

**SOCIEDAD DE GESTIÓN DE LOS SISTEMAS DE REGISTRO,
COMPENSACIÓN Y LIQUIDACIÓN DE VALORES, S.A.**

“BOARD OF DIRECTORS REGULATIONS”

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CHAPTER I
GENERAL PROVISIONS

Article 1. Purpose

1. The purpose of the Board of Directors Regulations is to set forth the principles of action and internal rules governing the functioning of the Board of Directors of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. ("Iberclear" or the "Company") and the Board of Directors advisory Committees with the aim of achieving greater transparency and efficiency in the functions assigned to these collegiate bodies.
2. The application of the Board of Directors Regulations shall be as a supplement and complement to the provisions governing the Board of Directors, the advisory Committees and the senior management laid down by law and in the Company's Articles of Association.

Article 2. Scope of application and communication

1. The Regulations shall apply to the Board of Directors, to the members of the Board who contribute to forming its intentions and, as far as they are affected, to the advisory Committees of the Board of Directors, their members and the senior managers of the Company.
2. The persons to whom these Regulations apply are under a duty to know and comply with them and to ensure that they are complied with.

Article 3. Interpretation

The Board of Directors is responsible for resolving any doubts arising from the application and interpretation of these Regulations, reconciling them with applicable laws and the Articles of Association.

Article 4. Amendments

The Board of Directors may amend these Regulations at the proposal of its Chairman or half of the Directors when circumstances arise which, in the Board's opinion, make an amendment convenient or necessary for the interests of the Company.

CHAPTER II
COMPOSITION AND FUNCTIONS OF THE BOARD

Article 5. Composition of the Board of Directors

1. The Board of Directors shall be composed of the number of Directors determined by the General Shareholders Meeting, within the maximum and minimum established by the Articles of Association and which, at the given time, considers appropriate to ensure its efficient operation.

The Board of Directors shall have at least one-third of independent members, in any case less than two (2).

2. The non-executive members of the Board of Directors shall establish the target for the representation of the under-represented gender on the Board and the guidelines on how to achieve this target.

Article 6. Functions of the Board of Directors

1. Without prejudice to the matters reserved by law or under the Articles of Association for the General Shareholders Meeting, the Board of Directors is the Company's most senior governing and

administrative body, and is fully empowered to manage, administer and represent the Company in the performance of the activities that comprise its purpose.

2. The Board of Directors, without prejudice to the powers that are non-delegable under the law or under the Articles of Association, shall entrust the management of the ordinary business of the Company to the senior management and shall focus its activity on the promotion, management and oversight of matters of particular importance for the Company.

In particular, the Board of Directors shall perform, among others, the following functions:

- a) establish policies, procedures and processes by which the Board of Directors, its advisory Committees and the Company's senior management shall operate;
 - b) establish objectives and strategies for the Company;
 - c) appoint and remove the management members, and monitor the performance of their duties;
 - d) approve the remuneration policies;
 - e) ensure the surveillance of the risk management function and take the decisions related to this matter. For these purposes, the Board of Directors shall define, determine and document the appropriate level of risk tolerance and risk bearing capacity;
 - f) ensure the independence and adequate human resources available to the functions of risk management, technology, compliance and internal control and internal audit function;
 - g) monitor the outsourcing arrangements in which the Company may enter into;
 - h) monitor and ensure compliance with all relevant regulatory and supervisory requirements;
 - i) be accountable to shareholders, employees, users and other relevant stakeholders;
 - j) review and update regularly the Company's governance arrangement;
 - k) approve the internal audit planning and review, as well as receive all information on issues related internal audit;
 - l) receive the results of audit audit reviews of the IT Systems and the information security framework concerning the Company's core services;
 - m) approve the business continuity policy and the disaster recovery plan associated with that policy, and receive the results of audit assessments carried out on the mentioned policy; and,
 - n) approve the plan for raising additional capital and the winding-down or restructuring of its operations and services.
3. In addition to the duties described above, the Board of Directors shall assume, jointly with senior management, the following functions:
 - a) ensure that the policies, procedures and controls established by the Company are consistent with its risk tolerance and risk bearing capacity and address how the Company identifies, reports, monitors and manages risks; and,
 - b) determine, implement and monitor the risk management framework for operational risk identify all exposures to these risks and monitor relevant operational risk data, including any cases where material data is lost.

