



**INTERNAL REGULATION OF CONDUCT
IN THE SPHERE OF SECURITIES MARKETS**

CORPORACIÓN FINANCIERA ALBA, S.A.

14 November 2016 (*)

(*) Modifications approved by the Board of Directors on 30 March 2020

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TRANSITIONAL PROVISIONS

INTERNAL REGULATION OF CONDUCT IN THE SPHERE OF SECURITIES MARKETS OF CORPORATION FINANCIERA ALBA, S.A.

This Internal Regulation Conduct (the "**Internal Regulation of Conduct**" or the "**Regulation**") of **Corporación Financiera Alba, S.A.** or the "**Company**" and the companies of its group ("**Alba Group**" or the "**Group**") with regard to Securities Markets, was approved by the Board of Directors of Corporación Financiera Alba, S.A., in fulfilment of the provisions of the recast text of the Securities Market Act approved by Royal Legislative Decree 4/2015, of 23 October 2015 (hereinafter, the "**Securities Market Act**"), and it has been prepared considering the provisions of the Securities Market Act, Regulation (EU) 596/2014, of the European Parliament and of the Council, of 16 April 2014, on market abuse (the "**Market Abuse Regulation**"), and the provisions in development thereof.

The object of this Regulation is to govern the behavioural standards that must be observed by persons included within its scope of application in actions connected with Securities Markets. The Regulation thus establishes appropriate controls and the necessary transparency, with a view to the proper management and control by the Company of Inside Information and the dissemination thereof, market prospecting, treasury stock operations, personal transactions subject to communication, and the preparation or execution of conduct that could constitute market manipulation. It likewise incorporates the necessary principles to reduce the risk of conflicts of interest. All the above for the purpose of safeguarding the interests of investors in the securities of the Company, and for the benefit of market integrity.

PREAMBLE. DEFINITIONS

Article 1. Definitions

The following definitions apply for the purposes of this Regulation:

Outside consultants. Those natural or legal persons not classified as Affected Persons and that provide financial, legal, consultancy or any other services for the Company, by means of a civil or commercial relationship, on their own account or for another, and that as a result thereof have access to Inside Information.

CNMV. National Securities Market Commission

Confidential documents. Documents on whatever storage medium that contain Inside Information.

Alba Group. Corporación Financiera Alba, S.A. and its subsidiary and investee companies that are, with regard thereto, subject to any of the situations set out in Article 42 of the Code of Commerce.

Inside Information. Any specific information that has not been published and that direct or indirectly refers to Corporación Financiera Alba, S.A. or to any other company of the Group, or to one or more of the Affected Securities, and that if it were published, could significantly influence the price of the Affected Securities.

Information will be deemed to be specific if it refers to a series of circumstances which occur or which could reasonably be expected to occur, or an event which has occurred or could reasonably be expected to occur, provided that said information is sufficiently specific in order to allow any conclusion to be drawn as to the effects which said circumstances or said event could have on the prices of the Affected Securities.

In this regard, in the case of an ongoing process intended to generate or which would result in certain circumstances or a specific event, the definition of specific information may be deemed to refer to that circumstance or those future events, and also the intermediate stages of said process associated with the generation or triggering of said circumstance or said future events.

An intermediate stage in an ongoing process will likewise be classified as Inside Information if it itself fulfils the criteria regarding Inside Information referred to in this Regulation.

Meanwhile, information will be deemed potentially to have a significant influence on the price of the Affected Securities in the case of information that a reasonable investor would probably use as one of the basic motivational elements in his or her investment decisions.

Insider List. A list that must be created, maintained and updated as a result of operations, projects, processes or situations in which information liable to be classified as Inside Information is generated or received, recording information as to the Insiders, as required by the applicable regulations from time to time.

Personal Operations. Any operation performed for another by the Affected Persons or by the Related Persons with regard to the Affected Securities, including not only operations for the purchase or sale of the Affected Securities, but also loans, pledges, acquisitions for no consideration, and operations performed within the context of a life assurance policy in the form of an investment in the Affected Securities, in addition to any other operations indicated in the applicable regulations.

Control Body. The body governed by Title VII of this Internal Regulation of Conduct.

Affected Persons

1. Persons with Management Responsibilities both at the Company and the Alba Group.
2. Other personnel of the Company or of the Alba Group whose work is connected with activities in the field of securities markets.
3. Other personnel of the Company or of the Alba Group as decided by the Company.

Persons Affected by the Securities of Listed Companies

1. All personnel of the Company.

Insiders. Those persons who have an employment contract or perform functions at the Company, in addition to External Consultants who, typically or regularly, on a temporary or transitory basis, have access to Inside Information of the Company as a result of their participation or involvement in an internal process or operation, for as long as they are included on the Insider List.

Persons with Management Responsibilities. Members of the board of directors or of other management or supervisory bodies at the Company, and Executives who, although they do not belong to said bodies, have regular access to Inside Information directly or indirectly concerning the issuer, and have powers to reach decisions with regard to management affecting the future evolution and business prospects of the Company.

