



*Unofficial Translation*

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**RESOLUTIONS APPROVED AT THE GENERAL SHAREHOLDERS MEETING  
AND APPOINTMENT OF THE CORPORATE BODIES OF  
REN - REDES ENERGÉTICAS NACIONAIS, SGPS, S.A.**

REN - Redes Energéticas Nacionais, SGPS, S.A. (“REN”) hereby informs that in the General Shareholders Meeting held today the following resolutions were approved by the Shareholders:

- Approval of the consolidated and individual accounts’ reporting documents referring to the financial year ended on December 31<sup>st</sup>, 2014, accompanied, notably, by the legal certification of the accounts, the opinion of the supervisory body, the activity report of the Audit Committee and the corporate governance report;
- Allocation of net profits in relation to the financial year ended on December 31<sup>st</sup>, 2014, as proposed by the Board of Directors, including the payment of a gross dividend amount of € 0.171 per share;
- Approval of a vote of positive appraisal and praise to the Board of Directors, the Audit Committee and the Statutory Auditor for the performance of their duties during the 2014 financial year, in accordance with paragraph c) of number 1 of Article 376 and number 1 of Article 455, both of the Portuguese Companies Code;
- Granting of authorization to the Board of Directors for the acquisition and sale of treasury shares by REN and/or its subsidiaries, current and/or future, according to the proposal presented;
- Granting of authorization to the Board of Directors for the acquisition and sale of own bonds or other securities or debt securities issued by REN and/or its subsidiaries, current and/or future, according to the proposal presented;
- Approval of the statement of the Remuneration Committee concerning the remuneration policy of the members of the management and supervisory bodies and of the General Shareholders Meeting Board of REN, according to number 1 of Article 2 of Law 28/2009, of June 19<sup>th</sup>;



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- Ratification of the appointment, by co-optation, of the company “OLIREN, SGPS, S.A.” as member of the Board of Directors of REN (which appointed Mr. Francisco João Oliveira to discharge this office in his own name), to complete the term-of-office corresponding to the three-year-period 2012-2014, as resolved by REN’s Board of Directors on May 8<sup>th</sup>, 2014;
- Ratification of the appointment, by co-optation, of Mr. Rodrigo Costa as member of the Board of Directors of REN, to complete the term-of-office corresponding to the three-year-period 2012-2014, as resolved by REN’s Board of Directors on December 17<sup>th</sup>, 2014;
- Ratification of the appointment, by co-optation, of Mr. Longhua Jiang as member of the Board of Directors of REN, to complete the term-of-office corresponding to the three-year-period 2012-2014, as resolved by REN’s Board of Directors on December 17<sup>th</sup>, 2014;
- The approval of amendments to Articles 4, 7-A, 10, 12 and 27 of the Articles of Association, as well as of the insertion of a new Article 7-B, pursuant to the terms laid down in the consolidated and renumbered version enclosed to this Press Release;
- The election of the following members of the corporate bodies of REN for the term-of-office corresponding to the three-year-period 2015/2017:

1. Board of Directors and Audit Committee:

- Rodrigo Costa - Chairman of the Board of Directors;
- State Grid International Development Limited (represented by Guangchao Zhu) - Vice-Chairman of the Board of Directors;
- João Faria Conceição;
- Gonçalo Morais Soares;
- Mengrong Cheng;
- Longhua Jiang;
- Omar Al Wahaibi;

REN – REDES ENERGÉTICAS NACIONAIS, S.G.P.S., S.A.

**Listed Company**

Share Capital: € 543 000 000

Company and Registration number with the Lisbon Commercial Registry Office: no. 503 264 032

Head Office: Avenida Estados Unidos da América, no. 55

1749-061 LISBON



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- Manuel Champalimaud;
- Francisco João Oliveira;
- Jorge Magalhães Correia;
- José Luís Arnaut;
- Manuel Sebastião - Chairman of the Audit Committee;
- Gonçalo Gil Mata - Member of the Audit Committee; and
- Maria Estela Barbot - Member of the Audit Committee.

2. Statutory Auditor:

- Effective Statutory Auditor - Deloitte & Associados, SROC S.A., represented by Jorge Carlos Batalha Duarte Catulo; and
- Substitute Statutory Auditor - Carlos Luis Oliveira de Melo Loureiro.

