.A., S.M.E., and shall be governed by the aforementioned Agreement of the Council of Ministers, by these bylaws, by the legislation governing public limited companies, and by any other provisions applicable to it in particular; given its status as a state company in group a) of article 6º, 1<sup>st</sup> of the General Budgetary Law, by Royal Legislative Decree 1091/88 of 23 September, approving the Consolidated Text of the General Budgetary Law.

#### **ARTICLE 2. Corporate purpose**

1. The Company's corporate purpose is to carry out the following activities on a profitable basis, with the aim of contributing to the economic and social development of developing or emerging countries.
  - a) Provide financial support to private projects with Spanish interest that are carried out in eligible countries. These projects may involve investment, operations, exports, technology transfer, subcontracting, franchising, obtaining carbon dioxide emission rights, penetration of Spanish brands or the image of Spain, or other projects of relevance or interest for : the internationalisation of Spanish companies, trade policy and the Spanish economy or eligible countries.
  - b) Provide financial support to Spanish companies for their internationalisation.
  - c) To participate, on a minority and transitory basis, in the share capital of companies set up abroad for the development of the projects mentioned in section a) or in the share capital of Spanish companies for their internationalisation. This participation may directly or indirectly be carried out through special purpose vehicles both in Spain and in other countries.
  - d) To finance the projects and companies listed in a) and b) above through, inter alia, the following instruments.
    - 1) Loans and credits.
    - 2) Acquisition of convertible and non-convertible bonds and debentures.
    - 3) Any equity financial instruments.
    - 4) Any other financial instrument customary or recognised in international trade.
  - e) Guarantee, issue letters of credit or any other instruments with a guarantee function, customary or recognised in international trade.
  - f) Manage funds and mobilise resources from Multilateral or Bilateral Development Financial Institutions that contribute to the internationalisation of Spanish companies or the Spanish economy.



- g) Participate in those public or private investment vehicles or funds that contribute to the internationalisation of Spanish companies or the Spanish economy.
  - h) Inform clients about the design and structuring of the projects mentioned in paragraph a) above, the legal framework of the host countries in those in which the Company has a delegation, and any other circumstance or need relating to such projects.
  - i) Inform clients about the environmental legislation applicable to the projects referred to in point (a) and the measures necessary to adapt to it, and offering them the possibility of financing such adaptations.
  - j) Set up or participate in the capital of other companies.
  - k) Evaluate private risk investment operations for third parties and signing participation agreements in investment funds.
  - l) Any operations connected with or complementary to the above or in any way that may be necessary or advisable or that favour their development, the promotion of Spanish exports and economic development.
2. Without prejudice to the provisions of section 1 above, COFIDES' corporate purpose shall also include the management of any public funds assigned to it by law, as well as support for the management of public funds or the provision of advisory services in relation to the management of public funds also assigned to it by law.
3. The Company may not raise funds or deposits from the public in any form whatsoever, for whatever purpose.
4. Activities that are subject to special legislation that the Company does not comply with are excluded from the corporate purpose.

### **Article 3.- Corporate address.**

The registered office is established in Madrid, at Paseo de la Castellana, 278, and may be transferred at any time by resolution of the Board of Directors, within the same municipal district and subject to the agreement of the General Meeting, to any other place.

The Board of Directors may establish, close and transfer the Branches and Agencies, Delegations and Representations it deems appropriate, both in Spain and abroad.

### **Article 4.- Duration and start of operations**

The duration of the Company shall be indefinite, starting operations on the same date of execution of the present articles of incorporation.



## CHAPTER II

### **SHARE CAPITAL AND SHARES**

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

The share capital is fixed at THIRTY-NINE MILLION THREE-HUNDRED AND NINETY-SIX THOUSAND THREE HUNDRED FORTY-THREE AND FORTY-FOUR (39,396,343.44) EUROS, represented by 6,555 shares SIX THOUSAND TEN AND ONE HUNDRED AND TWENTY ONE THOUSAND AND FORTY-THREE (6,010.121043) EUROS par value each, registered and numbered sequentially from 1 to 6,555, both inclusive.