Related Persons. Those who have any of the following ties to Persons with Management Responsibilities:

- (i) The spouse of the Person with Management Responsibilities, or a person deemed equivalent to a spouse according to national law.
- (ii) The dependent children of the Person with Management Responsibilities.
- (iii) Any other relatives living with the Person with Management Responsibilities or in his or her care, at least one year prior to the date when the existence of the connection is to be determined.
- (iv) A legal entity, trust or association where administrative responsibilities are exercised by the Person with Management Responsibilities or the persons indicated in the above subsections, or that is directly or indirectly controlled by said person, or was created for his or her benefit, or the economic interests of which are to a great extent equivalent to those of that person.
- (v) Other persons or entities attributed this classification in the legal provisions in force from time to time.

Market Prospecting. This comprises the communication of information to one or more potential investors prior to the announcement of an operation, in order to evaluate their interest in a possible operation and the relative conditions thereof, such as the price or potential volume.

Market Prospecting will also include the communication of Inside Information if the intention is to make a public bid for an acquisition or merger if (a) the information is necessary in order to allow the owners of the securities to reach an opinion as to their willingness to offer their securities, and (b) the willingness of said owners to offer their securities would reasonably be necessary in order to reach a decision as to whether to launch the public bid for acquisition or merger.

Market Abuse Regulation. Regulation (EU) No 596/2014, of the European Parliament and of the Council, of 16 April 2014, on market abuse.

Company. Corporación Financiera Alba, S.A.

Affected Securities

- (i) Fixed or variable income securities issued by the company or the Alba Group, traded on a secondary market or other regulated markets, in multilateral trading systems or on other organised secondary markets, or with regard to which an application has been filed to be listed for trading on any such market or system.
- (ii) Financial instruments and contracts of any kind granting the right to acquire the securities indicated in (i).
- (iii) Financial instruments and contracts the underlying assets of which are the securities indicated in (i).
- (iv) For the sole purposes of the behavioural standards with regard to inside information contained in Title III of this Regulation, financial instruments and securities issued by companies or entities other than the Company, regarding which Inside Information is held.

Securities of Listed Companies

Securities or financial instruments issued by listed companies admitted to trading on Spanish stock markets.

TITLE I. SUBJECTIVE SCOPE OF APPLICATION

Article 2. Persons subject to the Internal Regulation of Conduct

1. This Regulation will apply to the Affected Persons.
2. Related Persons will be subject to the obligations applicable to them in accordance with the Market Abuse Regulation and the provisions in development thereof, as likewise set out in Title II (Personal Operations with affected Securities) of this Regulation.
3. Insiders will be subject to the obligations applicable to them in accordance with the Market Abuse Regulation, as likewise as set out in Title III (Inside Information) of this Regulation.

4. Persons Affected by the Securities of Listed Companies will be subject to the obligations applicable to them set out in Title II (Personal Operations with affected Securities) and Article 18 of this Regulation.

Article 3. List of persons subject to the Internal Regulation of Conduct

1. The Company will maintain a Register of Affected Persons to whom this Regulation will apply. Said Register will be available to the competent authorities.
2. The Affected Persons must be informed of their inclusion on the aforementioned Register and that they are subject to the Regulation, in addition to any offences and penalties that might arise as a result of a breach thereof, and the circumstances set out in Personal Data Protection regulations, to which end they will be handed a copy of the Regulation, placing on record their receipt and acceptance thereof.

TITLE II. BEHAVIOURAL STANDARDS WITH REGARD TO PERSONAL OPERATIONS INVOLVING AFFECTED SECURITIES AND SECURITIES OF LISTED COMPANIES

Article 4. Duty to inform Related Persons

Persons with Management Responsibilities must inform their corresponding Related Persons in writing as to the obligations applicable to the latter as a result of the Market Abuse Regulation and the provisions in development thereof, in particular those derived from the performance of Personal Operations with Affected Securities, providing the Company with accreditation that said notice has been served. They must likewise report any changes occurring with regard to their Related Persons. The Company will draw up a list of Persons with Management Responsibilities and of their Related Persons.

Article 5. Communication of Personal Operations regarding Affected Securities

1. Persons with Management Responsibilities and Related Persons, in accordance with the provisions of the Market Abuse Regulation and the provisions in development thereof, must inform the Company's Control Body, by any means providing accreditation of receipt, and within the next three working days, of the execution of Personal Operations with Affected Securities, indicating the date, type, volume, price, number and description of the Affected Securities, and the proportion of the voting rights attributed to the Affected Securities in their possession following the Personal Operation, and the market on which the Personal Operation was performed, where applicable.

The terms of the above paragraph will apply to all Personal Operations once a total amount of five thousand (5,000) euros is or has been reached in one calendar year, or any higher amount that might be decided by the National Securities Market Commission. The above threshold will be calculated on the basis of the sum total of all Personal Operations, with no offsetting permitted between different Personal Operations comprising purchases and sales.

