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## ARTICLES OF ASSOCIATION

### "OPERADOR DEL MERCADO IBÉRICO DE ENERGÍA-POLO ESPAÑOL, S.A."

#### TITLE I: DENOMINATION, PURPOSE, ADDRESS, AND DURATION OF THE COMPANY

##### Article 1.- Name and legal regime

The Company is called **OPERADOR DEL MERCADO IBÉRICO DE ENERGÍA-POLO ESPAÑOL SOCIEDAD ANÓNIMA** and will be governed by these Articles by Law 24/2013, of December 26, on the Electricity Sector (hereinafter, the "**Law on the Electricity Sector**"), particularly by the provisions of article 29, as well as by the provisions of developing said Law that are applicable to it, by the Consolidated Text of the Law on Capital Companies, the Commercial Code, and other rules that are applicable to it.

##### Article 2.- Corporate purpose

1. Notwithstanding the other powers and functions that may be attributed to it by law or regulation, the Company will have as its purpose:
  - a) The development, economic management, and determination of prices for electricity markets, as well as of any other markets where any other type of energy or energy-based products is traded, whether they are organized or unorganized markets, or national or international.
  - b) The management and settlement of transactions carried out in electricity markets, as well as in any other markets in which any other type of energy or energy-based products is negotiated, whether they are organized or unorganized markets or national or international, as well as the commercial operations in which it participates in any of these markets.
  - c) Developing the necessary management tools for implementing and operating any of the markets included in paragraph a) above or the activities referred to in paragraph b) above, as well as corresponding information systems and support.

- d) Carrying out studies and providing information, analysis, and monitoring services on the functioning of any of the markets included in paragraph a) above or the activities referred to in paragraph b) above.
  - e) Settling the conflicts that arise between participants in the markets included in paragraph a) above, if they submit them to the Company's arbitration.
  - f) Development and management of greenhouse gas emission allowance markets, as well as the settlement of transactions carried out in them.
  - g) Developing the services related to centralized management of communications and formal registration of changes in energy supplier.
  - h) While respecting the limitations established by Law on the Electricity Sector and in its implementation rules, the Company may also provide services through telematic networks, specifically through the Internet, and all other types of services related to its activity, particularly research and consulting in matters of design, development, implementation, maintenance, and use of services related to electronic markets, with developments of computer applications and with information, communications, management, and business organization.
2. This purpose includes all the auxiliary services and all the activities that are needed or make it possible to fulfill them and which conform to the Law, particularly the rules regulating the electricity markets at any time.
  3. All activities whose exercise necessarily entails special requirements by Law that are not fulfilled by this Company are excluded.
  4. Of those aforementioned activities, the Company will carry out those whose management must be done separately from the system's economic management in accordance with the provisions of the legislation on the Electricity Sector by constituting or taking a stake in companies that carry out such activities, after obtaining the necessary authorizations or licenses, where appropriate, in accordance with current legislation.



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### Article 3.- Registered address

1. The Company's registered address is established at C/ Alfonso XI, nº 6, 4th and 5th floors, 28014 Madrid.
2. By agreement of the administrative body, the registered address may be moved within the national territory, and it may also create, remove, or transfer the branches, agencies, or delegations that the execution of company activity makes necessary or convenient, both in national and foreign territories.

### Article 4. -Duration

The duration of the Company will be indefinite, and it will begin its operations on the date of its constitution.

## TITLE II: CAPITAL STOCK AND SHARES

### Article 5.- Capital stock

1. The Company's capital stock is one million, nine hundred ninety-nine thousand, nine hundred ninety-eight euros (€1,999,998); it is represented by six million, six hundred sixty-six thousand, six hundred sixty (6,666,660) registered shares, which are of a single class and series, numbered correlatively from 1 to 6,666,660, both inclusive, with a nominal value of thirty euro cents (€0.30), with each of them fully subscribed and disbursed.
2. In accordance with the provisions of paragraph 1 of Article 29 of the Law on the Electricity Sector:
  - 1) The sum of the direct or indirect shareholdings in the Company's capital stock held by any natural or legal person may at no time exceed five percent (5%) of the capital stock, unless otherwise authorized by law.
  - 2) Similarly, the sum of direct or indirect shareholdings in the capital stock held by the subjects mentioned in paragraph 1 of Article 6 of the Law on the Electricity Sector (hereinafter, the "**Subjects of the Electricity Sector**"), whether or not their registered office is located in Spain, may not at any time exceed forty percent (40%) of the Company's capital stock, unless otherwise authorized by law.