This capital has been fully paid up.

#### **Article 6.- Documentation of the Shares**

The Company may issue interim receipts prior to the issue of definitive certificates. Such provisional certificates shall necessarily be in the form of nominative certificates and the provisions for definitive certificates shall apply to them where applicable.

The securities, whatever their class, shall be numbered consecutively, drawn up in cheque books, and may incorporate one or more shares of the same series. The securities shall contain at least the information provided for in Article 114 of the Capital Companies Act.

As long as the share certificates have not been printed and delivered, the shareholder is entitled to obtain certification of the shares registered in his/her name.

#### **Article 7.- Share registry book**

The shares shall be entered in a register in which successive transfers of shares shall be recorded, stating the name, surname, corporate name or corporate style, if any, and domicile of the successive holders, as well as the generation of rights in rem over the shares.

Any shareholder shall have the right to examine the nominal shares registry book upon request. The Company may only amend the registrations which are considered to be false or inaccurate whenever the interested parties are notified about this intention and they have not stated their opposition to it during the following 30 days after being notified.

The Company shall only consider a shareholder if his/her name is listed on such book Share Register.

#### **Article 8.- Restrictions on the free transferability of the shares**

Shares are transferable by all legally recognised means.

The transfer of shares and the creation of rights in rem over them must be notified in writing to the Company in order to be effective against it, with the exhibition of the securities in the event of endorsement.



A shareholder wishing to dispose of shares in the Company must notify the Board of Directors in writing to its President, who shall notify the other shareholders within fifteen days. The latter will have fifteen days to opt for the purchase, and if there are several persons wishing to acquire the shares, they shall be distributed pro rata to their respective holdings.

If no shareholder is interested in the shares for sale, they may be acquired by the Company within 30 days for redemption, either from free reserves or from the share capital, subject to a resolution to reduce the share capital.

After the expiry of the latter period, the shareholder shall be free to transfer his/her shares as he/she sees fit.

For the exercise of the right of first refusal, the sale price, in the event of discrepancy, shall be fixed in accordance with generally accepted valuation criteria, taking into account the net asset value of the company or, where appropriate, that fixed by the company's auditing firm or, in the absence thereof, the auditing firm appointed, at the request of any interested party, by the Companies Registrar of the company's registered office.

## CHAPTER III

### **GOVERNANCE, ADMINISTRATION AND REPRESENTATION OF THE COMPANY**

#### **Article 9.- Corporate bodies**

The governing, administrative and representative powers of the Company are vested in:

- A) The General Shareholders Meeting.
- B) The Board of Directors
- C) The President.

#### **A) General Shareholders Meeting**

#### **Article 10.- Sovereign body**

The legally convened General Shareholders Meeting is the sovereign body of the Company and its resolutions, validly adopted, binding all shareholders, including those abstaining from voting, dissenting and absent shareholders, without prejudice to any rights they may have under the laws in force.

#### **Article 11.- Type of Meetings**

The provisions of Articles 163 et seq. of the Capital Companies Act shall apply with regard to the types of meetings, requirements for convening, constitution of the Ordinary or Extraordinary General Shareholders' Meeting, quorum, representation, time and place of the meeting, minutes and approval of the same.



## **Article 12.- President and Secretary**

The President and Secretary of the General Meetings shall be the same persons as those who are President and Secretary of the Board of Directors.

In the event of absence, vacancy or illness of the President, the representative of the public shareholder holding the largest number of shares shall act as President at the meeting in question.

In the event of absence, vacancy or illness of the secretary, he/she shall be replaced by the deputy secretary of the Board, and in the event of absence, illness or vacancy of the secretary, the person appointed by the Board itself shall act as secretary of the meeting of the Board in question.

## **Article 13.- Universal Meeting.**

The General Meeting may be held without prior notice to discuss any matter when all the paid-up capital is present and the attendees unanimously agree to hold the meeting.

