

## **ARTICLES OF ASSOCIATION OF TÉCNICAS REUNIDAS, S.A.**

### **TITLE I.- NAME, DURATION AND CORPORATE PURPOSE**

#### **Article 1.- NAME**

A Public Limited Company is incorporated with the name of TECNICAS REUNIDAS, S.A., which will be governed by these Articles of Association and any applicable legal provisions.

#### **Article 2.- DURATION**

The Company is incorporated for an indefinite duration.

#### **Article 3.- ADDRESS**

The Company address is established in Madrid, at calle Arapiles, 14.

The Board of Directors may establish, suppress or transfer any branches, agencies or delegations, in Spain or abroad, it might deem convenient, and change the Company address in the same national borders.

#### **Article 4.- CORPORATE PURPOSE**

The corporate purpose of the Company is as follows:

- a) To design and prepare all kinds of engineering projects and reports for assembling all kinds of factories, plants or industrial or civil installations and to build, supervise and start them up in a "turnkey" basis, including all the necessary services until delivery is made to the customer, all at a raised price or by other means of payment or financing.
- b) To plan and prepare technical and economic reports concerning the utilities and costs of any industrial installation.
- c) Technical assistance and management for assembling any factory or industry, and to build, perform civil work and structures, prefabricate installations, assemble equipment, electrical installations and instrumentation, including, but not limited to, all activities of construction supervision, construction management, permanent management, site management, signature of basic and execution projects and safety co-ordination.
- d) Technical assistance for starting up and operating any installation in the initial stages, developing its own processes or granting patents, procedures or techniques of manufacture, if required, and obtaining, as the case may be, all necessary technologies from others, necessary for

carrying out the said services, either under license or through any other collaboration agreement with technologists, and instructed personnel for the respective works that they must develop in the new industry for them to achieve complete work output, even intervening directly in assembling the said factories as a contractor or all or part of the work.

- e) To technically assist in the acquisition of all kinds of equipment, materials or tools needed to build these plants, factories or industrial installations, and, by way of information only, to deal with the management of the purchase of equipment, materials and the activation of supplies, inspection, transport and delivery of the said equipment and material in plant, either on their own account or for others. To provide suppliers with all technical information they might need so that the equipment, materials and tools might be done according to specifications. To perform all necessary inspections so that the equipment, materials and tools to be used in the plants might meet the specifications. To attend in delivering equipment, materials and tools to meet the times and conditions of delivery.
- f) Acquisition, disposal, encumbrance and development of all kinds of equipment, even industrial installations as well as real property.
- g) Possession of urban and rural estates, mines, quarries and commercial premises for their exploitation, use, administration, management, enjoyment or lease.

The listed activities may be also carried out totally or partially by the Company, in Spain or abroad, directly or indirectly by participating in other companies with a similar purpose. All activities are excluded for which the Law has special requirements that are not met by this Company.

## **TITLE II.- SHARE CAPITAL. SHARES**

### **Article 5.- SHARE CAPITAL**

The share capital is set at EUR 5,589,600 totally subscribed and paid up, represented by 55,896,000 indivisible shares of ten Euro cents (10 cents) par value each, all of the same class and series.

Under the conditions authorized by Law and complying with the formalities provided for modifying the Articles of Association, the Company may issue shares that give a certain advantage over the ordinary.

Should there be partly paid shares, the shareholder shall pay the unpaid part, be it in cash or in kind, according to the procedure and term established by the Board of Directors, which will not be longer to 5 years from the date of the resolution of the capital increase. The procedure and other circumstances of the payment will be set on the resolution of the capital increase that could establish that the payments are done in cash or in kind.

## **Article 6.- CAPITAL INCREASE AND DECREASE AND ISSUE OF BONDS OR OTHER SECURITIES THAT RECOGNISE DEBT**

The capital of the Company may be increased or decreased by agreement of the legally called General Meeting of Shareholders with the attendance quorum stipulated by Law. The General Meeting of Shareholders will set the terms and conditions of each new share issue and the Board of Directors is authorized to implement its agreements. The shareholders will have a preferential right to subscribe to new shares in proportion to the number of shares they hold, without prejudice to what is provided for in Article 308 of the Capital Companies Act.

The Company may issue bonds or other securities that recognize or create debt, with or without a guarantee, subject to the legally established limits and conditions.

The Board of Directors will be competent to resolve the issue and admission to quotation of bonds or securities, as well as the underwriting of the proposed issue.

The General Meeting of Shareholders will be competent to resolve the issuance of exchangeable securities or bonds that allow the holders to participate in the corporate earnings. The General Meeting of Shareholders may delegate this faculty upon the Board of Directors to issue securities, as well as to authorize the Board of Directors to determine the time when the issue has to be agreed and to set the other conditions not provided in the agreement of the Board, all with the applicable legal limits.

The right to preferential subscription of the convertible bonds may be suppressed according to the legal and statutory rules applicable to the suppression of the right to preferential subscription to the shares.

The Company may also guarantee the securities issues of its subsidiaries.

## **Article 7.- FORM OF THE SHARES**

The shares shall be represented by means of book entries, which shall be governed by the Securities Market Law and other supplementary regulations. While they are not fully paid-up, this fact must be recorded in the accounting entry.

Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear) or the entity that replaces it, and its participating entities, hold responsibility for keeping the register of book entries of the Company.

The Company shall be entitled to, according to the applicable regulations, to ask to Iberclear the data requested to identify the shareholders of the

Company, including their addresses and contact data available, in order to allow the communication of the Company with them.

#### **Article 8.- RIGHTS OF THE SHAREHOLDERS**

Shares give their legitimate holders the conditions of a shareholder and attribute them with the rights recognised in the Law and in these Articles of Association. Each share gives its holder one vote in the deliberations of the General Meeting of Shareholders.