Article 7. Public disclosure

The Company's website shall include, among other things, the following information:

- a) The representation target of the under-represented gender on the Board of Directors and the guidelines on how to achieve this target and their application; and,
- b) The governance arrangement of the Company and the rules governing its activity.

Article 8. Principles of conduct

1. The Board of Directors must perform its functions in accordance with the corporate interests, these being understood to be the Company's interests, although this should not prevent consideration of the other legitimate public or private interests that come together in the performance of the activities of the Company.

The actions of the Board of Directors shall be aimed at maximising the value, profitability and effectiveness of the Company in the long term and pursuing its best performance and operation.

2. In order to comply with those principles of action, the Board of Directors, the senior management and the advisory Committees of the Board of Directors, within the scope of their respective duties and powers, shall receive periodic information on the operation of the Company's securities system.

CHAPTER III

POSITIONS ON THE BOARD OF DIRECTORS

Article 9. The Chairman of the Board of Directors

1. The Board of Directors shall elect from among its members a Chairman, who shall be responsible for the highest institutional representation of the Company, the power of representation of the Company on an individual basis and the promotion of the Company's governance.
2. The Chairman, in addition to the powers that correspond to him/her under the law and the Articles of Association, shall be responsible for submitting to the Board of Directors the proposals that he/she considers appropriate for the proper functioning of the Company and, in particular, those corresponding to the functioning of the Board itself and other corporate bodies, as well as proposing the persons who will hold, as the case may be, the positions of Deputy Chairman, Chief Executive Officer, General Manager, Secretary and, as the case may be, Deputy Secretary or Deputy Secretaries of the Board.
3. In the event of absence, incapacity, impossibility or vacancy, the Chairman will be replaced by the corresponding Deputy Chairman or, if there is none, by the oldest Director.

Article 10. The Deputy Chairmen of the Board of Directors

1. The Board of Directors may elect from among its members one or more Deputy Chairmen to stand in for the Chairman if he is absent, unable to attend, incapacitated or the office falls vacant.
2. In the case of more than one Deputy Chairman, priority in the exercise of the office shall be determined by seniority of appointment, starting from the first time he/she was elected; and, in the case of re-election, where seniority is equal, natural age takes precedence.

Article 11. The Secretary and Deputy Secretaries to the Board

1. The Board of Directors, in accordance with the appropriate requirements of preparation, professionalism and independence, shall appoint a Secretary and, optionally, one or more Deputy Secretaries. Both appointments may be made to non-directors, in which case such appointees shall act with a right to speak at meetings but without a vote. The Deputy Secretary shall replace the Secretary in cases of absence, incapacity, impossibility, or vacancy. If there is more than one Deputy Secretary, the one to stand in shall be the one who has been in office the longest and, in the event of equal length of service, by the eldest.
2. In addition to the functions assigned by law and the Articles of Association, the Secretary of the Board of Directors and, by substitution, the Deputy Secretary or Deputy Secretaries, shall be responsible for the following:
 - a) preserve and safeguard corporate documentation, duly reflect in the minutes books the course of meetings and attest to the resolutions and decisions of the corporate bodies in which he/she holds the position of Secretary;
 - b) ensure that the actions of the Board of Directors comply with current legislation, the Articles of Association and the applicable corporate governance regime;
 - c) serve as a general conduit for the Company's relations with the Directors in all matters relating to the functioning of the Company's bodies of which it forms part, in accordance with the general instructions of the Chairman;
 - d) give effect to and facilitate the Directors' right for information in the terms envisaged herein.
 - e) make available to the National Securities Market Commission (CNMV), when so requested, the minutes of the meetings of the Board of Directors;
 - f) act as Secretary of the General Shareholders Meetings of the Company, of the Board of Directors Committees that may be established and, where appropriate, of the advisory Committees of the Board of Directors.
3. Regarding conflicts of interest, the General Secretary and the Secretary of the Board of Directors, that includes the Secretary and Deputy Secretaries to the Board, shall be responsible for receiving from Compliance the information regarding possible personal conflicts of interest reported by the Directors.