3. For the purposes of the provisions of paragraph 2 of this article, only the cases established in Article 42.1 of the Commercial Code will be considered indirect shareholding, or, where appropriate, the applicable precept that modifies, complements, or replaces it.

When a company holds an indirect share in the Company, in the sense defined in the previous paragraph, that indirect shareholding shall be calculated by the percentage of the Company's capital stock held by the company that is a direct shareholder of the Company.

To calculate the share established in paragraph 2.2. of this article, in the cases of groups of companies, as defined in Article 42 of the Commercial Code or, where appropriate, the applicable precept that modifies, complements, or replaces it, the shares of the Company's capital stock held, whether directly or indirectly, by natural or legal persons belonging to the same group, will be totaled.

#### **Article 6.- Share certificates and Book of Registered Shares**

1. The shares will be represented by means of titles that may include one (1) or more shares of the same series; they will be issued in receipt books; they will be numbered correlatively; they will contain at least the notes required by law; they will be signed by an administrator whose signature may be printed by mechanical reproduction, in compliance with the provisions of the law. The shareholder will have the right to receive the corresponding securities free of expenses. As long as these securities have not been printed and delivered, the shareholder will have the right to obtain a provisional receipt for them.

Notwithstanding the foregoing, provisional or definitive receipts may be issued accrediting the ownership of the shares, and each title or receipt may refer to one (1) or more shares.

2. The Company shall keep a Book of Registered Shares where those owned by the initial shareholders of the Company and the successive transfers of shares will be registered, including the first and last name; business name, if any; nationality and registered address of the successive holders; a note on whether the holder has the status of Subject of the Electricity Sector, being included in one of the provisions of Article 6.1 of the Law on the Electricity Sector; and the constitution of real rights and other encumbrances on the shares. The Book will include a special paragraph in which the total

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share that each shareholder holds in the capital stock, directly or indirectly, is noted.

Any shareholder who so requests it may examine the aforementioned Book. The Company will only be able to rectify any entries that it deems false or inaccurate, having notified the interested parties of its intention to proceed in this regard without them expressing their opposition within thirty (30) days following the notification.

As long as the titles of the registered shares have not been printed and delivered, the shareholder has the right to obtain certification of those registered in their name.

3. For the purposes of monitoring compliance with the restrictions on the ownership of Company shares established in paragraph 1 of Article 29 of the Law on the Electricity Sector, for registration in the Book of Registered Shares, it will be a requirement to deliver a statement of compliance issued by the shareholder or by their legal representative to the Company:
  - 1) detailing the shareholdings that they hold directly in the Company and, whether directly or indirectly (within the meaning defined in Article 5, paragraph 3 of these Articles), in the Company and in any other companies that are shareholders of the Company, and undertaking to update this statement immediately if they acquire new direct or indirect shareholdings, or increase existing ones, in any of said companies, and undertaking, as an individual or through their representative, as the case may be, not to enter into any syndication agreement with respect to all or part of its shares in the Company, regardless of the form or content of such an agreement, in order for the Company to verify compliance with the prohibition of syndication contained in Article 8.

#### **Article 7.- Rights conferred by the shares**

Each share confers to its legitimate holder the status of shareholder and attributes to them the rights established by the Law on Capital Companies and these Articles, and, in particular, the right to participate in the distribution of company profits and the equity resulting from the liquidation, the right of first refusal in the issuance of new shares or liabilities that can be converted into shares, the right to attend and vote at General Meetings, the right to contest company agreements in the terms established by law, and the right to information.

