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CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A.

NOTICE OF SIGNIFICANT EVENT

Pursuant to the provisions of article 17 of Regulation (EU) No. 596/2014 of 16 April 2014 on market abuse, and of article 228 of the consolidated text of the Securities Market Act, enacted by Royal Legislative Decree 4/2015 of 23 October and supplementary regulations, the company Construcciones y Auxiliar de Ferrocarriles, S.A. ("CAF" or the "Company") hereby reports on the agreements adopted by the Ordinary General Meeting of Shareholders, held on 2 June 2018, at 12:00 hours, at its registered offices.

The Meeting was attended by 193 shareholders, of which 9 were present in person, representing 25,53% of the subscribed capital with voting rights, and 184 by proxy, representing 49,17% of the subscribed capital with voting rights. Therefore, the meeting was attended by 193 shareholders, either in person or by proxy, holding 25.606.451 shares, representing 74,70% of the subscribed capital with voting rights and amounting to 7.707.541,75 euros.

All the items on the agenda were approved as follows:

One:

Approve the annual accounts (balance sheet, profit and loss account, statement of changes in shareholders' equity over the financial year, cash flow statement and annual report) and the company management report and that of its consolidated group management report, for financial year 2017, as well as the corporate management of the same.

Two:

Resolve on the distribution of profit of Construcciones y Auxiliar de Ferrocarriles, S.A. corresponding to financial year 2017, as follows:

Balance from the profit and loss account..... €10,333 thousand

Voluntary reserves..... €12,292 thousand

Distribution

To Dividends..... €22,625 thousand

Consequently, the distribution of a gross dividend of €0.66 per share, payable on 2 July 2018, with any applicable withholding taxes.



Three:

Re-elect DELOITTE, S.L., a company with registered offices in Madrid, Plaza Pablo Ruiz Picasso, 1, Torre Picasso, with Tax Identification Number (N.I.F.) B-79104469 and entry no. S0692 in the Official Register of Account Auditors, for one year as the auditor of the individual annual accounts of Construcciones y Auxiliar de Ferrocarriles, S.A. and for the consolidated annual accounts of Construcciones y Auxiliar de Ferrocarriles, S.A. and the Company's Subsidiaries. In other words, for the individual and consolidated annual accounts for the financial year ending on 31 December 2018.

Four: Re-election and ratification of Directors

4.1. Re-elect Mr Andrés Arizkorreta García as Executive Director, for a four-year term.

4.2. Re-elect Mr Luis Miguel Arconada Echarri as Other External Director, for a four-year term.

4.3. Re-elect Mr Juan José Arrieta Sudupe as Independent Director, for a four-year term.

4.4. Ratify the appointment by co-option of Ms. Ane Agirre Romarate as Independent Director, for a four-year term.

Five: Amendment of the Articles of Association

5.1. Amend article 16 of the Articles of Association and include new article 22 bis, for the purpose of regulating remote participation in the General Meeting of shareholders, pursuant to the provisions of articles 182, 184, 189, 515 and 521 of the Corporate Enterprise Act.

Attached hereto is the full text of the amendments made.

5.2. Amend article 34 of the Articles of Association for the purpose of aligning the powers of the Board of Directors that cannot be legally or statutorily delegated with the listing established in articles 249 bis and 529 ter of the Corporate Enterprise Act.

Attached hereto is the full text of the modified article.

5.3. Amend article 37 bis of the Articles of Association for the purpose of adapting it to the new additions introduced in article 529 quaterdecies of the Corporate Enterprise Act, by Act 22/2015 of 20 July on Account Auditing.

Attached hereto is the full text of the modified article.

Six: Amendment of the General Meeting Regulations

6.1. Once approved the agreement submitted for the consideration of the General Meeting under section 5.1 of the agenda, amend article 6 and include a new article 9 bis in the General Meeting Regulations in order to regulate and develop remote participation in the General Meeting.



Attached hereto is the full text of the modifications made.

6.2. Amend articles 12 and 13 of the General Meeting Regulations to include improvements in relation to the compilation of the attendance list and the constitution of the meeting.

Attached hereto is the full text of the amended articles.