Article 12. The Chief Executive Officer

1. The Board of Directors may delegate to one or more Directors all delegable powers in accordance with the provisions of current legislation, the Articles of Association and these Regulations. The Chief Executive Officer shall be responsible for the effective management of the Company's business, in accordance with the decisions and criteria adopted by the shareholders at a General Meeting and the Board of Directors in their respective scopes of competence.
2. The permanent delegation of any power of the Board and the appointment of the Director or Directors who are to occupy the position of Chief Executive Officer shall require for its validity the favourable vote of two thirds of the Board.

CHAPTER IV

OPERATION OF THE BOARD OF DIRECTORS

Article 13. Calling of the Board of Directors

1. The Board shall meet as often as necessary for the proper performance of its functions.

The schedule for ordinary meetings shall be established by the Board of Directors itself at the commencement of each financial year, and may be modified by resolution of the Board itself or by decision of the Chairman, in which case the Chairman must give Directors due prior notice of the change.

2. In any case, the Board of Directors shall meet whenever called by the Chairman, or in his/her absence, incapacity, impossibility or vacancy, by the Deputy Chairman, or whoever acts as such by virtue of these Regulations.

A call may be made by Directors constituting at least one third of the members of the Board, with an indication of the agenda to be dealt with, if, upon request to the Chairman, the latter, without just cause, has not made the call within one month from the date on which he/she was requested to do so.

3. The call shall be sent by letter, fax, telegram, electronic mail or any other written or electronic procedure to the address of each of the Directors on file with the Company, at least forty-eight hours prior to the date set for the meeting.

It shall not be necessary to issue a notice of meeting if all the Directors had been notified at the previous meeting.

Exceptionally, the Chairman, or by his indication the Secretary or the Deputy Secretary, may call a meeting of the Board of Directors by telephone, without observance of the period of notice and other requirements indicated above, when in his/her opinion there are circumstances that justify such course of action.

Article 14. Venue of the Board of Directors meetings

1. Board meetings shall be held at the Company's registered office, unless the notice convening the meeting specifies a different venue.
2. The meeting may be held simultaneously at more than one location, provided that audiovisual or telephonic means are used to ensure interaction and intercommunication between them in real time, thereby guaranteeing the unity of the sessions. In this case, the notice convening the meeting must provide details of the connection system and the locations where the necessary technical resources are available in order to attend and participate in the meeting. Resolutions shall be deemed to have been adopted at the venue where the registered office.

Article 15. Constitution, representation and adoption of resolutions

1. In order for the Board of Directors to be validly constituted, the majority of its Directors must attend the meeting, either in person or by proxy. If the number of Directors is odd, it shall be understood that there is a quorum if the entire number of Directors immediately over half attend.
2. Directors shall make every effort to attend Board meetings and when they are unable to do so in person they shall endeavour to appoint another Director to represent them, giving him/her the appropriate instructions as to how to represent them. Proxy appointments must be conferred in

writing and on a special basis for each meeting of the Board, and Directors may receive and exercise various proxy appointments.

