

REGULATIONS OF THE BOARD
OF DIRECTORS OF
MORA BANC GRUP, SA

Contents

CHAPTER I	
PRELIMINARY MATTERS	4
Article 1. Introduction and Purpose	4
Article 2. Interpretation	4
Article 3. Dissemination	4
Article 4. Validity and Amendments	4
CHAPTER II	
COMPOSITION AND FUNCTIONS OF THE BOARD	5
Article 5. Composition and Duties	5
Article 6. The Board's Powers	6
Article 7. Duties of the Board	9
CHAPTER III	
COMPOSITION OF THE BOARD OF DIRECTORS	11
Article 8. The Chairperson	11
Article 9. The Secretary	12
Article 10. Delegation of Powers	12
Article 11. Audit and Compliance Committee	13
Article 12. Risk Committee	16
Article 13. Appointments and Remuneration Committee	20
Article 14. Executive Committee	22
Article 15. Technology, Innovation and Information Security Committee	25
CHAPTER IV	
OPERATION OF THE BOARD OF DIRECTORS	28
Article 16. Operational Rules	28
Article 17. Proceedings of meetings	30
CHAPTER V	
APPOINTMENT AND REMOVAL OF DIRECTORS	31
Article 18. Appointment of the Board Members	31
Article 19. Classification of the Directors	32
Article 20. Term of Office	33
Article 21. Cessation of Directors	34

CHAPTER VI	
INFORMATION ON THE DIRECTOR	35
Article 22. Powers to Request Information and Inspection	35
Article 23. Expert Assistance	35
CHAPTER VII	
REMUNERATION OF THE DIRECTORS	36
Article 24. Remuneration	36
CHAPTER VIII	
THE DIRECTOR'S DUTIES	37
Article 25. Performance of the Duties of a Director	37
Article 26. Duty of Confidentiality	38
Article 27. Ethics and Standards of Conduct	38
Article 28. Conflict of Interests	39
Article 29. Incompatibilities	40
Article 30. Use of Non-public Information	40
Article 31. Exemption from the Fulfilment of Duties by Directors	40
CHAPTER IX	
RELATIONSHIPS WITH THE BOARD	41
Article 32. Relationships with Shareholders	41
Article 33. Relationships with Auditors	41

CHAPTER I

PRELIMINARY MATTERS

Article 1. Introduction and Purpose

1. These regulations have been approved by the Board of Directors of Mora Banc Grup, SA (hereinafter, the **Company**) in compliance with the provisions set forth in the Law. These regulations aim to implement the legal and statutory precepts regarding the conducting of the Board of the Company meetings, to determine the principles of action, the basic rules of its organisation and operation; the basic standards of conduct of the directors in order to achieve greater transparency, efficiency and impetus in the performance of their duties as well as to unify and reorder the Board's standards of operation which include the Articles of Association, the Regulations of the Board of Directors and the regulations of the Board's committees.

Article 2. Interpretation

1. These regulations develop and complete the applicable regulatory requirements for the Board of Directors, established in the current law and in the Company's Articles of Association. They must be interpreted in accordance with the applicable legal and statutory rules and with the principles and recommendations on corporate governance for companies and banking entities.

Article 3. Dissemination

1. Directors and senior executives have the obligation to be aware of, comply with and enforce these regulations. To this end, the Board's Secretary will distribute a copy to all of them.
2. The Board of Directors must take the necessary measures to disseminate these regulations to shareholders and to parties who must be informed of them. To this end, it must use the most efficient means available to ensure that the Regulations reach the recipients in the same, immediate and seamless way.

Article 4. Validity and Amendments

1. These regulations must be applied from the first meeting of the Company's Board of Directors convened after their approval.
2. The Board of Directors may amend these regulations at the initiative of its Chairperson or the majority of the members of the Board, when in its opinion there are reasons or circumstances that make it appropriate or necessary to do so.
3. The amendment of these regulations requires that the change be agreed by at least an absolute majority of the Board Members.
4. In addition, the General Meeting of Shareholders must be informed of both the approval of the Regulations as well as any amendments that are made.