## **Article 14.- Attendance and Adoption of Agreements**

The General Meeting may be attended by all shareholders who hold at least one share five days prior to the date of the meeting, and who undertake to retain ownership of their shares during this period.

Shareholders shall be entitled to one vote for each share held.

Shareholders who are not up to date with the payment of capital calls may not exercise their voting rights.

For the exercise of the right to attend the General Meeting and the right to vote, the pooling of shares shall be lawful.

Technical Directors and other persons with an interest in the proper conduct of the company's affairs may also attend General Meetings of Shareholders

The Chairperson of the General Meeting may authorise the attendance of any other person he/she deems appropriate.

Attendance at the general meeting, whatever its type, may be made either by going to the place where the meeting is to be held or, where appropriate, by connecting by videoconference systems or any other means of remote communication that allows the secretary of the General Meeting to recognise and identify those attending, the permanent communication between those attending regardless of their location, as well as the intervention and casting of votes. Those attending by videoconference or by other means of remote communication shall be considered, for all purposes relating to the General Meeting, as attending the same and only meeting. The meeting shall be held at the registered office of COFIDES.

Proxy voting may be carried out by the same means.

Votes cast in written form and out of session shall only be valid if all Shareholders agree to it.



## **Article 15.- Majorities**

In order to agree, half plus one of the votes present or represented must vote in favour of it, except in those cases in which the Law provides for a higher majority, with the casting vote of the President deciding in the event of a tie.

## **B) Board of Directors**

### **Article 16.- Composition and appointment**

The Board of Directors is responsible for the management, representation, administration and supervision of the Company.

The Board of Directors shall be composed of a minimum of four and a maximum of twelve Directors.

The appointment and removal of Directors is the responsibility of the General Meeting. Directors must meet the personal and professional requirements and conditions required by current legislation.

### **Article 17.- Term of office**

Directors shall occupy their posts for a term of five years with the possibility of being reelected one or more times, for equal terms.

### **Article 18.- Vacancies**

If there were vacancies during their terms in the post, the Board shall appoint which shareholders shall occupy them and such appointment shall be subject to the approval of the following General Meeting.

### **Article 19.- President and Secretary**

The President of the Board of Directors shall be the director designated by the public shareholder holding the largest number of shares. The Board of Directors shall elect, upon proposal of the President, a Secretary and a Deputy Secretary, who may or may not be Directors. In the latter case, they shall have no vote in the deliberations of the Board.

In the event of absence, vacancy or illness of the President, he/she shall be replaced by the longest-serving director present who has been appointed at the proposal of the public shareholder with the highest percentage of shares.

The secretary shall be replaced, in the same cases, by the deputy secretary and, in the event of absence, vacancy or illness of the latter, by the youngest director, excluding the President, who is also present.



## **Article 20.- Notification of sessions**

The Board of Directors shall meet when convened at the initiative of its President or acting President, or at the request of one third of the members of the Board, as often as is necessary for the proper operation of the Company, and at least once every quarter.

The Board need not be convened in advance for a meeting to be held if all the Directors are present and unanimously decide to hold the meeting.

The Board shall be convened, except in cases of urgency deemed necessary by its President, at least forty-eight hours in advance, setting out the agenda of the matters to be discussed.

Minutes of the meetings shall be drawn up and may be approved at the meeting to which they refer or at the following meeting. The minutes shall be signed by the secretary of the body or of the meeting, with the approval of the person who acted as President.

The power to issue certificates of the minutes and resolutions of the Board is vested in the secretary or deputy secretary, with the approval of the President of the body.

## **Article 21.- Attendance from other persons**

Meetings of the Board may be attended by any employee of the Company or any other person deemed appropriate, with the right to speak but not to vote, when convened by the President on his/her own initiative or on the initiative of the majority of the members of the Board.

## **Article 22.- Opening, voting and representation**

The Board shall be considered quorate whenever the meeting is attended by half plus one number of its members in person or represented.