2. Those Affected Persons who are not Persons with Management Responsibilities must inform the Company's Control Body, by any means providing accreditation of receipt, and within the next three working days, of Personal Operations with Affected Securities performed by them or by their Related Parties, in accordance with the definition of Article 1 of the Regulation, complying with the communication template established by the Control Body, subject to the minimum threshold indicated in the second paragraph of subsection 1 above.
3. The Company may, through the Control Body, call on the persons referred to in the above subsections to expand on the information provided regarding Personal Operations with Affected Securities that they have communicated.
4. The Company's Control Body will maintain an archive of the communications referred to in the above subsections. The content of said archive will be confidential, and may only be disclosed to the governing body or any party determined thereby in the course of a specific operation, and also court and administrative authorities within the context of the corresponding procedures.
5. The terms of the above subsections should be understood to apply without prejudice to the obligations to report to the National Securities Market Commission any operations with Affected Securities on the part of directors, senior executives and other persons affected by this Regulation, in accordance with the terms of the provisions in force.

Article 5 bis. Personal Operations regarding Securities of Listed Companies

Persons Affected by the Securities of Listed Companies who intend Personal Operations with them, shall notify its intention to the Control Body by e-mail to [GD Organo Control RIC@alba-cfa.com](mailto:GD_Organo_Control_RIC@alba-cfa.com), indicating the Securities of Listed Companies they intend to operate.

If no communication from the Control Body has been received within 24 hours following the sending of the e-mail, the securities communicated may be traded freely.

Article 6. Limitations on Personal Operations involving Affected Securities

1. Affected Securities that have been acquired may under no circumstances be sold on the same day when the purchase operation was performed.

2. The sale of the Affected Securities within thirty (30) days of the acquisition thereof will require authorisation by the Control Body.
3. Those persons indicated below will refrain from performing operations with Affected Securities on their own account or for a third party, directly or indirectly, during the following periods:
 - a) The Affected Persons, during the period of thirty (30) calendar days prior to the date of publication by the Company of the corresponding yearly, half-yearly or quarterly financial report, or the intermediate management statements, and in any event, between being informed thereof and their publication.
 - b) Insiders, if they have access to Inside Information regarding the Affected Securities and/or the Company, until they are no longer classified as such, in accordance with the provisions of this Regulation.
 - c) During the period expressly established by the Control Body, in special cases, in accordance with optimal compliance with the standards of conduct, and as a result of the demands of the circumstances that apply at a particular time.
4. Without prejudice to the provisions of Titles III (Inside Information) and IV (Market Manipulation) of this Regulation and all other applicable provisions, the Control Body may authorise Affected Persons to perform Personal Operations with Affected Securities during a specific time period within a limited period as described in subsection 3(a) of this article in the following cases, and in any event following a prior, written request addressed to the Control Body, describing and justifying the Personal Operation that is to be performed, and why the specific operation cannot be performed at any time other than during a limited period:
 - a) In the event of exceptional circumstances such as, for example, serious financial difficulties, that would require the immediate sale of the Affected Securities, because the Affected Person faces a legally enforceable financial commitment or claim, or is required to address a situation involving payment to a third party, including tax debts.
 - b) In the case of Personal Operations with Affected Securities within the context of or in connection with share incentives plans or preferential subscription rights, or the assignment of shares for no consideration, or other employee plans that would comply with the legally imposed requirements.
 - c) In the case of Personal Operations with Affected Securities in which there is no change in the ultimate ownership of the security in question.

5. The Control Body will report to the Audit and Compliance Committee at least once per year as to any authorisations requested.

Article 7. Portfolio management

If the Affected Persons or the Related Persons have arranged a discretionary portfolio management contract in order to comply with the obligations as to the communication of Personal Operations with Affected Securities set out in Article 5 of this Regulation, said contracts must include the obligation on the part of the manager to inform them immediately of the execution of operations with Affected Securities.

TITLE III. BEHAVIOURAL STANDARDS WITH REGARD TO INSIDE INFORMATION

Article 8. Insider List

1. Whenever the study or negotiation any type of legal or financial operational internal processes in which Inside Information is generated or received begins, the persons aware of this information because of their work, position or function in connection with the Company, must inform the Control Body thereof in confidence, in order for the corresponding section of the Insider List to be opened.
2. The Insiders must be included on an Insider List, the content and format of which will comply with the applicable regulations¹ and will in all cases cover the following circumstances:
 - a) Identity and contact details of the Insiders.
 - b) Reason for inclusion of said persons on the Insider List.
 - c) Date and time when the Insiders have access to Inside Information.
 - d) Date and time of creation and updating of the Insider List.
3. The Insider List will be divided into separate sections corresponding to the different types of Inside Information, which must be identified. Each section will contain only the details of those persons with access to the Inside Information to which said section refers. The Company may include on its Insider List a supplementary section containing the details of persons with permanent access to Inside Information. The Insiders registered in this section need not be registered in the section corresponding to each type of Inside Information.
4. The Insider List must be updated, indicating the date and time, in the following cases:

¹ The format is currently governed by Implementing Regulation (EU) 2016/347, of 10 March 2016.