#### **Article 9.- TRANSFER OF SHARES. CONSTITUTION OF LIMITED RIGHTS IN REM**

The shares and the economic rights derived from them, including those of preferential subscription and free assignment, may be transmitted by all means admitted in Law.

The conveyance of shares shall be done by book transfers.

Registration of the transfer on behalf of the acquirer in the accounting records of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* (Iberclear) shall have the same effect as the delivery of the share certificate.

The creation of limited rights in rem or another kind of encumbrance on the shares must be recorded in the relevant accounting records of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* (Iberclear).

Recording a pledge in the relevant accounting records of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* (Iberclear) is equivalent to the possessory displacement of the share certificate.

#### **Article 10.- EXERCISING THE RIGHTS AND OBLIGATIONS OF THE SHAREHOLDERS**

Shares give their legitimate holder the powers that are derived and the obligations inherent to their condition as shareholders. Each shareholder agrees to accept these Articles of Association and the agreements legally adopted by the General Meeting of Shareholders and the Board of Directors, all without prejudice to the right to challenge that might correspond, and the specialities that the Capital Companies Act might establish in the case of creation of rights in rem on the shares and the system of equity acquired by the Company.

Shareholders must exercise their rights before the Company and the other shareholders and comply with their duties with loyalty, good faith and transparency, according to the interest of the Company as priority interest prior the particular interest of each shareholder.

Any person who appears as legitimated in the entries of the accounting records of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.* (Iberclear) will be presumed to be a legitimate holder and may, therefore, require the Company to provide the services to which the shares entitle them.

The shares are indivisible. In the case of joint ownership, the joint owners of a share jointly and severally liable vis-à-vis the Company for any obligations that might be derived from their condition as shareholders, and must designate a single person to carry out all the rights inherent to their condition as shareholder on their behalf. The identity of this person must be notified to the Company. Likewise, all shares in joint ownership will be registered in the relevant accounting records on behalf of all joint owners. The same rule will be applied to all other cases of joint ownership of rights on shares. In the case of free loan of shares, the rights inherent to the conditions of shareholder will correspond to the lender, except for attendance at the General Meeting of Shareholders and vote, which will correspond to the borrower to whom the powers have been granted; for such rights to be exercised by the borrower, what is provided for the representation in article 184 et seq. of the Capital Companies Act and other applicable regulations will be applicable.

### **TITLE III.- COMPANY ADMINISTRATION**

#### **Article 11.- COMPANY ADMINISTRATION**

The governance and administration of the Company corresponds to the General Meeting of Shareholders and the Board of Directors, according to the provisions contained in these Articles of Association.

#### **FIRST SECTION.- GENERAL MEETING OF SHAREHOLDERS**

##### **Article 12.- GENERAL MEETING OF SHAREHOLDERS**

The General Meeting of Shareholders duly called and constituted as an expression of the will of the shareholders will decide by the majority requested by the law, in the matters of its competence and its agreements, adopted according to these Articles of Association and all legal requisites, and will be obligatory for all shareholders, even for those absent or dissident.

##### **Article 13.- TYPES OF GENERAL MEETING OF SHAREHOLDERS**

The General Meeting of Shareholders may be ordinary or extraordinary. Ordinary Meeting of Shareholders are those which, having been called, must necessarily meet in the first six months of each year to approve the Company management and approve, as the case may be, the accounts of the previous year and resolve on the application of the result.

All other General Meetings of Shareholders will be extraordinary and will be held when called by the governing body, provided it is considered to be

convenient for the Company interest, and also when (i) it is requested by a number of shareholders representing at least three per cent (3%) of the share capital, and the request includes the matters to be dealt with in the General Meeting of Shareholders, proceeding as determined in the Capital Companies Act; or (ii) a takeover bid is made on securities issued by the Company, in order to inform the General Meeting of Shareholders of the takeover bid and decide on the matters to be submitted for its consideration.

However, the General Meeting of Shareholders, though called as an ordinary meeting, may also deliberate and decide on any matter of its competence that has been included in the call, and prior compliance with Article 194 of the Capital Companies Act, as the case may be.

#### **Article 14.- CALL FOR MEETINGS**

The notice, both for ordinary and extraordinary General Meetings, shall be made by an announcement published in the Official Gazette of the Companies House or one of the daily newspapers with largest circulation in Spain, and on the Company's website ([www.tecnicasreunidas.es](http://www.tecnicasreunidas.es)) and on the Web Page of the Spanish Securities & Exchange Commission with the legally established minimum time before the date set for the meeting. The Board of Directors, in its sole discretion, may announce this notice of meeting in other means, if it deemed it appropriate, in order to give it greater publicity or dissemination.

The announcement shall include the name of the Company, the date and time of the meeting, its place, if it is ordinary or extraordinary, the agenda, including in a clear and concise manner all the matters to be discussed, and the position of the person or people making the call, as well as the date on which shareholders must have recorded in their name the shares to participate and vote at the General Meeting, the place and the way to acquire the full text of the documents and proposed resolutions and the address of the Web page of the Company where the information shall be made available. Additionally, the announcement shall include clear and precise information of the actions that shareholders shall take in order to participate and issue their vote at the General Meeting, with the detail requested by the applicable legislation.

The announcement may also, if appropriate, set forth the date on which the General Meeting of Shareholders shall proceed upon second call. Between the first and the second call there must at least be (24) hours difference. If the general meeting, duly called, is not held on first call and no date has been indicated in the notice for convening on second call, the latter must be announced, subject to the same announcement requirements as the notice of call to the first meeting, within fifteen days after the date of the meeting not held and at least ten days prior to the date of the meeting.