Attendance at meetings of the Board of Directors, of whatever kind, may be by going to the place where the meeting is to be held or, where appropriate, by connecting by videoconference or any other means of remote communication that enables the secretary of the Board to recognise and identify the directors, ensure permanent communication between those attending regardless of their location, and enable them to speak and vote. Those attending by videoconference or other means of remote communication shall be considered, for all purposes relating to the Board, as attending the same and only meeting. The meeting shall be held at the registered office of COFIDES.

The agreements of the Board shall be adopted through absolute majority of the Directors attending the session. In case of a draw, the President shall cast the deciding vote.

Votes cast in written form and out of session shall only be valid if all Directors agree to it.

The debates and agreements of the Board shall be recorded in a Minutes Book.

Directors may be represented at meetings of the Board by members attending the meeting, who must grant their proxy in writing to the President prior to the meeting or by videoconference or other means of remote communication.





### **Article 23.- Powers**

The Board of Directors shall be responsible for the representation of the Company in court and out of court and for the full management and administration of all matters relating to the corporate purpose of the Company and of its assets and business, and shall be empowered to enter into and execute all kinds of acts and contracts of administration and ownership, in general, it shall have all such powers as are not expressly reserved to the General Shareholders Meeting by law or the provisions of these Bylaws.

The following powers of the Board of Directors are specified:

1. To execute the resolutions adopted by the General Meeting of Shareholders.
2. To prepare the annual accounts, the management report and the proposal for the allocation of profits for each financial year, which it must submit to the General Meeting for approval.
3. To observe and enforce the Statutes and to decide on their interpretation and application.
4. To lay down the rules for the functioning of the Council itself in matters not provided for in the Statutes.
5. To determine the general criteria for the application of the Company's funds.
6. To carry out, in accordance with the Articles of Association, all kinds of transactions included in the corporate purpose and to grant and sign all kinds of public and private documents; to fix the allowances of the members of the Board of Directors by delegation of the General Meeting.
7. Enter into, consent to and grant all kinds of contracts, acts and legal business necessary or convenient for the development of the Company's activities, with the clauses and conditions it deems appropriate in each case, including transactions, commitments and arbitration, and participation and awards in tenders and auctions.
8. To dispose of, alienate, acquire, recover and exchange, purely or conditionally, all kinds of movable and immovable property, real and personal rights, subject to the exceptions and conditions set out in these Statutes.
9. To constitute, accept, modify, acquire, dispose of, subrogate, postpone and cancel, in whole or in part, all kinds of real or personal rights, such as mortgages, pledges, prohibitions, conditions, limitations, bonds, sureties and guarantees of any kind, including in favour of third parties.
10. Incorporate and modify companies, once the relevant administrative authorisations have been obtained, by contributing movable or immovable property, approving articles of association, subscribing shares or holdings, appointing, accepting and exercising positions. Entering into, performing and terminating joint ventures and groupings of undertakings.
11. To administer, in the broadest terms, movable and immovable property; to arrange, modify and terminate leases and other transfers of use and enjoyment; to make declarations of new construction, building and planting, demarcations, demarcations, material divisions, groupings, segregations and other modifications of registration units; requesting the registration of excess measurements and the resumption of the registration process; initiating ownership proceedings and other matters concerning the Land and Companies Registers; initiating deeds and other notarial documents; formulating, accepting and answering notarial notifications and summonses.