6.3. Amend article 15 of the General Meeting Regulations to allow the delegation of certain powers regarding the running of the Meeting.

Attached hereto is the full text of the amended article.

6.4 Amend article 16 of the General Meeting Regulations to facilitate the procedures prior to voting on resolutions.

Attached hereto is the full text of the amended article.

Seven:

Delegate to the Board of Directors the power to increase the share capital on one or more occasions by issuing new shares and with a charge to monetary contributions for a term of 5 (five) years and up to half of the share capital at the time of this authorisation, which would involve, where appropriate, up to a maximum of €5,159,252.87, pursuant to article 297.1.(b) of the Spanish Corporate Enterprise Act; and to establish the terms and conditions of the capital increase and characteristics of the shares, to redraft the share capital-related article of the articles of association, and to freely offer the new, unsubscribed shares within the preferential subscription term or terms, and to establish that the capital shall be increased only by the amount of the subscriptions made, should subscription be incomplete.

To revoke and invalidate the delegation granted by the meeting held on 8 June 2013, as item six on the agenda.

Eight:

To approve, by advisory vote, the Annual Report on the Remuneration of the Directors, corresponding to the financial year 2017.

Nine:

To empower the Company Board of Directors to execute the aforementioned agreements, with the broadest powers required by Law, as well as to clarify, remedy, or complete the said agreements, in view of the verbal or written notification of the Registrar of Companies and to empower without distinction, jointly and severally, Mr Andrés Arizkorreta García and Ms. Marta Baztarrica Lizarbe, the Chairman and Secretary of the Board, respectively, to appear before a Notary in order to execute the corresponding public deed, taking any necessary steps to effect the registration in the



Business Register, even partially, of any agreements passed by this General Meeting, and which were declared to be not registrable."

Ten:

To approve the minutes of the meeting, once these have been drawn up and read out at the end of the meeting.

In Beasain, on 4 June 2018.



FULL TEXT OF THE ARTICLES OF THE ARTICLES OF ASSOCIATION THAT HAVE EITHER BEEN MODIFIED OR ADDED AS A RESULT OF THE AGREEMENTS ADOPTED UNDER POINTS FIVE ONE, FIVE TWO AND FIVE THREE OF THE AGENDA¹

- **Article 16 of the Articles of Incorporation** is now worded as follows:

Art. 16 Notice of Meeting

The General Shareholders' Meeting shall be called by means of a notice published in (i) the Official Journal of the Registry of Companies or one of the daily newspapers with the largest circulation in Gipuzkoa, (ii) on the National Securities Market Commission website, and (iii) on the website of the Company itself, at least one month in advance of the date set for holding the meeting, notwithstanding those cases where the law permits calling the Meeting with a different notice.

The announcement must state the date and time of the meeting on first call and all the items on the agenda. Likewise, the notice may specify the date of the meeting on second call, should this be necessary, with at least 24 hours between the first and second calls.

Shareholders who represent at least three percent of the share capital, may request that a supplement be published to the Notice of the Annual General Meeting, to add one or more items to the agenda, provided that the new items are accompanied by a justification or, where appropriate, by a reasoned motion. Under no circumstances shall it be possible to exercise the said right with regard to the calling of extraordinary general meetings. This right must be exercised by notification by recorded delivery, which must be received at the Company's registered offices within five days from the date of publication of the initial notice of meeting. The supplement to the meeting announcement must be published with at least fifteen days' notice prior to the date set for holding the General Shareholders' Meeting. Failure to publish the supplementary notice within the deadline established by law shall be grounds for contesting the General Meeting.

Shareholders representing at least three per cent of the share capital may, within the same deadline indicated in the paragraph above, submit reasoned motions for resolution on items either already included, or which ought to be included, on the agenda of the meeting called. The Company shall ensure that the rest of the shareholders are informed of such motions for resolution, with the attachment of any appropriate documentation, in accordance with the provisions of Law.

¹ An explanatory report by the Board of Directors providing a comparison between the former version and the proposed modification of each one of the articles of the Articles of Association, is available for consultation on the corporate website www.caf.net.



The announcement of the Annual General Shareholders' Meeting shall expressly mention the right of any shareholder to immediately obtain the documents that shall be submitted for approval and the auditor's report from the Company free of charge.