3. General Shareholders Meeting Board:

- Pedro Maia - Chairman; and
- Francisco Santos Costa - Vice-Chairman.

4. Remuneration Committee:

- Paulo Pimenta - Chairman;
- Manuel de Lancastre; and
- Fernando Neves de Almeida.

REN also informs that, pursuant to the meeting held by the Board of Directors today and after the meeting of the General Shareholders Meeting, the following directors were appointed to the Executive Committee of REN:

- Rodrigo Costa - Chairman, Chief Executive Officer;
- João Faria Conceição - Member; Chief Operational Officer and
- Gonçalo Morais Soares - Member, Chief Financial Officer and representative for the relationships with the market and with CMVM.

Lisbon, April 17<sup>th</sup>, 2015

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**ANNEX**

**AMENDED ARTICLES OF ASSOCIATION IN ACCORDANCE WITH THE RESOLUTION**

**OF**

**THE GENERAL SHAREHOLDERS MEETING OF 17<sup>TH</sup> APRIL 2015**



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### **ARTICLES OF ASSOCIATION**

#### **Chapter I**

##### **Name, duration, registered office and purpose**

###### **Article 1**

The company is incorporated as a limited liability company (*sociedade anónima*), uses the name of REN - REDES ENERGÉTICAS NACIONAIS, SGPS, S.A., and its duration is indefinite.

###### **Article 2**

1. The company has its registered office in Lisbon, at Avenida dos Estados Unidos da América, no. 55.
2. The board of directors may resolve on the relocation of the company's registered offices to any place within the national territory, as well as opening or closing of agencies, branches, delegations or any other form of corporate local representation of the company, in national and/or foreign territory.

###### **Article 3**

The company's purpose is the management of shareholdings in other companies carrying out activities in the areas of transmission of electricity, transmission and storage of natural gas and of reception, storage and re-gasification of liquefied natural gas and other related activities, as an indirect form of performing an economic activity.

#### **Chapter II**

##### **Share capital, shares and bonds**

###### **Article 4**

1. The share capital amounts to 534 000 000 euros and is fully paid-up.



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2. The share capital is divided into 534 million ordinary shares, with the nominal value of one Euro each.

### **Article 5**

1. Shares are nominative and are represented in book entry form.
2. The company may acquire, hold and transfer own shares in the cases provided for in law and within the limits set out therein.

### **Article 6**

1. The company may issue bonds on any other securities in the modalities and in accordance with the terms of the law applicable at the time of issue, and may furthermore, perform transactions with own bonds or securities issued by the company that are legally permitted.
2. The issue of bonds or of any other instruments or securities, namely representing of debts, of any type or modality that are or become legally permitted, may be approved by the Board of Directors which will determine the amount and the further conditions of the respective issue.

## **Chapter III**

### **Corporate bodies**

### **Article 7**

1. The company's corporate bodies are the general shareholders' meeting, the board of directors, which comprises an audit committee and the single auditor.
2. The company has a secretary, as well as a replacement secretary, both elected by the board of directors.



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3. The company has, also, a remuneration committee, elected by the general shareholders' meeting.

### **Incompatibilities**

#### **Article 7-A**

1. Notwithstanding mandatory legal provisions, the provisions of number five of Article 7-B and not taking into account the provisions in numbers 3 and 4 of this article, the exercise of functions in any governing body of the company is incompatible with:
  - a) the status of legal person which is in a situation of potential conflict of interests with REN or any company in a control or group relationship with the latter;
  - b) the status of an individual or legal person related to the legal person in a situation of potential conflict of interests with REN;
  - c) the exercise of functions, of any nature or kind, notably by appointment to a company office, by an employment contract or by a rendering of services agreement, by a legal person in a situation of potential conflict of interests with REN or legal person related to the legal person in a situation of potential conflict of interests REN;
  - d) the appointment, even if not formally, for a member of a governing body of the company by a legal person in a situation of potential conflict of interests with REN, or an individual or legal person related to the legal person in a situation of potential conflict of interests with REN.
2. For these purposes, a legal person is deemed to be a legal person in a situation of potential conflict of interests with REN whenever it operates, directly or indirectly, in the energy or natural gas sector, whether in Portugal or abroad.
3. For the abovementioned purposes, a legal person is deemed to be a legal person in a situation of potential conflict of interests with REN whenever it participates or is participated, directly or indirectly, in at least 10% of the share capital or voting rights



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of a company which operates in the energy or natural gas sector, whether in Portugal or abroad.