In the event that new matters are included in the Agenda of an Ordinary General Meeting of Shareholders, proposed in accordance with the Law by shareholders who represent, at least, three (3%) of the share capital, it will be

necessary to publish an addendum to the announcement, according to which said new matters will be included in the agenda, provided the new items enclose a justification or, if appropriate, a justified proposed resolution. This addendum will be published a minimum of 15 days in advance of the date established for the holding of the Ordinary General Meeting, and failure to publish it will render the challenging of the General Meeting. This right of the shareholders who represent at least three (3%) of the share capital to request the inclusion of new matters in the Agenda must be exercised by means of reliable notification that must be received at the Company's registered office within five days following the publication of the most recent announcement of the holding of the meeting. This right may not be exercised for extraordinary meetings under any circumstance.

Shareholders who represent at least three (3%) of the share capital will be entitled to put forward justified proposals of resolution about matters already included o which must be included in the agenda of the meeting called.

The General Meeting will be held in the municipality where the Company has its registered office. Nevertheless, the Board of Directors may resolve that the General Meeting be held in any other place when it deems it appropriate to promote its development, and when this circumstance is indicated in the announcement. If the place of holding of the General Meeting does not appear in the announcement, it will be understood that the General Meeting will be held at the Company's registered office.

Notwithstanding the previous paragraphs, the General Meeting will be considered convened and will be established as valid for discussing any matter whenever the whole of the share capital is present and those in attendance unanimously accept the holding of the General Meeting.

#### **Article 15.- QUORUM**

In order for the ordinary and extraordinary General Meetings to be legally held, the quorum required by the Capital Companies Act shall prevail.

#### **Article 16.- COMPOSITION OF THE GENERAL MEETINGS**

All shareholders holding 50 or more shares, whose ownership appears registered in the corresponding accounting entries at least five days before the day on which the General Meeting is to be held and they so prove it by showing, at the registered office or entities that are specified in the notice, the corresponding certificate of standing which states the number, class and series of the shares they own, as well as the number of votes they may cast, may attend the General Meetings in person or being represented by another person, even if this person is not a shareholder. The representation will be governed by the provisions of the Capital Companies Act.

Shareholders with less than 50 shares may form groups for the purpose of attending the General Meeting, conferring to this end the representation on one of them.

Shareholders who are natural persons and do not have full exercise of their civil rights, and shareholders who are legal persons may be represented by duly accredited legal representatives. Both in these cases, and also in the event that the shareholder delegates his right to attend, it is not permitted to have more than one representative at the General Meeting.

Representation conferred on a person who may not discharge it in accordance with the Law will not be valid or effective. Representation can always be revoked. To oppose it, the revocation must be notified to the Company under the same terms set forth for notice of the representative's appointment. If the represented person attends the General Meeting, whether in person or by having issued his remote vote, any delegation from any date whatsoever will be considered as revoked. The representation will likewise have no effect due to the sale of shares of which the Company has knowledge.

When the representation is delegated by means of remote communication media, it will only be considered valid if the following is performed:

- a) by means of delivery or post, delivering to the Company the attendance card and the authorisation duly signed, or by other written medium which, in the opinion of the Board of Directors in a resolution passed for this purpose, would allow due confirmation of the identity of the shareholder who delegates his representation and that of the representative that he delegates, or
- b) by means of correspondence or electronic communication with the Company, accompanied by a copy in electronic format of the attendance card and authorisation, in which the power of representation bestowed on him is detailed along with the identity of the person represented, and which includes the electronic signature or other sort of identification of the shareholder represented, in the terms established by the Board of Directors in a resolution adopted for this purpose to bestow on the system of representation adequate guarantees of authenticity and identification of the shareholder represented.

In order to be valid, the powers of representation bestowed by any of the aforementioned media of remote communication must be received by the Company before 12 o'clock midnight of the third day before the day established for the holding of the General Meeting in the first announcement. In the resolution of the announcement of the General Meeting in question, the Board of Directors may reduce the advance notice required by giving this the same publicity that is given to the announcement of the holding of the Meeting. Moreover, the Board of Directors may develop the previous stipulations referring to the powers of representation granted using media for remote communication.

The power of representation may include those points that, although they are not foreseen in the Agenda of the announcement, may be discussed at the General Meeting as it is permitted by Law.

If the Directors or another person on behalf of or in the interest of any of them, have made a public solicitation for proxies, the Directors obtaining such proxy may not exercise the voting rights attaching to the represented shares in connection with any items on the agenda in respect of which the Directors or such other person is subject to a conflict of interest, unless he received from the represented person precise voting instructions for each one of the aforesaid items according to the applicable regulations. In any case, and without prejudice of the applicable legal presumptions, Directors shall be in a conflict of interest in relation to the following decisions:

- His appointment, re-election or ratification as Directors.
- His removal, dismissal or withdrawal as Directors.
- Any corporate liability action against the Board member in question.
- The approval or ratification, as the case may be, of corporate transactions with the Board member in question, companies which he controls or represents or persons acting on his behalf.

The proxy may also include any points which, although not included on the agenda in the notice of call, are likely to be dispatched at the meeting, being so permitted by law, also applying to this case the provisions set forth in the preceding paragraph.

The Chairman, the Secretary of the General Meeting or the persons designated by them, will be understood to have the powers for determining the validity of the powers of representation conferred and the meeting of the requirements of attendance at the General Meeting.

#### **Article 17.- ACTIONS OF GENERAL MEETING OF SHAREHOLDERS**

The Chairman of the Board of Directors and, in his absence, the First or Second Vice-Chairman, will preside over all General Meeting of Shareholders. The Company Secretary, or in his absence, the Vice-Secretary, if any, will be the Secretary of the General Meeting of Shareholders. In the absence of both of these, the Chairman will appoint another shareholder or representative to act in their place.

The members of the Board of Directors must attend all General Meeting of Shareholders, although the fact that one of them is unable to attend for any reason will not invalidate the constitution of the General Meeting of Shareholders. The Chairman of the General Meeting of Shareholders may authorise the attendance of any person they might deem convenient. However, the General Meeting of Shareholders may revoke this authorisation.