3. At its meetings, the Board shall consider the items on the agenda. New items not previously provided for may be added to these points at the proposal of any of the Directors.
4. The Chairman shall organise and direct the discussion of all matters and promote the participation of the Directors in the deliberations of the Board. The Chairman shall be responsible for putting resolutions to a vote once he considers that the matter has been discussed sufficiently, and each Director who is present or represented shall have one vote.
5. Except in cases in which other different voting majorities have been established by law or the Articles of Association, resolutions shall be adopted by an absolute majority of the Directors attending the meeting, in person or by proxy. In the event of a tie, the Chairman shall have the casting vote.

Article 16. Reports to the Board of Directors

1. For the discharge of its duties, the Board of Directors shall obtain the attendance and collaboration of independent third parties and, likewise, the attendance at its meetings of executives and employees of the Company and the rest of the companies of the BME Group.
2. Likewise, on an annual basis and for the purposes of reporting on the activities carried out during the corresponding period and the procedures established for the implementation thereof, the Chairman shall call to the Board of Directors the Chief Risk Officer, the Chief Technology and the Chief Compliance Officer of the Company.

Article 17. Performance assessment of the Board of Directors

The Board of Directors in full must annually assess the efficiency of its operation and the quality of its work on matters within its remit.

CHAPTER V

BOARD OF DIRECTORS ADVISORY COMMITTEES

Article 18. Board of Directors advisory Committees

1. The Board of Directors may constitute advisory committees with reporting and advisory functions that it considers appropriate for the best performance of its functions, and shall appoint the persons who must form part of them, for which it shall not be a requirement that they be members of the Board of Directors.
2. In any case, the Board of Directors shall constitute a Risk Committee, an Audit Committee, a Remuneration Committee and a Users Committee, as bodies with advisory functions.

Section 1

Risk Monitoring Committees

Article 19. Risk Committee

1. The Board of Directors shall constitute a Risk Committee consisting of a minimum of three (3) and a maximum of five (5) members, who shall be appointed and removed by the Board of Directors from among persons who have knowledge and experience in the risks to which the Company's activity is exposed.

The members of the Risk Committee shall meet as a whole the necessary knowledge about the central securities depository activity and the regulations that apply to it.

If applicable, the Directors qualified as executives of the Company may not form a majority on the Risk Committee.

2. The Chairman of the Risk Committee shall be appointed by the Board of Directors from among the members of the Committee, shall have experience in risk matters and shall not be dependent on the members of the Board of Directors qualified as executives.
3. The Risk Committee shall be responsible for advising the Board of Directors on the Company's overall current and future risk strategy and tolerance. In particular, the Risk Committee shall advise the Board of Directors on:
 - a) the definition, determination and documentation of an appropriate level of risk tolerance and risk bearing capacity;
 - b) the oversight of the risk management function and decision taken in this area; and,
 - c) the supervision of the independence and adequacy human resources available on the risk management function.

Article 20. Audit Committee

1. The Board of Directors shall constitute an Audit Committee consisting of a minimum of three (3) and a maximum of five (5) members, who shall be appointed and removed by the Board of Directors from among persons with knowledge and experience in internal auditing.

The members of the Audit Committee shall meet as a whole the necessary knowledge about the central securities depository activity and the regulations that apply to it.

If applicable, the Directors qualified as executives of the Company may not form a majority on the Audit Committee.

2. The Chairman of the Audit Committee shall be appointed by the Board of Directors from among the members of the Committee, shall have experience in internal audit and shall not be dependent on the members of the Board of Directors qualified as executives.
3. The Audit Committee shall be responsible for advising the Board of Directors on the performance of the Company's internal audit function. In particular, the Audit Committee shall advise the Board of Directors on:
 - a) the adequacy of the Company's internal audit planning for its activity, and its proper implementation;
 - b) the monitoring of recommendations from the internal audit and adequate implementation of the corresponding action planning; and
 - c) the supervision of the independence and adequacy human resources available on the internal audit function. If this function is outsourced, the Audit Committee previous formalization the contract, shall ensure that the service provider has the adequate human and technical resources.
4. In addition to the advisory functions to the Board of Directors described above, the Audit Committee shall be responsible for supervising the internal audit function.
5. The Audit Committee shall carry out a triennial review of the effectiveness of the activity of the internal audit function.