- a) Where there is a change in the reasons why a person was included on the Insider List;
 - b) where a new Insider needs to be added;
 - c) where an Insider no longer has access to Inside Information.
5. If during the study and negotiation phases referred to in subsection 1 of this article of the Regulation the Company ceases to have an interest in said operation or process, or an Insider is no longer involved in said study or negotiation, and no longer has access to Inside Information, the termination of access to Inside Information by the Insider(s) in question will then be registered in the corresponding section of the Insider List. Those persons who no longer have access to Inside Information, if said Inside Information still exists at the Company, must refrain from performing operations involving the Affected Securities on their own account or for a third party, directly or indirectly, for thirty (30) calendar days from the date when access ends. All the above without prejudice to the obligations and prohibitions regarding Inside Information that would apply both to the Company and to the Insiders.
 6. The Insider List data will be stored on a digital medium available to the competent authorities for five (5) years from the date of creation or updating.
 7. The Insiders must be informed of their inclusion on the Insider List, the fact that they are subject to this Regulation, the rights and other circumstances provided in the applicable provisions regarding personal data protection, and their obligation to inform the Company's Control Body of the identity of any person to whom, in the normal course of their work, profession or position, they would provide Inside Information, in order for said Insiders to be included on the Insider List. In the case of External Consultants, a non-disclosure agreement must be signed, unless because of their professional position they would be subject to the duty of professional secrecy, and the terms of Article 10.4 of this Regulation must be fulfilled.
 8. Insiders must declare in writing their acknowledgement of their legal and regulatory obligations with regard to the Inside Information, the prohibition on the use thereof, and the offences and penalties that would, where applicable, arise were they to perform operations with Inside Information, or unlawfully to disclose it.

Article 9. Obligations as regards Inside Information

1. All persons subject to this Regulation with access to Inside Information are obliged to safeguard it and adopt the relevant measures in order to prevent such information from being subject to abusive or unfair usage, and will, where applicable, immediately take the necessary measures to correct any consequences that might result from this, without prejudice to their duty of collaboration or communication with the court and administrative authorities, on the terms set out in the Securities Market Act and all other applicable legislation.

2. Meetings of a general nature with analysts, investors or the media must be planned in advance to ensure that the persons involved do not disclose Inside Information that has not previously been released to the market, in accordance with the terms of Article 12 of this Regulation.
3. The persons subject to this Regulation must notify the Control Body of the existence of any signs of abusive or unfair usage of the Privileged Information, and complete any instructions that the Control Body might pass on to them.

Article 10. Measures for the safeguarding and handling of Inside Information

1. During the period of generation, planning or study of a decision that could give rise to Inside Information, the Affected Persons must act diligently in the use and handling thereof, and adopt an attitude of secrecy in order to avoid confusion and the creation of false expectations in the markets.
2. With regard to Inside Information, the following safeguard measures must be adopted:
 - a) Restrict knowledge solely to those persons within or outside the Company and the Group who have an overriding need to know.
 - b) Maintain an Insider List for each operation or internal process that could entail access to Inside Information, in accordance with the terms of Article 8 of this Regulation.
 - c) Adopt security measures with regard to the safekeeping, archiving, access, reproduction and distribution of the information.
 - d) Monitor the evolution of the listed prices and trading volumes of the Affected Securities on the market, in addition to any rumours and news that professional reporters of economic information and the media might issue regarding said securities.
 - e) Apply measures to the performance of operations with Affected Securities to prevent any investment or divestment decisions from being affected by knowledge of Inside Information.
 - f) In the event of an abnormal fluctuation in the listed price or traded volume of the Affected Securities, and if there is rational evidence that said evolution is occurring as a result of premature, partial or distorted disclosure of the operation, the relevant measures will be adopted, including, where applicable, communication in accordance with the applicable legislation, providing clear and precise information as to the current status of the operation in progress, or containing an advance on the information to be provided.

3. In addition to the provisions set out in the above subsection and the Insider List established in Article 8 above, the handling of Inside Information must comply with the following provisions:
- a) Identification of the information as confidential. All documents containing Inside Information must be clearly marked with the word "confidential", to indicate that use thereof is restricted to Insiders. In the case of documents in electronic format, confidentiality will be indicated prior to the information being accessed.
 - b) Codename. Any operation or internal process that is classified as Inside Information will be given a codename, used to designate documents referring to the operation or internal process in question, and the section of the Insider List referring to said Inside Information will be named.
 - c) Archive. Confidential Documents will be stored in different locations and will be locally archived by means of cabinets or electronic storage media designated for this purpose, which will be equipped with special protective measures.
 - d) Distribution and reproduction. The general distribution and sending of Confidential Documents will always be performed via secure channels that guarantee that they will remain confidential. Attempts will in particular be made to limit to the essential minimum any transfers by email, ensuring that the Confidential Documents are directly received by the intended recipient. The recipients of reproductions or copies of the Confidential Documents must refrain from making further copies or distributing them in any way, and will in all cases be included on the Insider List, with the consequences set out in Article 8 above.
 - e) Return or destruction of Confidential Documents. If an operation or internal process ends because it has been abandoned, all persons with access to the Inside Information must return or destroy the Confidential Documents, whenever so required by the Company.
 - f) Access. In order to ensure that Inside Information is accessed only by those persons with a strict need to know, the computers used will be equipped with an appropriate security system for exclusive access by said persons, and the passwords of such devices must not be shared. Likewise, any confidential document must be removed from meetings rooms and communal areas, taking particular care with notes and diagrams on whiteboards and similar resources, and also computer screens or papers on desks. There should be no discussion of classified or inside information (even if using code names) or handling of material containing this type of information (presentations and hard or soft copy documents) in public locations where they could be overheard or seen by third parties. In particular, conversations should be avoided, whether face-to-face or by