The Chairman will chair the deliberations and will give the right to speak to any shareholders who have requested it. Priority to intervene will be given to shareholders who have asked for this in writing; followed immediately by those who have orally expressed their wish to do so.

Each of the matters included in the Agenda will be discussed and voted upon separately, and to be valid, all agreements must be reached by a simple majority of the shareholders present or represented (being when it obtains more votes for than against it) votes, unless a different majority should be legally required for some specific type of agreements. The vote may be broken up so that the financial intermediaries that are legitimated as shareholders but act on behalf of different clients may cast their votes as instructed to do so. For each resolution submitted to a vote the Shareholders' Meeting must determine, at least, the number of shares with respect to which valid votes have been cast, the proportion of the share capital represented by such votes, the total number of valid votes, the number of votes for and against each resolution and, as the case may be, the number of abstentions. The resolutions approved and the result of the voting shall be published in full on the Company website within the five days following the end of the Shareholders' Meeting.

Shareholder shall not exercise their voting rights correspondent to its shares when the resolution to be approved releases this shareholder from any obligation or grants this shareholder any kind of financial assistance, including the execution of guarantees or the waiver of obligations linked to its duty of loyalty.

Shares of the shareholders in a situation of conflict of interests mentioned above shall be deducted from the share capital from the base for calculated the above mentioned majority.

Shareholders entitled to attend as holding at least 50 shares or having grouped with others with whom they jointly hold at least 50 shares in the terms of the previous article 16, may cast their vote on the proposals concerning points included in the Agenda of any General Meeting of Shareholders by:

- a) postal delivery or correspondence, sending the Company their attendance card and right to vote duly signed (or along with the voting form provided therefor by the Company, as the case may be), or any other written means which, in the opinion of the Board of Directors in an agreement adopted thereon, might duly allow the identity of the shareholder exercising their right to vote to be identified, or
- b) correspondence or electronic communication with the Company, to which the attendance card and vote are attached in electronic format (or along with the voting form provided therefor by the Company, as the case may be), which will bear the electronic signature or another kind of identification of the shareholder in the terms established by the Board

of Directors in agreement adopted therefor, to provide this system of vote casting with the necessary guarantees of authenticity and identification of the shareholder exercising their right to vote.

For this to be valid, the representation conferred by any of the above means must be received by the Company earlier than midnight on the third day prior to the date provided for the General Meeting of Shareholders in its first call. In the resolution of the announcement of the General Meeting in question, the Board of Directors may reduce the advance notice required by giving this the same publicity that is given to the announcement of the holding of the Meeting.

Any shareholders issuing their vote from a distance in the terms indicated herein will be considered present for the effects of constituting the General Meeting of Shareholders. As a result, all delegations carried out before this vote issue will be understood to be revoked and those conferred thereafter will be deemed not effected.

All votes issued from a distance, as referred to in this article, will be left without effect by the physical attendance at the meeting of the shareholder who has issued them.

The Board of Directors may develop the above provisions by establishing the instructions, rules, means and procedures for instrumenting the vote issue and granting the representation by distance communication, adapting to the state of the art and, as the case may be, to any rules that might be determined thereon and what is provided in these Articles of Association. All rules of development adopted by the Board of Directors hereunder will be published on the Web site of the Company.

Likewise, in order to avoid possible duplication, the Board of Directors may take all necessary measures to ensure that whosoever has issued the vote from a distance or delegated their representation is duly legitimated for this according to these Articles of Association.

#### **Article 18.- AGENDA**

The Agenda for a General Meeting of Shareholders must be prepared by the Board of Directors. All questions not included in the Agenda may not be dealt with by the General Meeting of Shareholders. However, the Board of Directors or any person or people appointed to prepare the Agenda must include any matter legally proposed by shareholders representing at least three per cent (3%) of the share capital. Any question directly related to the matters contained in the Agenda will be subject to voting.

#### **Article 19.- FUNCTIONS OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS**

The Ordinary General Meeting of Shareholders will be qualified for:

- a) Approval, if appropriate, of the Company management.
- b) Approving, as the case may be, the accounts of the previous year.
- c) Resolving on the application of the result.

**Article 20.- ADDITIONAL FUNCTIONS OF ORDINARY OR EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

Without prejudice to the powers attributed expressly by the Capital Companies Act, any General Meeting of Shareholders will be qualified to:

- a) Approving the annual accounts, allocating the year's income and approving the corporate governance of the Board of Directors.
- b) Appointing, renewing and discharging Directors, as well as ratifying the Directors appointed by co-option.
- c) Approving the remuneration policy of the Directors.
- d) Approving the systems of retribution of the Directors of the Company consisting of granting shares or rights over shares or referred to the value of the shares.
- e) Waiver to the Directors of the prohibitions of their duties of loyalty, when the authorization shall be legally granted by the General Meeting, as well as the waiver of the duty of no competition of the Directors with the Company.
- f) Appointing, renewing and discharging auditors.
- g) Amending this Bylaws.
- h) Capital increase and reduction.
- i) Delegation on the Board of the authority to increase the share capital. In this case, the Board could be also entitled to exclude or to limit the preferential subscription rights on the terms established at the applicable law.
- j) Delegation on the Board of the authority to execute a capital increase already resolved by the General Meeting, according to the terms established at the law, establishing the date or dates of its execution and establishing the conditions of the increase in what not resolved by the General Meeting of Shareholders.
- k) Excluding or limiting the preferential subscription rights.
- l) Authorization for the derivative acquisition of own shares.