12. To open, dispose of, cancel and settle, on behalf of the Company, demand current accounts, savings, investment or credit accounts, deposits and other financial transactions, in all kinds of banks, companies and credit institutions and institutions, including the Bank of Spain, depositing amounts and withdrawing them by means of cheques, transfers, nominative or bearer drafts.
13. Draw, accept, endorse, discount, negotiate, guarantee, collect, pay and protest bills of exchange and all kinds of draft documents and bills of exchange in the name of and on behalf of the Company.
14. To agree on borrowings, credit operations and other financial operations that may be appropriate for the Company, without prejudice to the exclusive powers attributed to the General Meeting of Shareholders.
15. To create, modify and withdraw deposits and guarantees in cash, securities or in kind, in any banking or credit establishment and bodies of the Central, Autonomous or Local Administration, with express mention of the General Deposits Savings Bank of the Government [Caja General de Depósitos del Estado] and the Bank of Spain.
16. To make payments and collect any amounts owed to the Company for any reason, by natural or legal persons, by the State, Autonomous Communities or Municipalities, banks and public and private credit institutions, signing letters of payment, receipts, invoices and bills of exchange for this purpose.
17. To appear and represent the Company before all kinds of agencies, offices, bodies and offices of the State, Autonomous Communities, Provincial Councils, Municipalities and other Public Administrations, European Communities, National and Multilateral Development Financial Institutions and any international institution, as well as before institutions, entities, associations, boards, communities, private companies and trade unions, appearing in person in matters of interest to the Company, formalising with any of the above as many agreements, conventions and contracts as may be necessary or appropriate for the fulfilment of the corporate purpose; formulate, lodge, pursue and terminate all kinds of appeals, pleadings, applications, proceedings and appeals that it may initiate or follow them through all the formalities until they are resolved, signing for this purpose all such writs, summonses and notifications as may be necessary.
18. Appearing before authorities, courts, tribunals, magistrates and offices or agencies of any level and jurisdiction; exercising all kinds of rights, actions, defences and appeals in any cause, process, procedure, as plaintiff, defendant, complainant, appellant, claimant, intervener or interested party; appointing lawyers and court attorneys, with general or special powers for lawsuits; extrajudicially representing the Company; settling, compromising, agreeing, approving the necessary or convenient settlements and agreements; to answer to interrogatories and testify in court.
19. To file for bankruptcy declarations; to request inclusion in the mass of creditors in suspensions of payments and bankruptcies; to contest claims; to intervene in the agreements of suspensions of payments and bankruptcies, voting for or against the proposals, and consequently, to adhere or not to the reductions, waivers or other agreements; to contest the approved agreement and accept movable or immovable assets in payment of their claims; and in general, to carry out all necessary acts related to suspensions of payments or bankruptcies.



20. To represent the Company before the Ministry of Economy and Finance, delegations, sub-delegations and tax authorities, management, settlement, inspection or collection offices for any taxes and before any other centres and bodies under the aforementioned Ministry; to collect any drafts and other amounts receivable by the Company for any reason whatsoever; to pay taxes and other duties; to sign declarations and applications and to lodge and pursue all kinds of appeals and claims through all procedures; and to grant letters of payment and sign receipts.
21. To grant powers of attorney with all or part of the powers described in this article except those which by law or the Articles of Association may not be delegated. To revoke powers of attorney and to grant new ones, to obtain copies of documents especially of these powers. Sign public and private documents necessary for the powers conferred by this Article.

The above determination of the powers of the Board is merely illustrative and does not in any way limit the broad powers of governance vested in the Board with regard to the disposition, management and administration of the entity, with no exceptions other than those set out in the Law and the Articles of Association of the Company.

#### **Article 24      Remuneration**

The position of director is remunerated unless legal or regulatory provisions prevent one or more of the appointed directors from receiving remuneration for the exercise of such office. The maximum amount of the annual remuneration of all the directors in their capacity as such must be approved by the general meeting and shall remain in force until such time as its modification is approved.

The distribution of remuneration among the different directors shall be agreed by decision of the Board of Directors, subject to the limits imposed by the legal and regulatory provisions in force at any given time.

The remuneration system shall consist of:

- a) attendance allowance

The remuneration of the office of director is understood to be without prejudice to the remuneration of the executive functions that may be performed by any of them, which shall be established in the contract signed with the executive director in question and which shall be approved by the Board of Directors.