4. For the abovementioned purposes, an entity is deemed to be a person related to a legal person in a situation of potential conflict of interests with REN:
  - a) whenever its voting rights are attributed to the latter, in accordance with article 20 of the Securities Code or any provision that may amend it or replace it;
  - b) whenever it, directly or indirectly, holds in a legal person in a situation of potential conflict of interests with REN, in a company in a control or group relationship with the latter, as established in article 21 of the Securities Code, or in direct or indirect dependence also of the latter, 10% or more of the voting rights of the participated company.
5. To the extent allowed by the law, the incompatibility set forth in the previous numbers is not applicable to legal persons in a situation of potential conflict of interests with REN in which the foregoing holds an interest equal or greater than 50% of the respective share capital or voting rights, or to the individuals which exercise functions of any nature or kind, or are appointed, even if not formally, in those legal persons in a situation of potential conflict of interests with REN, when the appointment in a company office of a legal person in a situation of potential conflict of interests with REN or the agreement with legal person in a situation of a potential conflict of interests with REN have been made upon instructions of REN or company under its control.
6. Notwithstanding the provisions in numbers 7 and 8, the incompatibilities alluded to in the previous numbers may not apply to the exercise of functions as a member of the board of directors, to the extent allowed by the law, by means of an authorization given by a resolution taken by:
  - a) majority of the votes cast in the general meeting that resolves on the appointment, if the member is related to a legal person in a situation of potential conflict of interests with REN which holds more than 10% of REN's share capital;





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- b) two thirds of the votes cast in the general meeting that resolves on the appointment, if the member is related to a legal person in a situation of potential conflict of interests with REN which holds more than 10% of the share capital of REN, except when that legal person is, individually, the owner of shares representing a maximum of 15 % of REN's share capital, no more than 15% of the voting rights in the share capital of REN are attributed to it, directly or through a legal person in a control or group relationship, and enters into and maintains with any of the former a strategic partnership agreement for business cooperation, in the medium or long run, in the energy transmission sector, transport or underground storage of natural gas or the reception, storage, and regasification of liquefied natural gas, approved in accordance with applicable law and by laws by the board of directors, in which case it will not be deemed to be a competing legal person or in a situation of a potential conflict of interests with REN, being, in such circumstances, exempted to request the General Meeting's prior approval.

The situation of a potential conflict of interests with REN must be referred to expressly and precisely identified in the appointment proposal, and the resolution of authorization may be subject to conditions, notably the upholding of the limits established in sections a) and b).

7. The member of the board of directors appointed in accordance with number 6 of this article, unless appointed as per the exceptions in the final part of section b) of the aforementioned number or number 10, may not attend or participate in meetings, or parts of meetings, in which matters that are sensitive or pose risk to the company are discussed, notably matters which focus on markets in which there are potential conflict of interests with REN, and may not have access to information in the aforementioned matters. The board of directors shall ensure that this provision is complied with, and may decide on the qualification of the concept of matters which are sensitive or pose risk to the company.



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8. Besides what is established in these articles of association, rules issued by statutes and regulations aimed at preventing an intervention in case of a situation of conflict of interests shall always be applicable.
9. The provision in number 7 of this article shall also be applicable to the members of special committees created by governing bodies which are not members of the latter, and relative to which, if they were, an incompatibility set forth in this article would arise.
10. A shareholder shall not be deemed to be a competitor or in a situation of a potential conflict of interests, whenever it individually, holds between 24% and 25% of REN's share capital and, directly, or through a legal person in a control relationship, enters into and maintains a strategic partnership agreement for industrial cooperation, in the medium or long run, in the energy transmission sector, transport or underground storage of natural gas or the reception, storage, and regasification of liquefied natural gas, approved in accordance with applicable law and by laws by the board of directors, being, in such circumstances, exempted to request the General Meeting's prior approval.
11. The legal persons encompassed by the carve-out of section b) in number 6 and number 10 may freely, without the request for prior approval of the General Meeting, appoint an individual for the exercise of functions as a governing body of a legal person in a situation of potential conflict of interests with REN, rendering the incompatibility established in section c) of number 1 of this article inapplicable.