Article 21. Remuneration Committee

1. The Board of Directors shall constitute a Remuneration Committee consisting of a minimum of three (3) and a maximum of five (5) members, who shall be appointed and removed by the Board of Directors from among persons with knowledge and experience in remuneration policy.

The members of the Remuneration Committee shall meet as a whole the necessary knowledge about the central securities depository activity and the regulations that apply to it.

If applicable, the Directors qualified as executives of the Company may not form a majority on the Remuneration Committee.

2. The Chairman of the Remuneration Committee shall be appointed by the Board of Directors from among the members of the Committee, shall have experience in remuneration matters and shall not be dependent on the members of the Board of Directors qualified as executives.
3. The Remuneration Committee shall be responsible for advising the Board of Directors on the Company's remuneration policy. In particular, the Remuneration Committee shall advise the Board on:
 - a) the adequacy of the remuneration policy proposed for its implementation by the Board of Directors; and,
 - b) the establishment of the remuneration terms and conditions of the Senior Management, including the Chief Executive Officer, previous their appointment by the Board of Directors.
4. In addition to the advisory functions to the Board of Directors described above, the Remuneration Committee shall oversee the Company's remuneration policy.

Article 22. Common provisions to the Risk Monitoring Committees

1. The members of the Risk Monitoring Committees shall be appointed for a period of four (4) years, without prejudice to the power of the Board of Directors to remove them when deemed appropriate.
2. The Secretary or one of the Deputy Secretaries of the Board of Directors shall act as committee Secretary, under the substitution regime established for the Board itself, and shall draw up the minutes of the meetings held.
3. The Risk Monitoring Committees shall meet as often as convened by their Chairman and at the request of the Board of Directors.
4. The Risk Monitoring Committees shall be validly constituted when the majority of their members attend the meeting.
5. The Risk Monitoring Committees shall report to the Board of Directors on the performance of their functions, for which purpose the Secretary shall send a copy of the minutes of their meetings to the Board of Directors and shall prepare the reports or proposals that the Board may request from each of the Committees with respect to the matters within the remit of each of the Committees.
6. The Chairmen of the Risk Monitoring Committees may be called to the meetings of the Board of Directors for the purpose of reporting on the actions carried out in the performance of the functions that constitute the scope of their remit.

Section 2

User Committee

Article 23. User Committee

1. The Board of Directors shall constitute a User Committee in each securities settlement system operated by the Company, which shall be composed of representatives of the issuers and of the participants in the securities settlement systems.
2. The mandate, admission criteria and election mechanism of the members of each User Committee to be created shall be established by the Board of Directors in accordance with the characteristics of the corresponding securities settlement system.

CHAPTER VI

RULES GOVERNING DIRECTORS

Article 24. Appointment and removal of Directors

1. Directors shall be appointed by the General Shareholders Meeting or, as the case may be, by the Board of Directors itself, in accordance with the provisions established in the Spanish Companies Act (*Ley de Sociedades de Capital*), the Articles of Association and these Regulations.
2. Appointed Directors must be suitable persons of sufficient good repute and an appropriate combination of skills, experience and knowledge of the entity and the market.
3. Directors shall remove their post when so decided by the General Shareholders Meeting, and at the end of the term for which they were appointed, unless re-elected at a General Shareholders Meeting.

The Board of Directors may not propose the removal of any independent Director before the expiry of the term under the Articles of Association for which he/she was appointed, except when just cause arises. Just cause shall be deemed to exist when a Director has breached the duties inherent in his/her post, incurred in any of the cases incompatible with his/her status as independent, or moves on to occupy new posts or undertakes new obligations preventing him/her from devoting the necessary time to performing the duties inherent in the post.