telephone, in any areas where there is a risk of overhearing, such as public locations or means of transport.

- g) Responsibility. Insiders will be personally responsible for compliance with the measures set out above, and any others that they might be required to fulfil because of their access to Inside Information, without prejudice to any other security measures that the Company might issue to Affected Persons.
4. When Inside Information is transferred to External Consultants, the greatest possible restrictions must be imposed, and the transfer should be performed as late as possible, adopting the following measures in order to guarantee its confidentiality:
- a) Before the information is transferred, confirmation must be received from the External Consultant that it has measures in place to safeguard the confidentiality of the information to be received.
 - b) Likewise, prior to the transfer, External Consultants must sign a non-disclosure agreement, declaring acknowledgement of the Inside Information status of the information they are to receive, and the specific conditions under which its confidentiality must be maintained.
 - c) External Consultants may not transfer the information to other persons outside their scope or organisation.
 - d) The External Consultant must, where applicable, appoint an internal body or individual responsible for advising on and ensuring fulfilment of the relevant procedures and measures in order to maintain the confidentiality of the information.
 - e) The non-disclosure obligation of the External Consultant will remain in place until the Inside Information no longer has said status.

Article 11. Prohibitions regarding Inside Information

1. None of the persons indicated in Article 2 of this Regulation may:
- a) perform or attempt to perform operations with Inside Information;
 - b) recommend that any other person perform operations with Inside Information, or incite them to do so, or
 - c) unlawfully communicate Inside Information.
2. For the purposes of the above subsection, operations with Inside Information or those performed by a person with access to said information and who uses it:
- a) in acquiring, transferring or assigning the affected securities, on his or her own account or for third parties, directly or indirectly;

- b) in cancelling or modifying an order given prior to verification or knowledge of the Inside Information;
 - c) in following a recommendation or encouragement, if the individual following said indication knows or should know that it is based on Inside Information.
3. For the purposes of the above subsections, recommending that a person perform operations with Inside Information, or inciting a person to perform operations with Inside Information occurs if a person who has such information in their possession:
- a) recommends on the basis of said information that another person should acquire, transfer or assign Affected Securities to which the information refers, or incites said person to perform the acquisition, transfer or assignment, or
 - b) recommends on the basis of said information that another person should cancel or modify an order involving the Affected Security to which the information refers, or incites such a person to perform said cancellation or modification.
4. For the purposes of the above, unless the National Securities Market Commission determines that there is no lawful reason for the execution thereof, a person subject to this Regulation and who is in possession of Inside Information will not be deemed to have operated with it in any of the following cases:
- a) Wherever that person performs an operation to acquire, transfer or assign Affected Securities and the operation is performed in good faith in fulfilment of a matured obligation and not to evade the prohibition of operations with Inside Information, and:
 - (i) said obligation is the result of an order given or an agreement executed before the person in question learned of the Inside Information, or
 - (ii) the operation in question is intended to fulfil a legal or regulatory provision prior to the date when the person in question learned of the Inside Information.
 - b) In general, those performed in accordance with the applicable regulations.

Article 12. Public dissemination of Inside Information

1. Without prejudice to the obligations regarding Inside Information and the duty to safeguard such information as set out in Articles 9 and 10 of the Regulation, the Company will publish Inside Information that concerns it directly as soon as possible, in a manner that would allow swift access and full, proper and appropriate evaluation of the information by the public. The content of the notice must be truthful, clear, complete and, when required by the nature of the information therein, quantified in such a manner as to avoid confusion or deception. The public dissemination of Inside Information may not be combined with the marketing of its activities.

2. For the purposes of compliance with the obligations set out in the above subsection, the Company will send Inside Information to the National Securities Market Commission for dissemination and inclusion in the official register governed by securities market regulations.
3. Inside Information will also be disseminated through inclusion of the Company Website, and will be retained there for at least five (5) years.
4. In the event of a significant change in the Inside Information disclosed, this must be revealed to the market in the same manner and on an immediate basis.
5. In any event, the content and dissemination of Inside Information will comply with the provisions of the securities market regulations that would apply from time to time.