#### **Article 25      Delegation of Powers**

The Board of Directors may, for the better performance of its functions:

1. Set up an Executive Commission with permanent delegation of part of its powers, establishing upon creation its tasks and, where appropriate, the rules for its operation. The permanent delegation of any powers of the Board of Directors to the Executive Commission, to the President or to the Chief Executive Officer, as the case may be, and the appointment of those who are to hold such offices shall, require for their validity the favourable vote of a majority of two thirds of the members of the Board and shall not produce any effect until they have been entered in the the Registry Companies Register. The President of the Executive Commission shall be the President of the Board of Directors.



2. Determine that the offices of President and Chief Executive Officer should be held by the same person.
3. Set up one or more advisory commissions, without necessarily requiring all the members to be directors of the entity, establishing their duties at the moment of their creation, their purpose and, where appropriate, the rules governing their operation.
4. Delegate permanently or temporarily any of its functions to the President or Directors.
5. Grant special powers of attorney for specific cases without limitation of persons.

Under no circumstances may the rendering and drawing up of accounts, the management report, the proposal for the allocation of profits and the presentation thereof to the General Meeting or the powers granted by the latter to the Board be delegated, unless expressly authorised by the latter.

#### **Article 25bis Audit and Risk Commission**

The Board of Directors may appoint from among its members an Audit and Risk Commission with the following characteristics and duties:

- a) Composition: the Commission shall be made up of a number of directors, which may not be less than 3 or more than 5, appointed by the Board of Directors. The members of the Commission may be appointed for a maximum period of four years, and may be re-elected once or several times for a period of such duration as may be agreed by the Board of Directors in each case. The appointment of the President of the Commission shall be made by an independent director and, unless he/she resigns or the Commission itself resolves otherwise, his/her appointment as President shall remain in force for as long as he/she is a member of the Commission for a maximum of eight continuous years. In the event of vacancy, absence or illness, the member of the Commission participating in the meeting who is the longest-serving independent director shall act as President and, in the absence of independent directors, the non-executive director whose appointment as director was proposed by the shareholder with the largest shareholding shall act as President. The Secretary of the Board shall act as Secretary of the Commission, who shall attend without the right to vote.

In the event of absence, vacancy or illness of the secretary of the Board, the deputy secretary of the Board shall act as secretary of the meeting of the Commission in question, who shall attend with the right to speak but not to vote. In the event of vacancy, absence or illness of the Secretary and Deputy Secretary of the Board, the youngest member of the Commission present shall act as Secretary of the meeting of the Commission in question. In this case, the person acting as secretary shall participate in the meeting with voice and vote.



b) Tasks:

- 1.- Ongoing monitoring of financial and non-financial reporting, which involves assessing that accounting policies have been correctly applied in the financial statements, as well as reviewing the completeness and clarity of financial and non-financial information.
- 2.- The establishment and supervision of a system for reporting irregularities to the Audit and Risk Commission, especially those of financial and accounting significance
- 3.- Oversight of internal audit, including periodic review of the internal audit function and approval of the Annual Audit Plan, among others.
- 4.- The relationship with the auditor; the proposal to the Board of his/her appointment, re-election and replacement, as well as the control and assessment of his/her independence prior to his/her appointment and annually prior to the issue of the audit report.
- 5.- The control and management of risks in a manner adapted to the organisational structure of the institution.
- 6.- The supervision of the internal control system and the management of financial and non-financial risks (taxation, climate change, cybersecurity, regulatory compliance, etc.)
- 7.- The evaluation and monitoring of its work and drafting of the Audit and Risk Commission's performance report, for reporting to the Board and the Shareholders' Meeting.

c) Meetings: The Commission shall meet at least twice each financial year and whenever deemed appropriate for the performance of its functions.

Attendance at meetings of the Commission may be made either by going to the place where the meeting is to be held or, where appropriate, by connecting by videoconferencing systems or any other means of remote communication that allows the secretary of the Commission to recognise and identify the members of the Commission, permanent communication between the attendees regardless of their location, as well as the intervention and casting of votes. Those attending by videoconference or other means of remote communication shall, for all purposes relating to the Commission, be considered as attending the same and only meeting. The meeting shall be held at the registered office of COFIDES.