## **Article 8.- Ancillary obligations or those required by law**

1. The ownership of any share representing the capital stock of the Company shall be accompanied by the following ancillary obligations that are of a free and unpaid nature:
  - 1) The obligation of the shareholder to refrain from entering into any syndication agreement for all or part of their shares with any other Company shareholders, regardless of the form or content of such an agreement. This is except for the grouping of shares as set forth in Article 243 of the Law on Capital Companies for the purposes of the proportional appointment of directors of the Company.
  - 2) The obligation to make the statements and assume the commitments referred to in paragraph 3 of Article 6 of these Articles.
  - 3) The obligation to refrain from any action that leads to a breach of the limitations and prohibitions established in paragraph 2 of Article 5 of these Articles.

## **Article 9.- Restrictions on the transferability of shares.**

1. In any case of transfer of ownership of the Company's shares by any title, inter vivos, or causa mortis, including as a result of a judicial or administrative enforcement procedure, the Board of Directors may reject the transfer's entry in the Book of Registered Shares as regards the part of it that violates any provision of the Law on the Electricity Sector and/or its implementation rules, or any of the limitations on the ownership of shares established in these Articles.
- 2 Transfers made contrary to the provisions of this article or in violation of any of the ancillary services established in Article 8 of these Articles of Association shall not be enforceable against the Company. The Company will not recognize the acquirer for any purpose, not even in equity, with regard to such a transmission.

## **Article 10.- Special regime of new shareholders' access to the Company**

1. In accordance with article 29.1 of the Law on the Electricity Sector, in the event that any natural or legal person makes the Company aware of its intention to participate in the Company's capital, the Board

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- of Directors will submit this request to the General Meeting, along with the applicant's certification of whether or not to carry out activities in the electricity sector.
2. The General Meeting must accept the request submitted for a maximum number of shares equivalent to the average of the existing shares in the tranche that should correspond to the petitioner, and this becomes effective through one or several of the following procedures:
    - 1) The Company's intention to sell the corresponding shares against the treasury stock held by the Company, if any, or by any of its shareholders, as expressed at the General Meeting.
    - 2) The Company's capital increase through issuing new shares, provided that the limit of forty percent (40%) is respected and which may be entered into by subjects that carry out activities in the electricity sector.
  3. When applicants for shareholding in the Company's capital carry out activities in the electricity sector, a capital increase greater than that required may be agreed upon, provided that the intention to sign these shares by any of the shareholders who do not carry out electricity activities is expressed at the General Meeting.
  4. In any case, and in application of the aforementioned article 29.1 of the Law on the Electricity Sector, the shareholders' right of first refusal on the shares issued to meet the new requests for participation is excluded.

### **TITLE III: COMPANY BODIES**

#### **Article 11.- Company Bodies**

The Company shall be governed and administered by the General Meeting, the Board of Directors, and the President of the Company.

#### ***SECTION ONE*** **GENERAL MEETING**

#### **Article 12.- General Meeting**

The shareholders, constituted at a duly convened General Meeting, will decide on matters within the scope of the General Meeting by majority vote.

2. All shareholders, including dissidents and those who have not participated in the meeting, will be subject to the resolutions of the General Meeting, notwithstanding the rights and actions recognized by law.

### **Article 13.- Classes of Meetings**

1. General Meetings may be Ordinary or Extraordinary.
  2. The Ordinary General Meeting must meet within the first six (6) months of the fiscal year to approve, where appropriate, company management, the annual accounts, and the management report for the previous fiscal year, as well as to decide on the distribution of profits, notwithstanding its authority to make deals and agree on any other matter that appears on the agenda. However, the General Meeting will be valid even if it has been convened or is held after the deadline.
3. Any Meeting other than the one provided for in the previous paragraph will be considered an Extraordinary Meeting.
4. The General Meetings must be convened by the Company's managing body, either because it deems it advisable for the company's interests, or because a number of shareholders representing at least five percent (5%) of the capital stock have requested it, expressing in the request the issues to be addressed at the Meeting. In this case, the Meeting must be convened to be held within two (2) months of the date on which the administrators were officially notified, stating the issues that are the subject of the request on the agenda.