If a Director leaves post before the end of his/her term for any reason, he/she shall explain the reasons in a letter sent to all the members of the Board of Directors.

4. Directors shall resign from their posts when they engage any of the incompatibility situations or prohibition provided for in current legislation and, in general, when their remaining on the Board may jeopardise the interests of the Company.

Article 25. Selection of Directors

Selection of members of the Board of Directors shall be based on an assessment of the structure and composition presented by the Board of Directors at any given time, in order to evaluate its effectiveness in carrying out the functions attributed to it and which constitute the scope of its action.

Such assessment shall determine the needs, if any, presented by the Board of Directors at that time, and shall serve as the basis for defining the professional profile that candidates for Directors must meet, taking into consideration the diversity of knowledge and professional experience that the Board of Directors must satisfy, as well as the representation target of the under-represented gender set by non-executive Directors.

CHAPTER VII

RULES GOVERNING NON-DIRECTOR MEMBERS OF THE ADVISORY COMMITTEES OF THE BOARD OF DIRECTORS

Article 26. Due diligence

It is the duty of the members of the advisory Committees who do not have the status of Directors (hereinafter, the "members of the advisory Committees") to contribute to the advisory and supervisory functions of the Committees of which they form part.

To this end, the members of the advisory Committees shall be obliged to attend the meetings of the Committees of which they are members, to participate actively in their deliberations, to contribute effectively to the implementation of the functions attributed to the Committee of which they form part and to assume the specific functions entrusted to them; otherwise, they must state the reasons that make it impossible for them to carry out the task in question.

Article 27. Rights of information and advice

The members of advisory Committees, when so required for the performance of their duties, shall have the broadest powers to inquire into matters within the remit of the Committee of which they form part, and to request such information as they may require for the performance of their duties.

Requests for information will be addressed to the Chairman of the advisory Committee of which they form part and will be dealt with by the Secretary of the Committee, who will directly provide them with the information or indicate appropriate interlocutors within the Company and will establish the necessary measures to give full satisfaction to their right to information.

Article 28. Duty of loyalty

In the performance of their duties, members of the advisory Committees shall act under the principles guiding a faithful representative, acting in good faith and in the best interests of the Company.

The members of the advisory Committees shall, in particular:

1. To maintain the secrecy of information, data, reports or background to which they have had access in the performance of their duties, even when they have ceased to do so, except in those cases where the regulations permit or require it.
2. To carry out their functions under the principle of personal responsibility with freedom of judgement and independence regarding instructions from and relationships with third parties.

Article 29. Conflicts of interest

The members of the advisory Committees must act with due impartiality. They must not place their own interests before those of the Company and must try to avoid conflicts of interest in the performance of their functions.

In this regard, even if they do not meet the status of Directors of the Company, the members of the Risk Monitoring Committees will be subject to the provisions regarding conflicts of interest in the Company's regulations in force at any time.

CHAPTER VIII
SENIOR MANAGEMENT

Article 30. Senior Management

1. Senior management comprises the Chief Executive Officer and members of the management of the Company appointed by the Board of Directors in accordance with the provisions of the foregoing Article 6, section 2.c), who shall be responsible for the day-to-day management of the Company, and shall be accountable to the Board of Directors.
2. In addition to the day-to-day management of the Company and the functions attributed to it by these Regulations in conjunction with the Board of Directors, the following duties, among others, correspond to the members of the Company's senior management:
 - a) ensure the consistency of the activities of the Company with its objectives and strategy as determined by the Board of Directors;
 - b) design and establish risk management, technology, compliance and internal control procedures that promote the objectives of the Company;
 - c) submit the risk management, technology, compliance and internal control procedures to regular review and testing;
 - d) ensure that sufficient resources are devoted to risk management, technology, compliance and internal control, and internal audit; and,
 - e) receive regular information on operational risks exposures and losses experienced from operational risks, as well as procedures for taking appropriate corrective action to mitigate such exposures and losses.