Article 13. Delay in the public dissemination of Inside Information

1. The Company may, subject to its own responsibility, delay the public dissemination of Inside Information, provided that all of the following conditions are fulfilled:
 - a) Immediate dissemination could harm the legitimate interests of the Company;
 - b) the delay to dissemination could not serve to confuse or mislead the public;
 - c) the Company is in a position to guarantee the confidentiality of the Inside Information.
2. In lengthy processes performed over various stages the purpose of which is to generate or result in certain circumstances or a specific event, the Company may delay the public dissemination of the Inside Information regarding said process, subject to the conditions set out in the above subsection.
3. In the event of a delay to the public dissemination of Inside Information as indicated in the above subsections, it must inform the National Securities Market Commission of the decision to delay dissemination, on the terms set out in the regulations applicable from time to time.
4. Likewise, in the event that the dissemination of the Inside Information is delayed and its confidentiality can no longer be guaranteed (for example, in those cases where a rumour specifically refers to said information, if the degree of precision of the rumour is sufficient to indicate that confidentiality is no longer guaranteed), the Company must publish the information as soon as possible.

Article 14. Market Prospecting and Inside Information

1. If the Company decides to perform Market Prospecting, it will establish internal procedures for this purpose.
2. Before it begins Market Prospecting, it will evaluate whether this involves the communication of Inside Information, recording the corresponding conclusion and reasons in writing.
3. Prior to the communication of Inside Information within the context of Market Prospecting, the following requirements must be fulfilled:
 - a) Obtain the consent of the recipient of the market prospecting in order to receive Inside Information.
 - b) Inform the recipient that said information must not be used, nor any attempt made to use it, in the performance of any operation with the Affected Securities connected with the Inside Information.
 - c) Inform the recipient that by agreeing to receive the Inside Information, he or she undertakes to maintain its confidentiality.
4. If the information that has been disclosed to a person within the course of market prospecting loses Inside Information status, in the judgment of the Company, the recipient will be informed of this fact at the earliest possible opportunity.
5. The Company will maintain a record of information provided within the context of Market Prospecting, which must at all times comply with the provisions of the regulations applicable from time to time. The data registered must be kept for at least five (5) years, and will be disclosed to the National Security Market Commission on request.

TITLE IV. BEHAVIOURAL STANDARDS TO AVOID MARKET MANIPULATION

Article 15. Market manipulation

1. The Affected Persons, and in all cases the Insiders, will refrain from preparing or performing any type of practice that could constitute market manipulation, in accordance with the regulations applicable from time to time. They will likewise refrain from any mere attempt to perform any such practices.
2. To this end, market manipulation will include the following activities, without prejudice to any others that might be established by the regulations applicable from time to time:
 - a) Perform an operation, issue a trading order, or any other conduct that:

- (i) would or could convey false or misleading signals as to the supply, demand or price of an Affected Security, or otherwise
 - (ii) would or could set an abnormal or artificial price for one or more Affected Securities,unless the person who performed the operation or issued the trading order, or engaged in any other conduct, can demonstrate that the operation, order or conduct was performed for legitimate reasons, and in accordance with market practice accepted by the National Securities Market Commission.
- b) Perform an operation, give an order, or any other activity or conduct that would or could, through fictitious mechanisms or some other form of deceit or artifice, affect the price of one or more Affected Securities.
- c) Disseminate information via the media, including the Internet, or by any other means, thereby actually or potentially conveying false or misleading signals as to the supply, demand or price of an Affected Security, or potentially setting an abnormal or artificial price for one or more Affected Securities, including the spreading of rumours, if the perpetrator thereof is or should be aware that the information was false or misleading.

Market manipulation will likewise be understood to include conduct comprising exploitation of occasional or regular access to traditional or electronic media in order to express an opinion about the Affected Securities (or, indirectly, about the Company) after having assumed a position in said securities, and then benefiting from the effects that the opinions expressed would have on the price thereof, without simultaneously having disclosed the conflict of interest to the public in an appropriate and effective manner.

- d) Convey false or misleading information or provide false details with regard to a reference index, when the person responsible for conveying or providing the details is or should have been aware that they were false or misleading, or any other conduct that would constitute manipulation of the calculation of a reference index.
- e) Intervention by one person, or several acting in unison, to ensure a dominant position in the supply or demand for the Affected Securities, and that would or could direct or indirectly affect the setting of purchase or sale prices, or would or could create other unfair trading conditions.
- f) The formulation of orders, including the cancellation or modification thereof, by any available trading methods, including electronic means, such as algorithmic and high-frequency trading strategies, that would cause any of the effects covered by subsections (a) and (b) above.
- g) The purchase or sale of Affected Securities, at the market opening or close, that would or could have the effect of confusing or misleading investors operating on the basis of the listed prices, including the opening or closing prices.

3. Market manipulation will not be deemed to apply to the following operations or orders:
 - a) Those derived from the execution by the Company of treasury stock buyback or securities stabilisation programmes, wherever they fulfil the legally established conditions for this; and
 - b) in general, those performed in accordance with the regulations applicable from time to time.