### **Article 14.- Convocation**

1. The convocation will be made by means of an announcement published on the Company's website, if this has been created, registered, and published in the terms provided for in the Law on Capital Companies. In the absence of a website in the aforementioned terms, they will be convened by the administrative body via an announcement published in the Official Gazette of the Mercantile Registry and in one of the most widely circulating newspapers in the region where the Company has its registered office, at least one (1) month prior to the date set for the meeting itself, except in cases where the law requires a different time period.
- 2 The convocation must contain the following details: the name of the Company; the date; the time and place of the meeting; the agenda, which



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will contain the issues to be addressed; and the name of the person or persons making this announcement, as well as their position. The place and date of the General Meeting may also be stated in a second convocation, if applicable. There must be at least a period of twenty-four (24) hours between the first and second convocations.

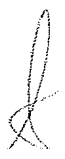
3. Shareholders representing at least five percent (5%) of the capital stock may request that a supplement to the notice for a General Meeting be published including one (1) or more items in the agenda. Exercising this right must be done by means of a reliable notification that must be received at the registered office within five (5) days following the publication of the convocation. The supplement to the convocation must be published at least fifteen (15) days in advance of the date set for the Meeting. Failure to publish the supplement for the convocation within the legally established deadline will be cause for nullifying the Meeting.
4. The provisions of this article shall have no effect when a legal provision sets forth different requirements for Meetings dealing with certain matters, in which case those specifically established must be observed.
5. Up to the seventh day prior to the date scheduled for the Meeting to be held, shareholders may request information or clarifications they deem necessary on the matters included in the agenda from the administrators, or ask any questions they deem pertinent in writing. The administrators will be obliged to provide the information in writing up until the day the General Meeting is held.
6. While the General Meeting is being held, Company shareholders may verbally request any information or clarifications they deem appropriate about the issues included in the agenda; if it is not possible to fulfill the shareholder's right at that time, the administrators will be obliged to provide any such information in writing within seven (7) days following the end of the Meeting.
7. Administrators shall be required to provide the information requested as outlined in the two (2) previous paragraphs, except any such information that is unnecessary for the protection of the shareholder's rights, or when there are objective reasons to believe that it could be used for purposes beyond the Company's scope or that its existence in the public domain could harm the Company or related companies. There will be no refusal of information when the request

is supported by shareholders representing at least one quarter (1/4) of the capital stock. The violation of the right of information will only empower the shareholder to demand compliance with the obligation of information and any damages that may have resulted for them, but it will not be cause for contesting the General Meeting. In the event of abusive or harmful use of the requested information, the shareholder will be responsible for the damages caused.

### **Article 15.- Universal Meeting**

Notwithstanding the provisions of the previous article, the Meeting shall be deemed to have been convened and shall be validly constituted to take up any matter, provided that all the capital stock is present and the attendees unanimously accept the holding of the Meeting and the agenda. The Universal Meeting may meet anywhere in the national territory or abroad.

### **Article 16.- Attendance at Meetings**

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1. The General Meeting may be attended by the titular shareholders of more than six thousand, six hundred sixty-six (6,666) shares listed in the Company's Book of Registered Shares with five (5) days' advance notice prior to when the Meeting is to be held. The titular shareholders of less than six thousand, six hundred sixty-six (6,666) shares may be grouped together, and their representation may be conferred on other shareholders who together have fifty (50) shares or more. Shareholders who have the right of attendance may be represented at the General Meeting by another person, even if that person is not a shareholder, in the manner established by articles 184 to 186, both inclusive, of the Law on Capital Companies. Administrators must attend the General Meetings.
  - 2 It will be possible to attend the Meeting via videoconferencing systems or by any other means that makes multidirectional interconnection possible and which allows the identification of attendees with sound and image in real-time, continual communication among them regardless of where they are, and intervention, casting votes, and the transmission or viewing of information and documents. The convocation will specify the possibility of attending via videoconference, specifying how this can be done.