### **Other Incompatibilities**

#### **Article 7-B**

1. The persons that exercise control or rights over undertakings that perform the activities of gas or electricity generation or supply, shall not, in any event, appoint directly or indirectly members of the board of directors or the single auditor of the company or of bodies that legally represent the latter, on their own or via others with whom they are connected through shareholder agreements, except if *ERSE* -



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2. For the purposes of the previous number, it is understood by:
  - a) Appoint: obtain the election, on his/her/its own or via third parties connected to the person/entity at stake through shareholder agreements.
  - b) Exercise control or rights: (i) the power to exercise voting rights; (ii) the power to appoint, pursuant to paragraph a) above, members of the board of directors or the single auditor of the Company; (iii) the ownership of the majority of the share capital of the company.
3. The person appointed member of the board of directors shall state that it does not perform, nor will perform during the term-of-office at stake, activities of generation or supply of electricity or natural gas in Portugal or in geographical areas with interface or directly or indirectly connected with the Portuguese grids, and that it does not control or exercise rights, nor will do so during the term-of-office at stake, concerning entities performing said activities on those areas, either directly or indirectly.
4. Alternatively to the presentation of the statement laid down in the previous number, the legal person appointed member of the board of directors and that is in one of the situations laid down in the previous number shall present a document issued by *ERSE – Entidade Reguladora dos Serviços Energéticos* in which the same acknowledges the non-existence of a conflict of interests.
5. A shareholder will not be prevented from exercising its political shareholders rights as provided in Article 7.º-A or in the present Article. 7.º-B, including the right to directly or indirectly appoint or indicate members for the Company's management body, supervisory body or any other bodies with powers to represent the company, when (i) *ERSE – Entidade Reguladora dos Serviços Energéticos* has acknowledged the non-existence of a risk of a conflict of interests with the transmission grids operators due to the fact of, particularly, the respective electricity or natural gas generation or marketing activity of said shareholder is performed in geographical locations which do not have directly or indirectly connection or interface with the Portuguese grids



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and (ii) no variations have been verified regarding the grounds or objective circumstances in which *ERSE – Entidade Reguladora dos Serviços Energéticos* based its acknowledgement of the non-existence of a risk of a conflict of interests with the Portuguese transmission grids operators.

6. The shareholders shall immediately and, in any event, prior to the exercise of shareholder political rights, inform REN and *ERSE – Entidade Reguladora dos Serviços Energéticos* (or the subsequent competent entity) concerning any and all circumstances, modifications and/or transactions that may determine the inhibition of their shareholder political rights and/or the reassessment of the conditions of certification by *ERSE – Entidade Reguladora dos Serviços Energéticos* and, furthermore, regarding the content of any shareholder agreements that they enter into concerning REN.

### Section I

#### General Shareholders' Meeting

##### Article 8

1. The general shareholders' meeting resolves on all subjects to which it is competent in accordance with the law and these articles of association.
2. The general shareholders' meeting shall in particular:
  - a) resolve on the management report, discuss and vote the balance sheet, the accounts and the report of the audit committee and resolve on the allocation of results;
  - b) appoint and dismiss the members of the general shareholders' meeting board, of the board of directors and of the audit committee.
  - c) appoint, pursuant the audit committee's proposal, and dismiss the single auditor;
  - d) designate the members of the remuneration committee;
  - e) resolve on any amendments to the articles of association, including increases of share capital;



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- f) authorize the board of directors to acquire or transmit assets, rights or social participations with an economic value above 10% of the fixed assets of the Company;
- g) authorize the board of directors to acquire and transfer own shares;
- h) deal with any other matter to which it has been convened.

### **Article 9**

The board of the general shareholders' meeting shall comprise a chairman, a vice-chairman, both elected by the shareholders meeting, and the company secretary.