TITLE V BEHAVIOURAL STANDARDS WITH REGARD TO CONFLICTS OF INTEREST

Article 16. Conflicts of interest

1. A conflict of interest is understood as any situation in which the personal interests of the Affected Person or persons connected therewith, as a result of activities outside the Company, family relationships, personal assets, or for any other reason, would or could direct or indirectly clash with the interests of the company.
2. Any Affected Persons subject to a conflict of interest will act in accordance with the following general principles:
 - a) Independence. They must act with free of judgment, with loyalty towards the Company and its shareholders, and independently of their own interests or those of others.
 - b) Duty to refrain. Refrain from intervening in or influencing decision-making that could affect those persons or entities with which there is a conflict, and from accessing confidential information affecting said conflict.
 - c) Communication. They must inform the Control Body, and keep up-to-date any information about conflicts of interest to which they might be the subject.
3. The members of the Board of Directors of the Company will, with regard to conflicts of interest, and wherever this may deviate from the terms of this article, comply with the provisions of the Regulation of the Board of Directors.
4. In the communication given to the Control Body, the Affected Person must indicate whether the conflict of interest affects him or her directly, or through a connected person, who must be identified. The situation giving rise to the conflict must likewise be specified, detailing where applicable the object and the main conditions of the planned operation or decision, its

amount or approximate economic evaluation. This communication must always be given prior to the corresponding decision or closure of the operation.

5. In the event of any doubt as to the existence of the conflict of interest, the Affected Person should adopt a principle of caution, and refer it for consideration by the Control Body.
6. All aspects set out in the above subsections will apply, without prejudice to the application of any other terms, in accordance with the Code of Ethics and Conduct of the Company, and the behavioural standards applicable to Group personnel.

TITLE VI. BEHAVIOURAL STANDARDS WITH REGARD TO TREASURY STOCK AND OPERATIONS WITH SECURITIES COMPRISING THE COMPANY PORTFOLIO

Article 17. Treasury stock operations involving Company shares

1. Treasury stock operations will be understood for the purposes of this Regulation as those that are performed directly or indirectly by the Company and involve its own shares, or financial instruments or contracts of any type, whether or not traded on the Stock Exchange or other organised secondary markets, that would give the right to acquire, or where the underlying asset is, Company shares.
2. Treasury stock operations will always be performed for legitimate purposes, such as, among others, providing investors with sufficient liquidity and volume in the trading of the Company's shares, the execution of treasury stock buyback programmes agreed by the General Shareholders' Meeting of the Company or the Board of Directors, the fulfilment of any legitimate commitments previously entered into, or any other acceptable purposes in accordance with the applicable regulations from time to time. Treasury stock operations must under no circumstances be performed for the purpose of intervening in the free process of price formation on the market, nor to favour particular shareholders.
3. The Company will be obliged to subject the execution of treasury stock operations to measures that would prevent investment or divestment decisions from being affected by a knowledge of Inside Information.
4. In those treasury stock operations performed within the context of a share buyback or securities stabilisation programme, or performed within the context of liquidity contracts or in the application of some other accepted market practice, or in sales corresponding to a public share offer or private placement or any others performed outside the market, the legally established requirements for this purpose must be fulfilled, in order to ensure that the

prohibitions regarding Inside Information operations referred to in the market abuse regulations would not apply.

5. The Company's treasury stock operations will comply with all obligations and requirements derived from the applicable regulations time to time.
6. The Company's Director of Investments will be responsible for the management of the treasury stock portfolio, and will have the following functions:
 - a) Manage the treasury stock portfolio, in accordance with the terms of this Regulation and the regulations applicable from time to time.
 - b) Oversee the evolution of the Company's shares on the markets.
 - c) Issue official notifications of treasury stock operations and liquidity contracts, as required by the provisions in force from time to time.
 - d) Maintain appropriate control and records of the treasury stock operations ordered and executed.
 - e) Report to the Audit and Compliance Committee of the Company, when requested thereby, as to the evolution of the Company share price on the markets.
 - f) Report to the Audit and Compliance Committee of the Company as to trading performed with treasury stock.
7. Treasury stock operations that do not correspond to share buyback or securities stabilisation programmes and that are performed in accordance with the legally established requirements, will be subject to the following rules:
 - a) Volume. The sum total of the daily volume of treasury stock traded, including purchases and sales, must not exceed 15% of the mean average volume of purchase trades in the last 30 sessions on the orders market. When the volume of treasury stock is established for each individual purchase or sale proposal, consideration will be given at all times to the purposes established in subsection 2 above.
 - b) Price. The prices must be formulated so as not to interfere in the process of free price setting. For these purposes, purchase orders will not be formulated at a price higher than whichever is the higher of the last transaction performed on the market by independent parties, and the highest contained in a purchase order, in the order book. Meanwhile, sale orders will not be formulated at a price lower than whichever is the lower of the last transaction performed on the market by independent parties, and the lowest contained in an order in the order book.