The Agenda shall be drawn up by the Secretary of the Commission in accordance with the instructions of the President of the Commission, and, where appropriate, any documentation that needs to be studied or known in advance shall be sent to its members in advance. The Commission shall report to the Board on such meetings.

d) Remuneration: the office of member of the Audit and Risk Commission shall be remunerated in accordance with the provisions of article 24 provided that the regulations in force at any given time so authorise.

e) Regulations: the Board of Directors shall approve regulations for the Audit and Risk Commission that develop its operation, including, among others, the system for convening meetings, attendance, substitution/substitution and delegation and the system of majorities.



The Commission may request the presence of Company executives and employees when it considers that such collaboration is necessary for the proper performance of its duties. Likewise, if justified and if the Company does not have the means to do so, it may request the collaboration of independent experts or specialists.

#### **Article 25b Sustainability Commission**

The Board of Directors may appoint a Sustainability Commission, of a consultative nature, to be entrusted with the task of promoting and advising on all aspects related to sustainability, both in COFIDES' activity and in that of the companies it finances, without prejudice to the ongoing supervision of non-financial information and the management of non-financial risks, which is the responsibility of the Audit and Risk Commission, for which purpose the two commissions shall coordinate appropriately.

**a) Composition:** The Commission shall be made up of a number of members that make up which may not be less than 3 or more than 5. The members of the Commission, who may or may not be directors, shall be appointed by the Board of Directors for an initial period not exceeding four years, and may be re-elected once or several times for successive periods, each of which shall have the duration agreed in each case by the Board of Directors and which may not exceed four years.

Depending on the number of independent directors on the Sustainability Commission and whether or not an external expert has been appointed as a member, the appointment of the president of the Commission, which is the responsibility of the Board of Directors, should preferably be made by an independent member other than the president of the Audit and Risk Commission.

The office of President of the Commission shall remain in office as long as the President is a member of the Commission, for a maximum of eight years, unless he/she is removed as President or as a member of the Commission by the Board of Directors or resigns as President of the Commission.

In the event of vacancy, absence or illness of the President of the Commission, the longest-serving independent director of the commission shall act as President; or, in the absence thereof, the non-executive director of the commission whose appointment as director was proposed by the shareholder with the largest shareholding interest.

The Deputy President and/or Secretary of the Board shall act as those of the Commission, who shall participate without the right to vote. In the event of vacancy, absence or illness of the Secretary and Deputy Secretary of the Board, the youngest member of the Commission shall act as Secretary of the meeting of the Commission in question. In this case, the person acting as secretary shall participate in the meeting with voice and vote.

#### **b) Functions:**

- 1) To identify and guide sustainability policies, rules, commitments, targets, strategy and best practices
- 2) To supervise that the Company's procedures in environmental and social matters are in line with the strategy and policies set by the Board of Directors in this area.
- 3) To advise and guide the Board of Directors in the design of the corporate culture and values related to sustainability.
- 4) To advise the Board of Directors on environmental and social issues such as new policies, international standards, emerging trends and future opportunities in the areas under its supervision.





5) To supervise and guide COFIDES' strategy for communication and information to third parties in matters of sustainability, without prejudice to the function of continuous supervision of the Company's non-financial information, which is the responsibility of the Audit and Risk Commission, for which purpose both commissions shall coordinate appropriately.

6) To report to the Board of Directors on sustainability issues, without prejudice to the competence of the Audit and Risk Commission regarding non-financial risk management and ongoing supervision of non-financial information, for which purpose the two commissions shall coordinate appropriately.

**c) Meetings:** The Commission shall meet at least twice a year and whenever deemed appropriate for the performance of its functions. Attendance at meetings of the Commission may be made either by going to the place where the meeting is to be held or, where appropriate, by connecting by videoconferencing systems or any other means of remote communication that allows the secret of the Commission to recognise and identify the participants, permanent communication between the attendees regardless of their location, as well as the intervention and casting of votes.