Shareholders' Meeting must adopt a resolution on modifying the Articles of Association, the Meeting announcement must state, with all due clarity, the Articles that shall be modified and the right of any shareholder to examine the full text of the proposed modification and the report related thereto at the registered office, as well as to request that such documents be delivered or sent to the shareholder.

The Meeting Notice shall also describe the deadlines, forms and ways of exercising the right to vote and the delegation of voting rights provided by the directors for the orderly development of the meeting.

- **Article 22 bis of the Articles of Incorporation** is added, which reads as follows:

Art. 22 bis Remote participation at the Meeting

Attendance at the general meeting and voting on the proposals on the agenda of any type of general meeting may be exercised directly or delegated by the shareholder through postal and electronic mail or by any other means of remote communication, under the terms of the current Articles of Association and the General Meeting Regulations, provided that in all cases the identity of the attendee or voter is duly guaranteed as well as the security of the electronic communications.

The Board of Directors is empowered to adapt the foregoing provisions, establishing the appropriate rules, means and procedures in accordance with the state of the art to implement voting and granting representation by electronic means, including the applicable precedence and conflict rules, while adjusting to the rules established for that purpose, where appropriate.

Shareholders who cast their votes remotely must be considered as attending for the purpose of constituting the meeting.

Remote attendance at the General Meeting of Shareholders by simultaneous electronic means, and the remote casting of an electronic vote during the General Meeting of Shareholders may be accepted if so established in the Rules of the General Meeting of Shareholders, subject to the requirements provided for therein."

- **Article 34 of the Articles of Incorporation** is now worded as follows:

Art. 34. Powers of the Board of Directors



The Board of Directors is vested with the widest powers to manage, govern and act on behalf of the Company in all matters concerning the company's trade or business with no limitations other than those reserved by law or by these Articles of Association, for the competence of the General Shareholders' Meeting. The Board of Directors, in any case, may not delegate the following decision-making powers:

- a) Supervision of the effective procedures of any committees that it may have created and of the action of the delegated bodies and any directors appointed.*
- b) Determination of the Company's general policies and strategies.*
- c) Authorisation or release from those obligations resulting from the duty of loyalty, according to the provisions of article 230 of the Spanish Corporate Enterprise Act.*
- d) Its own organisation and procedures.*
- e) Preparation of the annual accounts and their submission to the General Meeting.*
- f) Preparation of any type of report that the Board of Directors is required to prepare by law, provided that the operation referred to in the report cannot be delegated.*
- g) Appointment and dismissal of the Company's executive directors, in addition to the establishment of the terms and conditions of their contracts.*
- h) Appointment and dismissal of the executives reporting directly to the Board or one of its members, as well as the establishment of the basic terms and conditions of their contracts, including remuneration.*
- i) Decisions relating to the remuneration of the directors, within the framework of the company bylaws and the remuneration policy approved by the General Meeting.*
- j) Calling the General Shareholders' Meeting and drawing up the agenda and proposal for resolutions.*
- k) Policy relating to treasury stock.*
- l) Approval of the annual strategic or business plan, management objectives and budget, the investment and financing policy, the corporate social responsibility policy and the dividends policy.*



- m) *Determination of the risk management and control policy, including tax risks, and supervision of the internal reporting and control systems.*
- n) *Establishment of the corporate governance policy for the Company and for the group of which the Company is the controlling entity; its organisation and operation and, in particular, approval and amendment of its own rules.*
- o) *Approval of the financial information which, being listed, the Company must periodically make public.*
- p) *Definition of the structure of the group of companies, of which the Company is the controlling entity.*
- q) *The approval of the investments or operations considered to be strategic or having a special taxation risk based on their high amount or special characteristics, unless their approval pertains to the General Shareholders' Meeting;*
- r) *The approval of the creation or acquisition of shares in special purpose vehicles or entities resident in jurisdictions considered tax havens, and any other transactions or operations of a comparable nature whose complexity might impair the transparency of the Company and its group.*
- s) *Approval, subject to a report from the Audit Committee, of any transactions made between the Company or group companies and directors, in the terms established by articles 229 and 230 of the Spanish Corporate Enterprise Act, or with shareholders who, either individually or in partnership with others, have a significant shareholding, including shareholders represented on the Board of Directors of the company or of other companies forming part of the same group or with related parties. The directors affected or who represent or are related to the shareholders affected, must refrain from taking part in the discussion and voting of the agreement in question. Only those operations that simultaneously comply with the following three characteristics are exempt from this approval:*
 - 1. they are made pursuant to agreements based on standard conditions applied on an across-the board basis to a large number of clients.*
 - 2. they are made at rates or prices, generally set by the person supplying the goods or services; and*
 - 3. their amount should not be more than one per cent of the Company's annual revenue.*