- m) Restructurization, merger or split up or the global assignment of assets and liabilities and the change abroad of the Company address.
- n) Dissolution of the Company and appointment and discharge of liquidators.
- o) Approval of the final liquidation balance sheet.
- p) Issuance of bonds and another marketable securities and the delegation on the Board of Directors of the authority to issue them, as well as the exclusion or limitation of the right of the preemptive subscription right, according to the applicable normative.
- q) Carrying out actions of responsibility before the Directors, auditors and liquidators.
- r) Approval and amendment of the Regulations of the General Meeting of Shareholders.
- s) Transfer to independent entities of essential activities executed by the Company, even when the Company is the sole owner of that entities.
- t) Acquisition, disposal or contribution to another Company of essential assets of the Company.
- u) Approval of operations equivalent to the liquidation of the Company.

The General Meeting of Shareholders shall resolve, additionally, about any other item that the Board of Directors or the shareholders may submit, on the terms and requirements established on the applicable law.

The General Meeting of Shareholders may only issue instructions to the Board of Directors or submit to its authorization the adoption by such body, resolutions on management matters through agreements that comply with the requirements of information and majority of statutory modifications.

#### **Article 21.- MINUTES**

Minutes will be made of all ordinary and extraordinary General Meeting of Shareholders, which must be signed by the Chairman and the Secretary and be included in the Company Minutes Book. These Minutes may be approved on the choice of the General Meeting of Shareholders by any of the forms provided in Article 202 of the Capital Companies Act.

## **SECOND SECTION.- BOARD OF DIRECTORS**

### **Article 22.- REQUIREMENTS, DURATION AND APPOINTMENT OF BOARD MEMBERS. REMUNERATION**

The Company will be governed and administered by a Board of Directors, subject to the privative competences of the General Meeting of Shareholders. The Board of Directors will carry out its functions independently of the Company Management, giving all shareholders the same treatment and guided by the interests of the Company, maximising the economic value of the Company in a sustained manner.

The Board of Directors will be formed by two different kinds of members: executive and external, and within the latter, representative and independent, according to the applicable law and to the rules of good governance applicable at all times. In exceptional cases, appointed external members may be people not considered representative or independent according to the rules and recommendations of good governance applicable at all times and provided they are not considered executive according to the aforementioned rules and recommendations.

In the proposed appointments raised to the General Meeting of Shareholders, the Company Board of Directors will ensure as far as possible that the composition of the Board of Directors should not allow the number of external or non-executive members to constitute a broad majority over that of executive members.

The Members will hold their posts for a term of four years, unless they are removed by the General Meeting of Shareholders. They may be re-elected once or more times for the same period.

All Board Members ending their mandate or resigning from their post for any other reason may not be a member or hold executive positions in any other entity that has the same corporate purpose as that of the Company for a period of two years. If it considers it appropriate, the Board of Directors may do away with this obligation for the leaving Board member or shorten the duration of the prohibition.

The members of the Board of Directors will receive on this condition a statutory remuneration the maximum amount of which for all the members of the Board of Directors will be resolved by the General Meeting of Shareholders and will be updated according to indices or variables defined by the General Meeting. This remuneration shall be composed by the following amounts: (i) a fixed amount; and (ii) diems for effective attending the meetings of the Board of Directors and its delegate or advisory commissions.

The Board of Directors shall determine yearly the way and time of payment and the distribution among the members of the Board of Directors of the global amount correspondent to the statutory remuneration mentioned below.

The distribution could be individualized according to the objective roles, duties and responsibilities which the Board deems appropriate.

The executive Directors will receive, for the performance of executive delegated functions or delegated by the Board of Directors, the remuneration established by the Board. This remuneration shall be in accordance with the remuneration policy resolved by the General Meeting and be reflected in the contract between the executive Directors and the Board.

The Company shall be entitled to hire a civil liability insurance.

#### **Article 23.- NUMBER OF BOARD MEMBERS**

The Board of Directors will be made up of at least 7 and at most 15 members, and the General Meeting of Shareholders will decide on the number thereof.

#### **Article 24.- TERMINATION OF BOARD MEMBERS**

All Board Members will cease in their post at the end of the term for which they were appointed, and as a result of death, resignation, incapacity or removal agreed by the General Meeting of Shareholders.

#### **Article 25.- CHAIRMAN, VICE-CHAIRMAN AND SECRETARY**

The Board of Directors will choose a Chairman and one or more Vice-Chairmen from among its members.

Should the Chairman be an executive Director, the Board, with the abstention of the executive Directors, shall appoint a coordinating Director among the independent members of the Board, who will be specially entitled to ask for the call of a meeting of the Board or the inclusion of new items on the agenda of a meeting of the Board already called, coordinate and gather the non executive Directors and direct, in case, the periodic evaluation of the Chairman

Likewise, the Board of Directors will choose a Secretary, who may or may not be a member of the Board of Directors.

The Board of Directors may similarly appoint a Vice-Secretary, who may or may not be a member of the Board.

#### **Article 26.- MEETINGS OF THE BOARD**

The Board of Directors will meet with the frequency that the Company matters may require and, in any case at least once every two months, and on the initiative of the Chairman or of the Coordinating Director, as many times as they might require for the operation of the Company. The Board of Directors shall also meet when required to do so by at least a third of its members, in which case it will be convened by the Chairman, who will indicate the agenda,

to meet within the following month of the request. If upon expiration of this time limit without the Chairman having made the call for the meeting for no justified reasons, the Directors making at least a third of the members of the Board may call the meeting in the city of the registered address.

Unless otherwise by the applicable laws or by the Bylaws, the agreements of the Board of Directors will be adopted by the overall majority of the Members present or represented at the session. In the event of a tie, the Chairman will have the deciding vote.

The meetings of the Board of Directors will be called by the Secretary on the order of the Chairman or of the Coordinating Director, and in the event of absence or incapacity of these last ones thereof, on the order of the First and Second Vice-Chairman, successively.