### **Article 17.- Quorum.**

1. The General Meeting will be validly constituted on the first convocation when the shareholders who are present or represented possess the

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minus fifty-one (51%) of the votes of the share capital entitled to vote. On the second convocation, it will be validly called regardless of the capital present.

2. Shares with suspended voting rights will not be counted as present.

#### **Article 18.- Constitution of the committee and mode of deliberation**

1. The General Meeting will be presided over by the Chair of the Board of Directors, and, in their absence, by the director or shareholders who are freely appointed by the attending shareholders for each Meeting.

2. The Secretary of the Board of Directors shall act as Secretary of the Meeting or, in their absence, the Deputy Secretary, if any such role is filled.

In the absence of both, any director or shareholder freely appointed by the attending shareholders will act as Secretary of the Meeting for each Meeting.

3. If the presence of a Notary has been required, they will be part of the Board committee.
4. In the terms set forth by law, the list of attendees at the Meeting will be taken. Before commencing with the agenda, the list of attendees will be taken, with the name of the shareholders present being recorded, along with that of the shareholders represented and their representations, as well as the number of shares with which they attend. At the end of the list, the number of shareholders present or represented will be determined, as well as the amount of capital stock held by them, specifying those corresponding to the shareholders with voting rights. The Chair of the Board may arrange for the Secretary to be assisted by two (2) or more scrutineers in preparing the list of attendees. Appointing scrutineers shall be the responsibility of the Chair. If the list of attendees does not appear at the beginning of the minutes for the Meeting, it will be attached to it by means of an appendix signed by the Secretary, with approval from the Chair.
5. It is up to the Chair to direct the deliberations, giving the floor, in strict order of request, to all shareholders. Once the Chair considers a matter to have been discussed sufficiently, they shall put it to a vote.

6. Each item on the agenda will be put to a vote individually. At the General Meeting, those issues that are substantially independent should be voted on separately. In any case, even if they appear in the same agenda item, the following must be voted on separately: (i) the appointment, ratification, re-election, or separation of each administrator; (ii) in modifying the Articles of Association, that of each article or group of articles which have their own autonomy; and (iii) any matters in which this is provided for in the Articles.
7. The resolutions shall be adopted by a simple majority unless other majorities are required by law.
8. For purposes of complying with the legal prohibition established in article 29.1 of the Law on the Electricity Sector and in accordance with the provisions of article 179.2 of the Revised Text of the Law on Capital Companies, no person acting for themselves or by virtue of representation may exercise voting rights that exceed five percent (5%) of the capital stock with current voting rights. This restriction shall not apply when the representation is vested in the Chair of the Board of Directors.
9. No agreement may be adopted which opposes or violates the regime established for the Operator of the Electricity Market and for its operations by the Law on the Electricity Sector or by its implementing provisions.

#### **Article 19.- Minutes**

1. The Secretary shall keep minutes of each meeting, in which the resolutions adopted by the General Meeting shall be recorded. The Meeting minutes must be approved by the Meeting itself after it has been held and, failing that, within fifteen (15) days by the Chair and two (2) inspectors, one (1) representing the majority and the other the minority.
2. The minutes will be transcribed in the Company Minutes Book or preserved in any form permitted by law. The minutes, once approved, will be signed by the Secretary of the session, with the approval of whoever would have acted as Chair at that session.

### ***SECTION TWO*** **ADMINISTRATIVE BODIES**

#### **Article 20.- Administrative bodies**

The Company shall be administered, governed, and represented by a Board of

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Directors elected by the General Meeting and by the President of the Company.