### **Article 10**

1. The general shareholders' meetings are convened according with the terms required by law and in accordance with the minimum and further legal terms.
2. The notices of the meeting shall expressly state the agenda.
3. Should a shareholder intend to request the convening of a general shareholders' meeting, the addition of items to the agenda and/or the inclusion of proposals of resolution, besides being obliged fulfill the legal requirements for such purpose, the shareholder shall also submit, jointly with the respective request, the statement laid down in number 13 of article 12.

### **Article 11**

1. In order for the general shareholders' meeting to meet and approve, at its first convening date, it is required the presence or representation of shareholders owning, at least, 51% of the share capital.
2. Either at the first or second convening date, the resolutions on the amendments to the articles of association, demerger, merger, transformation or winding-up of the company, are only considered to be approved by two thirds of the votes cast.



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3. The resolutions amending the by laws which pertain to any provision of article 7.º-A and/or no. 3 of article 12, as well as any provision in this article which may refer to the foregoing, must be adopted by three quarters of the votes cast.

### **Article 12**

1. Only shareholders with voting right may attend to the general shareholders' meetings.
2. Each share corresponds to one vote.
3. The votes cast by any shareholder, in its own behalf or acting as a proxy, which exceed 25% of the votes corresponding to the total share capital, shall not be counted.
4. For the purpose of the previous number, voting rights inherent to shares shall be deemed cast by the same shareholder, whenever so considered under the number 1 of article 20 of the Securities Code ("CVM"), or the legal rule that may come to modify or replace it.
5. The shareholders may exercise their voting right by mail in relation to each of the items on the agenda, by means of a letter, in which the signature, where the shareholder is a natural person, should be identical to the signature evidenced in the respective identification document and to which a legible copy of the latter should be attached and, where the shareholder is a legal person, the signature of its representative should be recognized in such capacity. The aforesaid letter should be addressed to the Chairman of the Board of the General Meeting, by registered mail with acknowledgment of receipt, and must be received at the registered offices at least until the third business day preceding the date of the General Meeting, save if a different period is indicated in the convening notice.
6. In the event that there is an express statement in the notice to convene of the general shareholders' meeting for such purpose, the shareholders may exercise their voting right via electronic communication, pursuant to the terms, deadline and conditions laid down in the respective notice to convene.



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7. The chairman of the board of the general shareholders' meeting shall verify the authenticity and regularity of the votes by correspondence and the electronic votes, if applicable, as well as assure their confidentiality up to the moment of casting votes. Votes exercised by correspondence are deemed negative votes in relation to proposals of resolutions presented after the date or in which those votes have been issued.
8. The right to participate and vote in the General Meeting is only conferred to the shareholders that, at zero hours (GMT) of the fifth trading day prior to the General Meeting (the "Record Date"), are holders of shares granting them the right to, at least, one vote, and that comply with numbers 12 to 14 of this article.
9. The shareholders wishing to participate, personally or through representative, in the General Meeting shall declare such intention, in writing, to the Chairman of the Board of the General Meeting and to the financial intermediary with which they have opened the relevant individual securities account, until the day before the Record Date. This may be done by e-mail.
10. The shareholders referred to in paragraph 7 of this Article shall only be admitted to participate and vote at the General Meeting where they have expressed their intention to participate in such General Meeting pursuant to the terms of the preceding paragraph and whose financial intermediary, with which they have opened the relevant individual securities account has submitted to the Chairman of the Board of the General Meeting, until the end of the day corresponding to the Date of Record, information regarding the number of shares registered in its name, with reference to said Record Date, which may be sent by e-mail.
11. The shareholders may be represented by persons with full legal capacity and must communicate the appointment of the representative(s) by written document, addressed to the Chairman of the Board of the General Meeting as provided by law and the convening notice, which may be done by e-mail.
12. The shareholders that, directly or indirectly, exercise control over an undertaking that performs one of the activities from among the generation and supply of electricity or natural gas, are prevented from exercising shareholder political rights in the general



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shareholders' meeting concerning any shares of the Company, except if *ERSE - Entidade Reguladora dos Serviços Energéticos* has acknowledged the non-existence of a risk of a conflict of interests.