All of the members of the Board of Directors will be called individually by letter, electronic mail, fax or telephone and at least five days before the date set for the meeting.

The call for extraordinary meeting of the Board can be also executed even by phone and without the term and other requirements mentioned above when, up to the criteria of the Chairman or of the coordinating Directors, the circumstances would require it.

The Board of Directors will be validly constituted when half plus one of its members are in attendance, either present or represented.

Any Board member may authorise another member to represent them in writing. The non executive members of the Board shall only authorize their representation to another non executive member.

The Board of Directors will also be validly constituted without any need for a call when all of the members are present and unanimously agree to form the Board of Directors.

#### **Article 27.- POWERS OF THE BOARD OF DIRECTORS**

The Board of Directors will assume, among others and without limitation, the following powers and functions:

- a) To call ordinary and extraordinary General Meetings of Shareholders in the form and time provided herein, and to prepare the Agenda, making all suitable proposals, given the nature of each General Meeting of Shareholders.
- b) To represent the Company in all matters and acts, albeit administrative, judicial, civil, commercial and criminal before the State Administration and Public Corporations of any kind, and before any Court (ordinary, administrative, special or labour, or of any kind), carrying out all kinds

of actions that might correspond to the Company to defend its rights in and out of the Courts of Justice, before arbitrators or amicable composers and to authorise and grant sufficient powers to represent the Company before the aforementioned Courts, Bodies and people. The Board of Directors may also receive from and pay all amounts to the State or other Public Bodies by signing all necessary documents therefor.

- c) To administer and run the Company, constantly controlling the business and properties that make up its Wealth. To this end, it will apply all current legal regulations applicable to its technical and administrative services, determining all their expenses and approving the salaries of the staff.
- d) To execute contracts of any kind and with respect to all kinds of properties and rights in such terms and conditions that might be advisable, and to create and cancel mortgages or other rights in rem or encumbrances, and to sell off or waive any privilege or right of the Company by payment, transaction or any other form.
- e) To purchase and register the ownership of any exclusive license for the operation or development of national or foreign patents or brands and to take part, execute and carry out all kinds of acts and contracts related to the importing or operation, acquisition of raw materials by purchase or assignment, or to obtain credits from the State, subsidies or any kind of administrative or commercial rights.
- f) To accept or reject all kinds of transactions and business and to grant other people or entities shareholding interests or options in the commercial and industrial operations without limit.
- g) To use the signature and act on behalf of the Company in all kinds of banking transactions, to open and close current accounts and to use them; to receive, execute, draw, accept, guarantee and endorse bills of exchange; to open credits with or without a guarantee and cancel them; to transfer funds, income, credits and guarantees, using all kinds of means of payment or money transfer; to approve the balances of closed accounts, to open and cancel or withdraw deposit accounts or deposits of any kind; to set off accounts, formulate changes, etc., all of which may be done in the Bank of Spain or in the official banks or private banking establishments.
- h) To hire or dismiss Company personnel, assigning all suitable retributions and salaries after informing the Nomination and Remuneration Committee in the case of senior management.
- i) To determine and approve the policies and general strategies of the Company. In particular, the following shall be considered:

- The strategic or business Plan, as well as the management objectives and annual budget;
- The investment and financing policy;
- The definition of the corporate group structure of which the Company is the parent company;
- The corporate governance policy of the Company and its group, its organization and operation and, in particular, the approval and modification of its own Regulations;
- The corporate social responsibility policy;
- The dividends policy;
- The remunerations policy and performance appraisal of senior executives;
- The risk control and management policy, including tax, as well as periodic follow-up of internal information and control systems;
- The treasury shares policy and, in particular, its limits;
- The determination of the tax strategy of the Company.

j) To agree on the elimination or transfer of the Web page of the Company.

All of the powers of the Board of Directors, except for that not delegable by the applicable law or the internal normative of the Company, may be delegated upon expressly appointed persons, and the Board of Directors will indicate whether such delegations are made jointly or separated, and the extent or limitation of such powers. Likewise, the Board of Directors shall be entitled to incorporate other consultive or advising commissions without prejudice of these commissions might, exceptionally, be assigned any decision power.

The above list of powers of the Board of Directors is not limiting in nature, but is simply descriptive, it having to be understood that the Board of Directors holds all the functions that are not expressly reserved for the General Meeting of Shareholders.

#### **Article 28.- POWERS OF THE CHAIRMAN**

Aside from what is established in the previous article, the Chairman will hold all of the powers of the Board of Directors, except for those consigned in Article 25 with respect to the election of the Chairman and the Vice-Chairmen or those not delegable by the applicable law or the internal normative of the Company. The powers delegated upon the Chairman may be delegated on others.

The Chairman will be considered the Senior executive of the Company, and will be invested all the necessary attributes to carry out such authority, and apart from the powers given in these Articles of Association, will be consigned the following:

- (a) To ensure that the Articles of Association are fully complied with and that all agreements of the General Meeting of Shareholders and the Board of Directors are strictly implemented.

- (b) To perform the senior inspection of the Company and all its services.

#### **Article 29.- AUDIT AND CONTROL COMMITTEE**

The Board of Directors will create among its own members an Audit and Control Committee formed by at least three and no more than five members designated by the Board of Directors itself. All of them must be non executive members, the majority of which, at least, must be independent and one of them will be appointed considering the knowledge and experience on accounting, auditing or both of them.

Globally considered, the members of the Audit and Control Committee will have the relevant expertise in relation to the activity sector to which belongs the audited entity.

The Chairman of the Audit and Control Committee will be elected by the Board of Directors among the independent members of the Committee for a term than will not exceed four years, and he must be replaced at the end of said term. He may be re-elected one year after the date of his departure.