### **Article 21.- On the Board of Directors**

1. The Board of Directors shall consist of a minimum of nine (9) and a maximum of eighteen (18) members.
2. The appointed administrators will hold their position for a period of five (5) years, notwithstanding their re-election, as well as the General Meeting's ability to proceed with their separation at any time.
3. It is not required to be a shareholder in order to be appointed as an administrator.
4. The position of administrator is paid.
5. The administrators will have the right to receive an annual fixed remuneration for performing their duties, the amount of which will be determined by the General Meeting.
6. Unless provided for otherwise by the General Meeting, the distribution of remuneration among the different administrators will be established by agreement of the Board of Directors. It will correspond to this body: (i) to determine the form and time of payment each fiscal year and (ii) to agree on the distribution among its members, for which purpose it must take into consideration the functions and responsibilities attributed to each director, membership to Board committees, and other objective circumstances that it deems relevant.
7. The Company will keep a civil liability insurance policy for the administrators in effect at all times to cover civil liability for damages that may arise from the operation of the Electricity Market or the Market Operator.
8. The remuneration provided for in this Article shall be compatible with and independent of the payment of fees or salaries that may be credited to the Company for the provision of services or for employment, as the case may be, arising from a contractual relationship other than that derived from the position of director, which will be subject to the legal regime that is applicable to them.

### **Article 22.- Operation of the Board of Directors**

1. The Board shall freely appoint the person who will fill the

position of Secretary for the administrative body, and it will also appoint a Deputy Secretary, if it deems it appropriate. Neither the Secretary nor the Deputy Secretary may be directors. The latter will attend the General Meetings and Board meetings with a voice and without a vote, unless they may have the right to vote because they hold the status of shareholder or director of the Company.

2. Each director may delegate their representation at meetings of the Board of Directors to another director. The appointment must be made in writing and specifically for each meeting.
3. In the event the Board Chair is absent, the oldest member will preside over the sessions.
4. The power to convene the Board belongs to its Chair or whoever takes their place, at least five (5) calendar days in advance of the date set for the meeting to be held. An exception to this is in the event that the meeting is convened on an urgent basis: this deadline for convening the meeting will be forty-eight (48) hours.
5. In any case, the Board shall meet one (1) time every two months. The Board of Directors will be convened by its Chair or whoever takes their place. The administrators who constitute at least one-third (1/3) of the members of the Board may convene it, providing the agenda, for it to be held in the location of the registered office if, upon request to the Chair, they have not convened it within one (1) month without justified cause. The convocation will be made in writing, personally addressed to each director, and it will be sent by any means that provides a record of the content of the notification and its receipt with sufficient time in advance of the date of the Board of Directors.
7. The Board meeting will be admitted without the need for convocation when all the directors are present and all of them agree to hold the meeting. The Board of Directors shall be validly constituted when the majority of its members are present or represented at the meeting.
8. Once the Chair considers a matter to have been discussed sufficiently, they shall put it to a vote. Each director will have one (1) vote. The agreements shall be adopted by an absolute majority of votes, except in cases where the law requires the agreements to have a higher majority. In the event of a tie, the Chair's vote shall decide the issue.

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9. No agreement may be made that opposes or violates the regime established for the Electricity Market Operator and for its operations by the Law on the Electricity Sector or by its implementing provisions.
10. Voting on the agreements in writing and without a session will be valid when no director opposes this procedure. For these purposes, each director's vote will be delivered to the Company's address within a period of at least forty-eight (48) hours before the request for the vote, which are extendable for another forty-eight (48) hours by any means that provides a record of the content of the notification and its receipt. In these cases, the Board meeting will be considered unique and held at the location of the registered office and on the date of receipt of the last of the votes cast.
11. Directors attending by videoconference or by conference call will be valid.
12. Meetings of the Board of Directors may also be held exclusively by videoconference, audioconference, and electronic means, regardless of the place where each of its members is located, provided that (i) none of the directors opposes this procedure, (ii) the directors have the necessary means to do so, (iii) and they recognize each other. In this case, the Board of Directors meeting will be considered unique and held at the location of the registered office.
13. The Board's decisions will be recorded in the minutes, which must be approved by the body itself at the end of the meeting or at the next one. The minutes shall be signed by the board Secretary of the board or the meeting, with the approval of the person acting as Chair at the meeting. The minutes will be transcribed in the Minutes Book.
14. The formalization of the agreements of both the Meeting and the agreements of the Board in a public instrument will be the responsibility of the Chair of the Board, as well as the Board's Secretary or Deputy Secretary, even if they are not directors.
15. If vacancies occur during the term for which the directors were appointed, the Board may appoint the persons who are to fill those vacancies from among the shareholders until the first General Meeting is held.