13. Any shareholder intending to participate, personally or through representative, in the general shareholders' meeting shall state, in a written document delivered to the chairman of the board of the general meeting until the day before the Record Date, that he/she/it is not prevented from exercising voting rights pursuant to the previous number.
14. The shareholders to whom *ERSE – Entidade Reguladora dos Serviços Energéticos* has acknowledged the non-existence of a risk of conflict of interests will not be required to enclose any proof of said acknowledgment with the mentioned statement, except if meanwhile any changes have been verified regarding the grounds or objective circumstances in which said acknowledgement was based and when said changes determine the inhibition of the respective political shareholders' rights and /or the re-examination of the certification conditions by said entity.
15. The content of the written statement that, pursuant to number 13 above, is a condition for the exercise of the voting right in the general shareholders' meeting, may be established in standardized terms by the chairman of the board of the general meeting.
16. The shareholders are prevented from casting votes that, pursuant to the Articles of Association, cannot be issued.

### **Article 13**

For the purposes of numbers 3 and 4 of article 12, shareholders have the duty to provide to the board of directors, in a complete, objective and true manner, all the information requested, which relates to the calculation of the votes which it is entitled, otherwise the exercise of voting rights with any shares that exceed the limit applicable under the terms of number 3 of article 12 will be prohibited.





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**Section II**

**Board of Directors**

**Article 14**

1. The board of directors, which comprises an audit committee, is composed by a number of members, between a minimum of seven and a maximum of fifteen, established by the general shareholders' meeting that elected them.
2. The provisions of numbers 6 and 7 of article 392 of the Portuguese Companies Code are applicable to the election of directors.
3. The chairman of the board of directors is chosen by the general shareholders' meeting, among the elected directors, and holds casting vote.
4. The board of directors designates which of its members replaces the chairman, in case of absence or impairment.
5. The director that acts in replacement of the chairman also holds casting vote.

**Article 15**

1. The board of directors is in particular:
  - a) to define the goals and management policies of the company;
  - b) to draw up the activity and financial annual plans;
  - c) to manage the businesses affairs and to perform all the acts and operations concerning the corporate purpose that do not fall within the functions assigned to other corporate bodies;
  - d) to represent the company in or out of court, as plaintiff or defendant, with the possibility of withdrawing from, realizing a compromise and confessing in any legal proceedings, as well as, arbitration agreements;
  - e) to acquire, sell or by any other mean transfer or create encumbrances over rights or property, movable or immovable;



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- f) to incorporate companies and to subscribe for or acquire, create encumbrances over or transfer shareholdings;
  - g) to propose to the general shareholders' meeting the acquisition and transfer of own shares, to the extent of the permitted legal limits;
  - h) to establish the administrative and technical organization of the company and the internal operation regulations, notably concerning personnel and their remuneration
  - i) to designate the company secretary and the respective replacement secretary;
  - j) to appoint attorneys with the conferred powers, including those of sub-delegation.
  - k) to exercise other functions deemed necessary by law or by the general shareholders' meeting.
2. The board of directors shall submit to the prior approval of the general shareholders meeting the acquisition and transfer of assets, rights and social participations with an economic value above 10% of the fixed assets of the Company.

### **Article 16**

- 1. The board of directors may delegate day-to-day management powers to an executive committee, naming the directors that shall compose such executive committee, and its respective president.
- 2. The resolution of the board of directors that creates the executive committee shall define the matters that are the object of delegation, without prejudice of the board's provisions concerning such matters, according to the terms provided for by law.



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### **Article 17**

The chairman of the board of directors shall in particular:

- a) represent the board of directors;
- b) coordinate the activity of the board and convene and preside the respective meetings;
- c) oversee the correct execution of the approved resolutions.

### **Article 18**

1. The company shall be legally bound before third parties with:
  - a) the joint signatures of two members of the board of directors;
  - b) the signature of one member of the board of directors within the powers delegated by the board of directors;
  - c) the signature of an attorney, under the terms of the corresponding mandate.
2. The board of directors can determine that certain documents of the company shall be signed by mechanic or digital processes or by rubber-stamping.

### **Article 19**

1. The board of directors shall set the periodicity of its ordinary meetings, being, although it is mandatory a bimonthly meeting. Extraordinary meetings shall be held whenever convened by its chairman, by two directors, or at the request of the single auditor.
2. The board of directors cannot approve a resolution without the presence or representation of the majority of its members.
3. The members of the board of directors, which form part of the audit committee, shall attend to the meetings of the board, but are restricted from the exercise of any executive functions.