- t) *Determination of the Company's fiscal strategy.*
- u) *Any powers delegated to the Board of Directors by the General Meeting, unless expressly authorised by the Meeting to sub-delegate such powers.*

In duly justified, urgent circumstances, the decisions corresponding to the matters included in letters l) to t) above may be adopted by the bodies or persons delegated. Such decisions must then be ratified at the first Meeting of the Board of Directors to be held following the adoption of the decision.”

- **Article 37 bis of the Articles of Incorporation** is now worded as follows:

Art. 37 bis of the Audit Committee

1. The Board of Directors shall set up an Auditing Committee. The Board of Directors shall approve the Rules of the said Committee and shall determine its duties and the procedures required to perform the same, and must promote independence in carrying out its duties.

2. The Audit Committee shall have at least three directors, who shall be appointed by the Company's Board of Directors from amongst the non-executive directors, most of which, at least, must be independent directors and one must be appointed on the basis of his knowledge and experience in accountancy, audits, or both. The Committee members taken as a whole shall have the relevant technical knowledge for the business sector the Company belongs to.

3. The Board of Directors shall also appoint a Chairman from amongst those members who are independent directors of the Committee. The position of Chairman cannot be held for a term of more than four years, although the same person may be re-elected to the post once one year has elapsed since stepping down from office.

4. The Audit Committee shall adopt its resolutions by the absolute majority of the concurrent members, either in person or by proxy.

5. The Audit Committee shall have the functions which result from its specific Regulations, and, shall be at least the following:

i) Report to the General Meeting of Shareholders on any matters raised and which are competence of the Committee and, in particular, on the audit results, explaining how this has contributed to the integrity of the financial information and the role that the committee has played in this process.

ii) Supervise the effectiveness of the Company's internal control, the internal audit and the risk management systems, and to discuss with the accounts auditor any



significant weaknesses in the internal control system detected during the audit, all this without violating its independence. For such purposes, and where appropriate, recommendations or proposals may be submitted to the board of directors with the appropriate deadline for follow-up.

iii) Supervise the process for the preparation and presentation of the mandatory financial information and present recommendations or proposals to the administrative body, directed at safeguarding its integrity.

iv) Submit to the board of directors proposals for the selection, appointment, re-election or substitution of the accounts auditor, being responsible for the selection process, pursuant to the provisions of the applicable rules and regulations, as well as his employment conditions, and to regularly require him to provide information on the audit plan and its implementation, as well as safeguarding his independence in the performance of his duties.

v) Establish the appropriate contact with the external auditor in order to receive information about any issues that may threaten his independence, for consideration by the committee, and any other matters related to the process of auditing the accounts and, where applicable, the authorisation of services other than those that are prohibited, in the terms contemplated in the applicable legislation, as well as any other communications provided for in the account auditing legislation and in the auditing standards and regulations. In any case, every year it shall be necessary to receive the external auditors' statement of independence regarding the entity or entities related directly or indirectly thereto, as well as the information on any additional service rendered and the relevant fees paid by these entities to the external auditor or to the persons or entities related thereto, as established by legislation that regulates the account auditing activity.

vi) Annually issue, prior to the issuing of the audit report, a report that expresses an opinion on whether the independence of the auditors or auditing companies is compromised. This report shall contain, as applicable, the reasoned appraisal of each and every one of the additional services rendered referred to in the previous letter, both individually and as a whole, other than those related to the statutory audit and pursuant to the independence regime or auditing regulations.

vii) Report to the Board of Directors in advance on all matters provided for by Law, these Articles of Association and the rules of the Board and, in particular, on:

- 1. Financial information that the company must regularly make public.*
- 2. the creation or acquisition of equity interests in special purpose entities or entities domiciled in countries or territories that are considered to be tax havens; and*
- 3. Operations with related parties.*



The provisions of letters iv), v) and vi) of the section above shall be understood to be without prejudice to the regulatory guidelines on the auditing of accounts.