- c) The Company and its Group will use no more than two market members to perform treasury stock transactions. The National Securities Market Commission will be notified in confidence of the appointment and replacement thereof and, where applicable, the contract signed with said members.
- d) The aim in general is to stagger treasury stock operations over the course of each session, and purchase or sale orders will not be placed during the opening or closing auction periods, unless the operation is performed on an exceptional basis and for a justified reason, with particular caution being taken to prevent such orders from having a decisive influence on the evolution of the price in the auction. In any event, the cumulative volume of the orders issued, including purchases and sales, must be no greater than 10% of the theoretical volume resulting from the auction at the time when the orders are placed. In addition, and other than in exceptional and justified circumstances, market or at-best orders must not be issued during these periods.
- e) In those cases where the trading of the shares is suspended, orders will not be placed during the auction period prior to the lifting of the suspension, until cross operations have been performed in the security. In the case of orders not executed, they will be withdrawn.
- f) No treasury stock operations will be performed during the 30 calendar days prior to the publication of periodic financial information.
- g) No operations with treasury stock will be performed during the time period between the date when the decision to delay the dissemination of Inside Information is taken, and the date when said information is published.
- h) Simultaneous purchase and sale orders will not be placed by the Company for its own shares.
- i) Transactions involving treasury stock will, as a general rule, be performed on the main market, during regular trading hours.

Article 18. Operations with securities comprising the Company portfolio

1. Affected Persons and Persons Affected by the Securities of Listed Companies who perform operations on their own account with securities included within the "investments in related parties" portfolio of the Company, or operations with financial instruments, even if they are not traded on regulated markets, that would grant the right to acquire the above securities, or have them as their underlying assets, will with regard thereto subject to the terms set out below:
 - a) The prohibition on sale on the same day as referred to in Article 6.1 will likewise apply to those securities included in the Company's portfolio,

although sale within the following thirty (30) days after acquisition will not require authorisation, but will require communication to the Control Body, on the same day when the transfer is ordered.

- b) Likewise, in the event that the Affected Persons have operated on their own account with the aforementioned securities, they must within the thirty (30) calendar days following the end of each calendar quarter serve notice on the Control Body, including all operations performed since the last periodic communication.
- c) With regard to the operations and communications referred to in this article, the terms set out in subsections 3 and 4 of Article 5 of this Regulation will likewise apply.

TITLE VII. Control Body

Article 19. Composition and functions of the Control Body

1. The Control Body will be appointed by the Board of Directors of the Company, and may comprise one or more persons.
2. The Control Body will oversee compliance with this Regulation, and its functions will to this end include the following:
 - a) Inform the Affected Persons, Persons Affected by the Securities of Listed Companies and Insiders of the obligations and responsibilities incumbent on them as a result of this Regulation.
 - b) Interpret this Regulation, resolving any queries that may be raised.
 - c) Safeguard and maintain a Register of communications received in fulfilment of the Regulation.
 - d) Generate, update and safeguard the Insider List and the register of Affected Persons, without prejudice to any other parties who might be given these functions at the Company.
 - e) Any others expressly established in the Regulation, and any others that might be entrusted to it by the Board of Directors, the CEO or the Audit and Compliance Committee.
3. In order to fulfil its functions, the Control Body may request information, documentation or background details as deemed necessary, from those persons subject to the Regulation. It may likewise request the assistance of any Company employee.

4. The functions and powers vested in the Control Body by the Regulation in no way limit, affect or condition the inherent powers of the Board of Directors of the Company and of its Audit and Compliance Committee, in accordance with the provisions in force, the Corporate Bylaws, and the Regulation of the Board of Directors.

TITLE VIII. BREACHES

Article 20. Effect of breaches

1. Any breach of the provisions of this Internal Regulation of Conduct, since it serves to develop on securities market legislation, could give rise to both administrative and criminal liabilities and penalties, as applicable, in accordance with said legislation.
2. In the event of a breach of the Regulation by persons who have an employment relationship with the Company, this will be deemed an employment breach on the terms resulting from the applicable legislation, and will be penalised in accordance therewith.

TITLE IX. VALIDITY

Article 21. Entry into force

1. This Regulation will take effect on the day following approval by the Board of Directors of the Company.
2. The Control Body will proceed to hand a copy of the Regulation to the Affected Persons, who will sign a document in accreditation thereof.
3. Upon entry into force of this Internal Regulation of Conduct in the Sphere of Securities Markets, any Regulation that might have been in force previously will be repealed.

TRANSITIONAL PROVISIONS

One. Communication of Personal Operations by Company Directors

Until such time as the Spanish securities market regulations have been adapted, the threshold set for the communication of Personal Operations referred to in Article 5.1 of this Regulation will not apply to Personal Operations performed by the Directors of the Company, who must serve notice of all Personal Operations they perform. The Company Directors must likewise inform the National Securities Market Commission and the Company itself of the proportion of the

voting rights attributed to the Affected Securities held by them when they accept their appointment, and when they leave their position.

Two. Discretionary portfolio management contracts

Any discretionary portfolio management contracts formalised prior to the entry into force of this Regulation will need to be adapted in accordance herewith, and until such time the manager may not be instructed to perform any operations with Affected Securities.