Without prejudice to any other duties established by the applicable law or that may be assigned from time to time by the Board of Directors, the Audit and Control Committee shall exercise, at least, the following functions:

(a) Report to the General Meeting on issues raised at it on matters within its competence and, in particular, on the outcome of the audit explaining how this has contributed to the integrity of financial reporting and the role the Committee has played in this process.

(b) To monitor the efficiency of the internal control system of the Company, the internal audit and the risk management systems, as well as addressing, together with the auditor, the most significant weaknesses of the internal control system detected during the audit, all without undermining their independence. For this purpose, when appropriate, the Committee may submit recommendations or proposals to the Board of Directors and the corresponding term for its monitoring.

(c) To monitor the development and preceptive financial reporting process, and submit recommendations or proposals to the Board of Directors, aimed to safeguarding its integrity.

(d) Put forward to the Board of Directors the proposals of selection, appointment, renewal and replacement of the external Auditor, as well as to the conditions of its contract and request to the Auditor, on a regular basis, information about the audit plan and its execution, as well as to guarantee its independence on the execution of its duties.

(e) Establish the necessary relations with external Auditors to receive information on those issues that could form a threat for their independence for consideration by the Committee and any others related to the performance of the audit and, when applicable, the authorization of services different of those forbidden, as well as other communications provided for in auditing legislation and in auditing standards. In any case, they must receive annually from the external auditors declaration of their independence in relation with the Company or the entities directly or indirectly linked to it, as well as information in detail and on an individual basis on any type of additional services provided to these entities and the fees received by the external auditor, or by persons or entities linked to them, in accordance with regulations governing the activity of auditing.

(f) Annually, issue, prior to issuance of the Audit Report, a report which will express an opinion on if the independence of the Auditor or auditing firm is jeopardized. This report shall, in any case, contain the motivated valuation on the provision of each and every additional services referred on item e) above, individually and jointly considered, different from those correspondents to legal auditing and in relation with the independence status or with the normative of auditing.

(g) The authority of control and monitorization of the compliance of the policy of control and risk management. In performing this authority, the Audit and Control Committee may agree the establishment of one or more Sub-committees for the control and monitorization of the compliance with the policy of control and risk management.

(h) Report, previously, to the Board of Directors about all the matters included in auditing normative, the Bylaws and the Regulations of the Board of Directors and, in particular, on: (i) financial information which must be made public on a regular basis; (ii) incorporation or acquisition of special purpose participated entities or addresses in tax havens; and (iii) related parties transactions.

The Audit and Control Committee will meet, normally on a quarterly basis, for the purpose of revising the periodic financial information that must be sent to the stock exchange authorities, together with the information that the Board of Directors must approve and include within its annual public documents. Likewise, it will meet each time that the Chairman convenes it, which he must do whenever the Board of Directors or the Chairman of the Board requests the issuing of a report or the adoption of proposals and, in any event, whenever any of its members requests it or it is appropriate for the satisfactory discharge of its tasks.

The members of the management team or of the staff of the Company and its group will be obliged to attend the sessions of the Committee and to offer their collaboration and access to the information available to them when the Committee requests it. The Committee may likewise require the attendance at its meetings of the auditors of the Company's accounts.

The Board of Directors may develop and complete in its Regulations the previous rules, in accordance with the Articles of Association and the Law.

### **Article 30.- NOMINATION AND REMUNERATION COMMITTEE**

The Board of Directors will set up a Nomination and Remuneration Committee, consisting of a minimum of three and not more than five members of the Board, all of which should be non-executive members and at least two of them must be independent members.

The Chairman of the Nomination and Remuneration Committee will be appointed by the Board of Directors from among its members for a four-year term, and he may be re-elected once or more times for terms of equal duration. Said Chairman must be an independent member.

Notwithstanding other tasks as established by the applicable normative or as assigned by the Board of Directors, the Nomination and Remuneration Committee will have, at least, the following tasks:

- (a) Assess the competences, knowledge and experience of the Board of Directors. For this purpose, the Commission will define the functions and skills requested for each candidate to fill each vacancy and assess the time and dedication needed to duly comply with their tasks.
- (b) Establish a target of representation of the gender less represented in the Board and issue guidelines on how to reach this target.
- (c) Put forward to the Board of Directors the proposed appointment of independent Directors for their appointment by means of the co-optation procedure or submission to the decision of the General Meeting, as well as the proposals to the General Meeting for the re-election or dismissal of these Directors.
- (d) Report on the proposals of appointment of the other Directors for their appointment by means of the co-optation procedure or submission to the decision of the General Meeting, as well as the proposals to the General Meeting for the re-election or dismissal of the Directors.
- (e) Report on the proposals of the natural person who represents a legal person Director.
- (f) Report on the appointment of the Chairman and Vicechairman/men of the Board.
- (g) Report on the appointment of the chief executive officer.
- (h) Report on the appointment of the Secretary and Vicesecretary of the Board.

- (i) Propose the Directors that must integrate each of the Commissions, according to their knowledge, skills and experience and the tasks of each Commission.
- (j) Report on the proposals of appointment and dismissal of the senior executives of the Company and the basic characteristics of their contracts.
- (k) Emanine and organize the succession of the Chairman and of the first executive of the Company and, in case, to propose resolutions to the Board of Directors so this successions in an orderly and well-planned manner.
- (l) Propose to the Board of Directors the remuneration policy of the Directors and general managers or anyone who executes high management tasks reporting directly to the Board, the Executive Committee or the chief executive officer/s and the remaining contractual conditions of the chief executive officers, ensuring that are followed.

The Nomination and Remuneration Committee will meet ordinarily once annually in order to prepare the information on the remuneration of the Board members, which the Board of Directors must approve and include within its annual public documents.

Likewise, it will meet every time that the Board of Directors or its Chairman requests the issuing of a report or the adoption of proposals within the scope of its competences and, in any event, whenever it is appropriate for the proper performance of its tasks.