16. Under no circumstance will those powers included as non-delegable in the Law on Capital Companies be subject to delegation.

### **Article 23.- Disqualifications due to directors' conflicts of interests**

1. In order to avoid any practices contrary to the principles of transparency, objectivity, and independence as set forth in Article 29 of the Law on the Electricity Sector and in its regulatory development, in any case where a conflict of interest may arise for a director regarding a certain issue, the director in question will be absent, abstaining from participating in deliberation and voting on the agreements to which the conflict in question is related.
2. It will also be considered a conflict of interest when, in addition to the situations expressly provided for by law:
  - 1) The Board of Directors is debating any decision specifically related to an entity for which the director in question is a member of its board of directors, or in which they hold senior management or administrative roles, or with which they have any kind of relationship, whether direct or indirect, or
  - 2) The decision being discussed affects, whether directly or indirectly but specifically, a natural or legal person other than those indicated in the previous point but who is part of the same group of companies as they find themselves in one of the situations mentioned in Articles 42 to 46, inclusive, of the Commercial Code.
  - 3) Regarding the adoption of the decision being debated with respect to which a situation of conflict of interest arises, for purposes of quorum and majority for the adoption of resolutions, the affected director or directors shall be considered not present at the meeting, nor, if they have delegated their vote, shall they be represented at the meeting.

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

1. The Board of Directors is responsible for the representation and management of the Company, in accordance with the provisions of the law and in everything that is not within the authority of the General Meeting.





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2. The Board of Directors may create an audit and compliance commission; an appointments, remuneration, and sustainability committee; and/or other purely internal committees or commissions with the duties determined by the Board of Directors itself. The Chair and the remaining members of those committees and/or commissions, as well as their Secretaries, shall be appointed by the Board of Directors by an absolute majority.
  
3. The commissions will be governed by the provisions of these Articles of Association and the Regulations of the Board of Directors and, where appropriate, the specific regulations, when relevant, which must be approved by the Board of Directors and, as a supplement, to the extent that they are not incompatible with their nature, due to the provisions regarding the operation of the Board of Directors and, in particular, with regard to the convocation of meetings, delegation of representation for another member of the commission in question, constitution, non-convened meetings, signing and regime of adoption of resolutions, written and non-session votes, and approval of meeting minutes.

#### **Article 25.- On the President of the Company**

1. The Chair of the Board of Directors is appointed and dismissed at the General Shareholders' Meeting by a two-thirds (2/3) majority.
  
2. The Chair of the Board shall be the President of the Company and of all its governing and administrative bodies. It will be their responsibility to ensure that the agreements of the Board, which they continuously represent, are complied with.
  
3. The power of representing the Company in and out of court rests with, in addition to the Board of Directors, the President of the Company.
  
4. They have senior management of all the Company's services and carry the signature and representation of it in all matters.
  
5. By statutory delegation, the modification of which will require the regime of quorum and majorities established for the modification of these Articles, the President of the Company has, notwithstanding the other authorities delegated to them by the Board of Directors, the following authorities:
  - 1) Directing the Company's operations and performing any actions necessary for the normal day-to-day operation of the Electricity Production Market.

- 2) Carrying out any action needed for urgent reasons, including discontinuing procurement on the Market, in part or in whole, and immediately notifying the Board of Directors and the supervising bodies.