6. In addition to the Committees referred to in the previous sections of this article and the following article, the Board of Directors may set up any other Committees as it may deem necessary to provide assistance for issues related to the matters within its competence.”



FULL TEXT OF THE ARTICLES OF THE GENERAL MEETING REGULATIONS THAT HAVE EITHER BEEN MODIFIED OR ADDED AS A RESULT OF THE AGREEMENTS ADOPTED UNDER POINTS SIX ONE, SIX TWO, SIX THREE AND SIX FOUR OF THE AGENDA²

- **Article 6 of the Rules of the Regulations of the General Meeting of CAF** is now worded as follows:

"Article 6. Notice of meeting

All General Meetings, whether ordinary or extraordinary, must be called by notice in (i) the Official Gazette of the Companies' Register in one of the largest circulation daily newspapers in the province of Guipuzcoa, (ii) on the National Securities Market Commission website, and (iii) the Company website itself, at least one month before the date set for holding the Meeting, notwithstanding those cases in which the law permits calling the Meeting with a different term of notice. The notice shall state all the items on the agenda and may specify the date and time at which, should this be necessary, the Meeting will be held on second call, with at least 24 hours between the first and second calls.

Shareholders who represent at least three percent of the share capital, may request that a supplement be published to the Announcement of the Annual General Meeting, to add one or more items to the Agenda, provided that the new items are backed-up with supporting reasons, or else, with a justified resolution proposal. Under no circumstances shall it be possible to exercise the said right with regard to the calling of extraordinary General Meetings. This right must be exercised by means of an irrefutable notification to be received at the corporate seat within five days of the date of publication of the notice. The supplement to the meeting announcement must be published with at least fifteen days' notice prior to the date set for holding the General Shareholders' Meeting. Failure to publish the supplement to the meeting announcement within the legally stipulated term shall be grounds to contest the Meeting.

Shareholders representing at least three per cent of the share capital may, within the same deadline indicated in the paragraph above, submit reasoned motions for resolution on items either already included, or which ought to be included, on the agenda of the meeting called. The Company shall ensure that the rest of the shareholders are informed of such motions for resolution, with the attachment of any appropriate documentation, in accordance with the provisions of Law.

The announcement of the Ordinary General Shareholders' Meeting shall expressly mention the right of any shareholder to immediately obtain the documents that shall

² An explanatory report by the Board of Directors providing a comparison between the former version and the proposed modification of each one of the articles of the Regulations of the General Meeting, is available for consultation on the corporate website www.caf.net.



be submitted for approval and the auditor's report from the Company free of charge. When the General Meeting must adopt a resolution on modifying the Articles of Association, the summons announcement must state, with all due clarity, the points that shall be modified and the right of any shareholder to examine the full text of the proposed modification and the report related thereto at the registered office, as well as to request that such documents be delivered or sent to the shareholder.

The Meeting Notice shall also describe the deadlines, forms and ways of exercising the right to vote and the delegation of voting rights provided by the directors for the orderly development of the meeting.

- **Article 9 bis of the Regulations of the General Meeting of CAF** is added, which reads as follows:

"Article 9 Bis. Remote attendance at the Meeting

The vote on the proposals of items of any kind included in the agenda may be exercised or delegated by the shareholder through postal or electronic mail or any other means of remote communication, under the terms of the current Articles of Association and the General Meeting Regulations, provided that the identity of the participant or voter is duly guaranteed as well as the security of the electronic communications.

The vote or proxy vote implemented by postal mail shall be implemented by sending the form for remote voting or proxy vote form, as applicable, issued by the entity itself and available from its website. Alternatively, the attendance cards or voting delegation forms issued by the share depository entity or by any of the participating entities in "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, SA Unipersonal" (IBERCLEAR) may be used. Delivery must be by certified mail with acknowledgement of receipt and must be duly completed in accordance with the instructions accompanying the form.