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4. Any director may be represented in a meeting by another director, by letter addressed to the chairman, which is only valid for such meeting.
5. At each meeting of the board, each director cannot represent more than one director.
6. Neither the directors with executive functions can be represented by members of the audit committee, nor can the members of the letter be represented by directors with executive functions.
7. The board of directors can resolve that, when necessary, its meetings are carried out with resource to telecommunications means, as long as the authenticity and safety of the interventions is assured and respective content is fully registered.
8. The absence of any Director in more than half of the ordinary meetings of the Board of Directors during a financial year, whether consecutive or not, and in relation to which the respective justification is not accepted by the Board of Directors, is considered as a definitive absence of such Director.
9. The definitive absence, as referred to in the preceding paragraph, shall be declared by the Board of Directors, and the replacement of the relevant Director in accordance with the law and this Articles of Association shall be sought.

### **Article 20**

1. The resolutions of the board of directors shall be approved by a simple majority of votes of its members which are present or represented them.
2. In case of urgent resolutions, if one director can not be present at the meeting of the board, may issue its vote in a letter addressed to the chairman.



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**SECTION III**

**Audit Committee and Single Auditor**

**Article 21**

1. The supervision of the company's business affairs shall be performed by an audit committee, composed of three effective members and by a single auditor, which shall have a replacement.
2. The audit committee shall have a chairman, appointed amongst its members by the general shareholders' meeting.

**Article 22**

1. The audit committee has the powers and the duties provided for in law and in these articles of association.
2. The audit committee shall in particular be responsible:
  - a) to supervise the management of the company and oversee the compliance with the law and the articles of association;
  - b) to verify the accuracy of the accounting documents and auditing the respective revision;
  - c) to supervise the preparation and disclosure of financial information;
  - d) to propose to the general shareholders' meeting the appointment of the single auditor;
  - e) to call the general shareholders' meeting whenever the chairman of the board of the general shareholders' meeting does not do it, despite being its obligation.
3. The audit committee shall prepare annually the activity report and shall give opinion concerning the board of directors' report.

**Article 23**

The audit committee shall have at least a bi-monthly meeting.



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### **Article 24**

The single auditor has the powers and the functions provided for established in law, and shall in particular carry out all the necessary exams and verifications to the revision and legal certification of the accounts.

### **Section IV**

#### **Company Secretary**

### **Article 25**

1. The company shall have a company secretary, as well as a replacement secretary, appointed by the board of the directors, with the functions entrusted by law.
2. The office of the company secretary ceases with the term-of-office of the members of the board of directors that designated him.

### **Section V**

#### **Remuneration Committee**

### **Article 26**

The remuneration committee is composed of three members, appointed by the general shareholders' meeting, with the mandate to propose the principles of the remuneration policy of the corporate bodies, as well as to establish the respective annual remunerations, including the respective remuneration supplements.



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**Chapter IV**

**Office of the corporate bodies**

**Article 27**

1. The members of the corporate bodies exercise the respective functions for periods of three calendar years, which may be renewed, counting as a complete calendar year that of the appointment.
2. The members of the corporate bodies shall exercise their office until new elected members initiate the respective offices, without prejudice the rules applicable to resignation and to temporary or definitive restriction, in the course of the office.

**Chapter V**

**Allocation of results**

**Article 28**

1. The profits of the year, collected in accordance with the law, shall be allocated as follows:
  - a) to cover for the losses of previous years;
  - b) to constitute, reinforce or reintegrate the legal reserve and other reserves determined by law;
  - c) to distribute dividends to the shareholders;
  - d) to grant bonuses to directors and employees, as participation in the profits, according with criteria to be defined in the general shareholders' meetings;
  - e) other purposes according with the general shareholders' meeting decision.
2. The board of directors can resolve to advance payments on profits during the year, subject to favorable opinion of the supervision body and under the limits provided for in law.



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## **Chapter VI**

### **Winding-up and Liquidation**

#### **Article 29**

1. The company shall be wound up in those cases provided for in law.
2. The liquidation shall occur in those cases provided for in law and by resolution approved by the general shareholders' meeting.