#### **TITLE IV: FISCAL YEAR, ACCOUNTING DOCUMENTS, AND DISTRIBUTION OF PROFITS**

##### **Article 26.- Corporate fiscal year**

The corporate fiscal year will begin on January 1st and end on December 31st of each year. As an exception, the first business year will begin on the date when the Company began its activities after the certificate of incorporation has been granted and will end on the thirty-first of December of the same year.

##### **Article 27.- Preparing accounts**

1. Within the maximum period of the first three (3) months of each fiscal year or, where appropriate, the period determined by law, the Board of Directors will prepare and sign the annual accounts and the management report, as well as the proposed distribution of profits.
2. From the time of the convocation until the Meeting is held, any shareholder has the right to obtain the documents that must be submitted for their approval immediately and free of charge, as well as, where appropriate, the management report and the account auditors' report, with this right being noted in the convocation of the General Meeting.

##### **Article 28.- Account auditing**

The auditors will have at least one (1) month from the date the signed accounts are delivered to them to submit their report.

##### **Article 29.-Approval of the accounts and distribution of profits**

1. The annual accounts and the management report, as well as the consolidated accounts and the management report, if applicable, shall, where appropriate, be submitted to the examination and information of the auditors referred to in Article 263 and those that follow in the Law on Capital Companies. The auditors shall be appointed by the Board before



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the end of the fiscal year to be audited, for an initial period of time that may not be less than three (3) years nor more than nine (9).

2. In any case, if appointing auditors is not required in accordance with the provisions of current legal regulations, the aforementioned documents will also be submitted to an independent auditor appointed by the General Meeting for review. This appointment shall be recorded in the Commercial Register.
3. The General Meeting will approve the annual accounts and the management report, and it will determine the distribution of profits in accordance with the approved balance sheet.
4. After the approval of the annual accounts and the management report for each fiscal year, and after covering the endowment for the legal reserve and making the corresponding deductions for any other endowments or mandatory contributions that may be due, where appropriate, any net profits will be distributed as dividends to the shareholders in proportion to their shares.
5. The administrative body may set the distribution of amounts on account of dividends, with the limitations set by law.

### **Article 30.- Record of accounting documents**

Within one month following the approval of the annual accounts and management report by the Ordinary General Meeting or, where appropriate, within the period established by law, these documents will be submitted, along with the appropriate certification accrediting their approval and distribution of profits, along with the auditors' report, if applicable, for recording in the Commercial Registry in the manner determined by law.

## **TITLE V: DISSOLUTION VS LIQUIDATION OF THE COMPANY**

### **Article 31. - Causes of the Company's dissolution**

- 1; The Company shall be dissolved by the agreement of the General Meeting adopted at any time with the requirements provided for by law and for the other causes set forth in the law.
- 2 When the Company must be dissolved for legal reasons that require the agreement of the General Meeting, the administrative body must convene it within two (2) months from the concurrence of that cause to adopt the dissolution agreement.

## **Article 32.- Rules and manner of liquidation**

1. Once the Company is dissolved, the liquidation period will open, except in the event of a merger, a complete demerger, or any other global transfer of assets and liabilities.
2. As proposed by the administrative body, the General Meeting will determine the form of liquidation and appoint one (1) or more liquidators, always an odd number, whose powers it shall determine. This appointment brings an end to the powers of the administrative body.
3. During the liquidation period, the General Meeting will retain the same powers as during the normal life of the Company, and it will notably have the power to approve the accounts and the final liquidation balance sheet.

## **. TITLE VI: OTHER PROVISIONS**

### **Article 33.- Scope of these Articles**

These Articles govern the relationships between shareholders and between them and the Company exclusively in the corporate sphere regulated by the Law on Capital Companies and the Commercial Code, but they do not, in any way, govern the relationships, contractual or otherwise, that may exist among the shareholders themselves, or between the shareholders and the Company, as buyers and/or sellers in the Electricity Production Market and Market Operator, respectively. These relationships will be governed by their own regulatory rules, in particular by the Law on the Electricity Sector and its implementation rules.