The vote or proxy vote implemented by electronic communication shall be admitted by electronic mail or any other means of remote communication as the Board of Directors may decide when calling the General Meeting. It shall be issued under a recognized electronic signature or other kind of guarantee that the Board of Directors considers appropriate to ensure the authenticity and identification of the shareholder exercising the right to vote.

For its validity, the votes or proxy votes cast by any of the means provided for in the previous sections must be received by the Company at least 24 (twenty-four) hours before the established time and date of the General Meeting at first call.

The Board of Directors is empowered to adapt the foregoing provisions, establishing the appropriate rules, means and procedures in accordance with the



state of the art to implement voting and granting representation by electronic means, including the applicable precedence and conflict rules, while adjusting to the rules established for that purpose, where appropriate. In particular, the Board of Directors may regulate the use of alternative guarantees to the electronic signature used for issuing or delegating electronic votes; reduce the notice period established for the Company to receive remote or proxy votes, or authorise the Chairperson and Secretary of the General Shareholders' Meeting or their delegates to allow the aforementioned votes or representations received after said period, to the extent permitted by the available means.

Shareholders who cast their votes remotely must be considered as attending for the purpose of constituting the meeting.

Attendance in person at the General Meeting shall mean the revocation of the vote sent by post or by e-mail by the relevant Shareholder as well as the revocation of any proxy conferred by any means.

For anything not previously provided for in this article, those provisions of article 9 of this Regulation and compatible with the regulation for remote participation, shall be applicable in a suppletive capacity."

This agreement shall come into effect as soon as the agreement to modify the Articles of Incorporation approved by the General Meeting under section 5.1 of the agenda has been approved, executed and registered in the Companies' Registry.

- **Article 12 of the Regulations of the General Meeting of CAF** is now worded as follows:

"Article 12. List of attendees

In order to attend the General Meeting and be part of the quorum, Shareholders or their proxies must hand over to the Shareholder registration personnel, at the entrance to the meeting premises, the appropriate attendance or proxy cards, and, if applicable, the proxy accreditation documents, which shall give attendees the right to be included in the list of attendees. At the Company's convenience, other technical means deemed appropriate may be used to register attendance. If a Shareholder who has already arranged for a proxy vote attends personally, then the Shareholder shall be provided with an attendance card and the proxy shall be revoked and declared null and void.

Attendance and proxy cards shall cease to be admitted after the time set for the start of the General Meeting, unless there is an express provision to do otherwise in these Rules or a shorter time in advance is set in the notice of the Meeting. Once the deadline for admitting the attendance and proxy cards has ended, then any Shareholders subsequently appearing at the meeting shall not be considered as part of the quorum of the General Meeting, although they may attend as guests.



Before dealing with the items on the agenda, the Secretary shall draw up either a temporary or definitive attendance list, stating the number of shareholders present, specifying whether each one is present in person or by proxy, as well as the number of shares held in person or by proxy by each attendee. The number of shareholders present or represented, as well as the amount of the capital of the shareholders.

The General Meeting may be constituted when the provisional list of attendees shows that a quorum is established in accordance with the Law or Articles of Association, where appropriate. In this case, the final list shall be closed before voting on the proposed resolutions.

During the General Meeting, any Shareholder with the right to attend can consult the list of attendees without this delaying or postponing the normal holding of the meeting. The Panel of the Meeting shall not be obliged to read the list of attendees to the General Meeting or provide a copy of this list during the General Shareholders' Meeting, notwithstanding the right of the attendees to object or protest about the content of the General Meeting or its compliance with constitution requirements.”

- **Article 13 of the Regulations of the General Meeting of CAF** is now worded as follows:

"Article 13. Holding the General Shareholders' Meeting

Once the Board and the list of attendees have been established, whether provisional or definitive in accordance with the provisions of article 12, the Chairperson shall give the floor to the Secretary, who shall provide information about attendance numbers and whether the quorum required by the Law or Articles of Association for the constitution of the General Meeting and adoption of all the Agenda agreements has been established; after this, the Chairperson shall declare the General Meeting validly constituted, if applicable.