The requests for information from the Nomination and Remuneration Committee will be formulated by the Board of Directors or by its Chairman. Likewise, the Committee must consider the suggestions made by the Chairman, the members of the Board of Directors, and the Company's managers or shareholders.

The Board of Directors may develop and complete in its Regulations the previous rules, in accordance with the Articles of Association and the Law.

### **Article 31.- WEB SITE**

1. The Company will keep a Web page for information for its shareholders and investors, which will include at least the following documents and any other requested by the applicable law:
  - (a) Articles of Association.
  - (b) Regulations of the General Meeting.

- (c) Regulations of the Board of Directors and, as the case may be, Regulations of the Commissions of the Board of Directors.
- (d) Annual Report and Internal Rules of Conduct in areas concerning the stock market.
- (e) Biographical and professional information on the members of the Board of Directors, including the biographical profile of each one.
- (f) Annual Corporate Governance report.
- (g) All documents concerning ordinary and extraordinary General Meetings of Shareholders, with information concerning the Agenda, the proposals made by the Board of Directors, and any relevant information that the shareholders might require for casting their vote.
- (h) Information on the development of the General Meetings of Shareholders held and particularly on the composition of the General Meetings of Shareholders at the time of its constitution, agreements adopted with the number of votes cast and in which way in each of the proposals of the Agenda.
- (i) The communication channels between the Company and the shareholders and particularly all pertinent explanations for exercising the shareholder's right to information, indicating the postal and electronic mail addresses that the shareholders may address.
- (j) The means and procedures for conferring representation at General Meetings of Shareholders.
- (k) The means and procedures for remote voting, including, as the case may be, all forms to verify attendance and telematic voting at General Meetings of Shareholders.
- (l) All important events reported to the Spanish Securities & Exchange Commission, in the terms required by applicable regulations.
- (m) Average period for payment to suppliers and, in case, the measures to be taken during the next tax year to reduce the period until it complies with the maximum of the default laws.

The Board of Directors may agree on the elimination or transfer of the Web page. The resolution must be registered with the Companies House or it must be notified to all shareholders and, in any case, it must

appear in the eliminated or transferred Web page for thirty days after passing it.

2. The address of the corporate Web site of the Company is [www.tecnicasreunidas.es](http://www.tecnicasreunidas.es).

#### **TITLE IV. INVENTORY, BALANCE SHEET, TAX YEAR AND DISTRIBUTION**

##### **Article 32. TAX YEAR**

The Tax Year will start on 1st January and end on 31st December each year.

Exceptionally, the first economic year of the Company will start on the date that the Company is registered in the Companies House. Likewise, the Company operations will start on the aforementioned date.

##### **Article 33.- BALANCE SHEET AND RESULT APPLICATION**

Within the legal time, the governing body will draw up the annual accounts, the management report and the proposed application of the result, so that, once checked and reported by the Statutory Auditors, as the case may be, they might be presented to the General Meeting of Shareholders for approval.

##### **Article 34.- RIGHT TO INSPECTION**

From the time the General Meeting of Shareholders is called, any shareholder may immediately and freely obtain from the Company all documents that have to be submitted for its approval, and also, as the case may be, the management report and the report of the statutory auditors.

The call will mention this right.

##### **Article 35.- PROFIT DISTRIBUTION**

The General Meeting of Shareholders will decide on the application of the result with the approved balance sheet, and will distribute dividends among the shareholders in proportion to the capital they have outlaid and any other provisions established by Law or the Bylaws, charging this to the profits or the freely available reserves, once the legal reserve and other reserves established by Bylaws or law have been covered, and determining the sums that should be devoted to the different kinds of agreed voluntary reserves, fulfilling all legal provisions in defence of the share capital and respecting the privileges enjoyed by a certain kind of shares.

The governing body may agree on the distribution of amounts on account of dividends, with the limitations and meeting the requirements established by Law.

## **TITLE V.- COMPANY WINDING UP**

### **Article 36.- COMPANY DISSOLUTION AND WINDING UP**

The Company will be dissolved by agreement of the General Meeting of Shareholders adopted at any time, with the requirements established by law and for any other reasons provided therein.

When the Company has to be dissolved for a legal reason requiring the agreement of the General Meeting of Shareholders, the governing body shall call it within a time of two months from occurrence of such reason to pass the resolution for dissolution, proceeding as the Law requires if such agreement should not be achieved for any reason. When the dissolution has to take place as the wealth has fallen to less than half of the share capital, this may be avoided by agreeing to increase or reduce the share capital or by rebuilding the Company wealth in a sufficient amount. This regularisation will be effective providing it is done before the judicial dissolution of the Company is decreed.

### **Article 37.- FORM OF WINDING UP**

If the winding up is agreed, the General Meeting of Shareholders will proceed to appoint a liquidator or odd number of liquidators and determine their powers, with the attributions of Article 375 et seq. of the Capital Companies Act and any others that might have been invested by the General Meeting of Shareholders at the time of agreeing on their appointment.

### **Article 38.- FINAL WINDING UP**

Once the Company has been dissolved and all its obligations and debts settled, the resulting net amount will be applied to reimbursing the capital of the shares for their par value, and the remaining amount, if any, will be distributed among the shareholders in proportion to their share in the Share Capital.

## **TITLE VI.- OTHER PROVISIONS**

### **Article 39.- INCOMPATIBILITIES AND PROHIBITIONS**

Posts may not be held in this Company by people incurring any of the cases of incompatibility or prohibition established by the Laws.

### **Article 40.- CONFLICT RESOLUTION**

For all conflictive matters that might arise within the Company, between the Directors and the shareholders or among the Directors and shareholders themselves concerning Company matters, both the Company and the

Directors and shareholders, waiving their own law, if any, will be expressly subject to the laws of the registered office of the Company.