Those attending by videoconference or other means of remote communication shall, for all purposes relating to the Commission, be considered as attending the same and only meeting. The meeting shall be held at the registered office of COFIDES.

The Agenda shall be drawn up by the Secretary of the Commission in accordance with the instructions of the President of the Commission, and, where appropriate, any documentation that needs to be studied or known in advance shall be sent to its members in advance. The President of the Commission shall report to the Council on such meetings at least twice a year and whenever circumstances of significant importance to the activities carried out and issues discussed in the Commission are identified.

**d) Remuneration:** the office of member of the Sustainability Commission shall be remunerated in accordance with the provisions of article 24 provided that the regulations in force at any given time so authorise.

**e) Regulation:** The Board of Directors shall approve a regulation of the Sustainability Commission that develops its activity and operation, including, among others, the system for calling, participating, substituting/replacing and delegating and the system for adopting resolutions in session or in writing without a session.

COFIDES may contract external advisory services to assist the Commissions in matters within its competence and to complement the training of Commission members. The Commission may request the presence of Company executives and employees when it considers that such collaboration is necessary for the proper performance of its duties.

### **C) The President**

#### **Article 26 Powers**

The President shall have the following powers:

1. Representation of the Company and its Board of Directors.
2. Chairing the General Meeting, directing its discussions and deliberations, ordering the shareholders' interventions including setting the duration of each intervention and ensuring the good order of the debates.



3. To ensure compliance with the Bylaws and the resolutions adopted by the Board.
4. To take on the management and inspection of the Company's services.
5. To chair the Board of Directors, to order the convening of meetings of the Board of Directors and its executive or consultative commissions, to set the agenda for the meetings of the Board of Directors and its executive or consultative commissions, to preside over them, to direct the deliberations, to break ties with his/her casting vote and to adjourn the meetings.
6. Propose to the Board the appointment and removal of the secretary and deputy secretary of the Board and of the Chief Executive Officer of the Company, in the latter case, provided that both conditions do not or will not concur in the same person.
7. The powers delegated to it by the Board of Directors.
8. Such other powers as are conferred upon it by the Bylaws.

#### **D) The Secretary and the Deputy Secretary**

##### **Article 27 Secretary and Deputy Secretary of the Board**

The duties of the Secretary and Vice-Secretary of the Board are as follows:

- a) To convene the meetings of the General Meeting, Board of Directors and its commissions, following the instructions of the President.
- b) Attend the General Meetings and meetings of the Company's collegiate bodies, taking and signing the minutes of the meetings.
- c) To issue certifications of the resolutions with the approval of the President, to forward them to the appropriate person, to notarise them when necessary and to ensure that they are complied with,
- d) To issue such reports and draw up such documents as may be entrusted to it by the President.
- e) Such other duties as may be agreed by the Board or its President.





## **CHAPTER IV**

### **ECONOMIC AND FINANCIAL REGIME**

#### **Article 28 Duration of the financial year**

The financial year of the company starts on the first day of each year and ends on the thirty first of December of the same year.

#### **Article 29 Approval of the Annual Accounts**

At the end of each financial year, the Board of Directors shall, , within the following three months, draw up the annual accounts, the management report and the proposal for the allocation of profits which, in accordance with the provisions of the law, shall be submitted to the General Meeting for approval.

## **CHAPTER V**

### **DISSOLUTION AND LIQUIDATION OF THE COMPANY**

#### **Article 30 Dissolution**

The Company shall be dissolved for the reasons set out in the Law and, in addition, when so resolved by the General Meeting.

#### **Article 31 Liquidation**

Once the dissolution has been agreed the liquidation rules contained in the Capital Companies Act and other applicable provisions shall be observed.

## **CHAPTER VI**

### **FINAL PROVISIONS**

#### **Article 32 Jurisdiction**

The shareholders submit to the jurisdiction of the courts of the Company's registered address for all corporate and company-related matters, expressly waiving their own jurisdiction.