If the attendance list was drawn up with provisional data, then the Secretary shall subsequently close the list with the definitive data and shall report on the same. Once the foregoing information has been publicly given, the Chairperson shall ratify the valid constitution of the General Shareholders' Meeting on first or second call, as applicable, after which the resolutions shall be voted on.”

- **Article 15 of the Rules of the General Meeting of CAF** is now worded as follows:

"Article 15. Powers of the Chairperson

The Chairperson steers and presides over the General Assembly, and the Chairperson's roles shall be exercised with the following powers:

- a) Govern the deliberations and control Shareholder interventions in the terms laid down in the previous article.*



b) When applicable, agree on the extension of the initially allotted time slot for Shareholder intervention.

c) When applicable, limit interventions regarding specific items on the Agenda to a maximum of two shareholders in favour of and two shareholders against the Board's proposals.

d) Moderate Shareholders' speeches, with the possibility of asking them questions to clarify queries that have not been included or which have not been adequately explained in the intervention.

e) Call to order speaking Shareholders to ensure that their comments are limited to the matters on the Agenda and that adequate courtesy is ensured by the speakers, with no inappropriate, abusive or filibustering remarks or remarks intent on disrupting the normal meeting procedures. To this regard, the Chairperson can inform speakers that their speaking time is coming to an end so that they can adjust their speech appropriately. Also, once the time limit has been reached and if the speaker tries to continue the Chairperson can interrupt the speaker in accordance with the provisions in section g).

f) Declare when a matter has been discussed sufficiently and to proceed to a vote.

g) Interrupt speakers when the allotted time for each intervention is up, or, when, in spite of warnings having been made in accordance with previous sections d) and e), the Shareholder ignores them. On exercising this power, the Chairperson can ask the Shareholder to leave the room if this repeatedly fails to follow orders, and can also take any appropriate measures to ensure the Shareholder leaves the room. The Chairperson shall never allow anyone to speak once voting has begun for each agreement proposal.

h) Declare the result of the votes.

i) Resolve queries that may arise during the General Meeting regarding rules established in these Regulations.

Notwithstanding the above, the Chairperson may delegate the exercise of the powers included in Sections (h) and (i) above to the Secretary as considered appropriate."

- **Article 16 of the Rules of the General Meeting of CAF** is now worded as follows:

"Article 16. Passing of resolutions.

In general, the resolutions shall be adopted by a simple majority of the votes of the shareholders present in person or by proxy at the Meeting. A resolution shall be



understood to have been passed when more votes of the capital present or represented are obtained in favour than against.

If the capital present or represented exceeds 50%, an absolute majority is sufficient for the resolution of the following to be adopted: The issue of convertible bonds into shares or bonds that give the bondholders a share in corporate profits; an increase or reduction in capital; the suppression or limitation of the right of pre-emption of new shares; the transformation, merger or de-merger of the Company or the global assignment of assets and liabilities; the transfer of the headquarters abroad; and, in general, any amendment of the Articles of Association. However, a favourable vote of two-thirds of the capital present in person or by proxy at the Meeting is required if the second call is attended by Shareholders representing less than 50% but at least 25% of the subscribed capital with the right to vote. Notwithstanding the fact that, based on the Chairperson's judgement, alternative systems can be used, voting in the Assembly for proposed agreements shall be made in accordance with the following procedure:

a) When voting for the proposals for agreement of matters on the Agenda abstentions shall be counted as votes against. To this regard, votes in favour shall be those corresponding to all present and represented shares, deducting those votes corresponding to shares whose holders or representatives have voted against, blank or abstained.

a) When voting for the proposals for agreement of matters not included on the Agenda abstentions shall be counted as votes in favour To this regard, votes against shall be those corresponding to all the present and represented shares, deducting those votes corresponding to shares whose holders or representatives have voted in favour, blank or abstained.

Regardless of the system used to determine votes, verification provided by the Officers of the Meeting of a sufficient number of votes in favour to achieve the majority required in each case permits the Chairperson to declare the corresponding motion as passed.

There shall be no requirement to read the notice of meeting or each motion put forward or any other document in relation to the General Meeting if these texts have already been made available to shareholders as of the publication date for the notice of meeting or a supplement thereof, unless so requested by a shareholder.”