CHAPTER II

COMPOSITION AND FUNCTIONS OF THE BOARD

Article 5. Composition and Duties

1. The Board of Directors is the Company's board of directors which is competent to adopt resolutions in relation to all kinds of matters, with the exception of those that are matters reserved for the General Meeting of Shareholders, by Law or the Company's Articles of Association.
2. The Board of Directors of the Company consists of people who meet the necessary eligibility requirements to exercise their duties. In particular, they have a recognised business and professional reputation, the appropriate knowledge and adequate experience to perform their duties and to be in a position to exercise good governance of the Company.
3. In addition, the Board of Directors consists of individuals with an appropriate combination of skills, diversity and experience, so that together they have the necessary knowledge, skills and experience to have a proper understanding of the activities of the Company, of the main risks and are able to ensure the effective ability of the Board of Directors to make decisions independently and autonomously for the Company's benefit.
4. In any case, the Board Members must each meet the following requirements: (i) be between thirty (30) and seventy five (75) years of age; (ii) be someone who, among other qualities, complies with the requirements of business and professional integrity at all times, as set forth in company and financial regulations; (iii) possess the appropriate knowledge and experience to carry out their duties, and (iv) meet the other requirements established by applicable law at all times.

Notwithstanding the above, the Director who holds the position of Chairperson of the Board of Directors and the Company may not be over seventy five (75) years of age. In the event that a Chairperson reaches the age of seventy five (75) during their term of office, they may continue as Chairperson of the Board until the end of their term.

5. A legal entity may be appointed as a Director, but it must appoint a natural person to represent it at the Board meetings. The legal entity may freely refuse the appointed representative; however, it has the obligation to replace the said person immediately. The natural person appointed to represent the legal entity as a Director must meet the requirements indicated above; in particular, they must have well-recognised business and professional integrity, the appropriate knowledge and adequate experience to carry out their duties and be in a position to exercise good governance of the Company.
6. The Board of Directors is made up of not fewer than five (5) and not more than fourteen (14) Directors, among whom there must be a sufficient number of independent directors.
7. The Board of Directors acts as a joint committee. However, through a delegation resolution, the Board may appoint one or more directors, in which case, the power of representation must be attributed individually to the said directors.

Article 6. The Board's Powers

The Board of Directors is responsible for all matters relating to the management, administration and representation of the Company and the management of its corporate business. The Board has the broadest powers to administer and represent the Company, and all matters not expressly assigned to the General Meeting of Shareholders are within its scope. By way of illustration, and without limitation, the Board's powers include:

1. General acts:
 - a) Represent the Company, both in and out of court.
 - b) Propose to the General Meeting of Shareholders the adoption of the resolutions it deems appropriate.
 - c) Draft the annual report and accounts to be submitted to the General Meeting of Shareholders.
 - d) Establish branches, agencies, delegations, subsidiaries and representations, where deemed appropriate.
 - e) Delegate the powers it deems appropriate to the Chief Executive Officer and establish other such powers as it deems necessary.
 - f) Present all kinds of applications and declarations to official bodies, submit and receive all kinds of documents from the said bodies; receive and send correspondence, certificates, money orders and receipts and, in general, all public or private documents that are necessary for the purposes indicated.
 - g) Organise and direct the operation of the Company and of the businesses that constitute its purpose. Manage the aforementioned businesses, as well as the goods and trading establishments of all types which make up the said businesses, and fulfil their corporate obligations.
 - h) Appoint and reject correspondents.
 - i) Exercise the other powers vested in it by these Articles of Association and apply and interpret them when necessary.
2. Property, *in rem* rights, obligations and contracts:
 - a) Constitute, recognise, modify, accept, group together, divide, assign, ratify, extinguish or cancel, in whole or in part, the ownership, *in rem* rights, special properties, easements, censuses, usufructs, pledges, mortgages, antichresis and other rights.
 - b) Enter into civil, commercial and administrative contracts, such as sale, swap, lease, commodate, loan, company, employment association, service or work; make casual or third-party decisions, as well as enter into insurance, annuity and, in general, contracts of all types including nominated or unnamed, principal or ancillary, for valuable consideration or free of charge, involving a change of party(ies) or an element of uncertainty, entered into by mutual agreement or at auction, tender or any other form of bid.
 - c) Assign, transfer, collect and pay all types of credits, interest, or dividends without any limitation.

3. Commercial acts:

- a) Constitute or hold, recognise, assign, ratify, terminate or cancel any type of acts, contracts, credit agreements, obligations and commercial business of movable or real assets, securities, investment funds, collective investment bodies, financial derivatives, options, futures contracts, warrants, structured products and other financial instruments, cash, rights or shares, purely or on condition or to term, in a simple way or jointly and severally, whether they be principal or ancillary, involving a change of party(ies) or an element of uncertainty, designated or undesignated, and even if they are held in stock exchanges, markets, exchanges, fairs or that refer to the State and to public administrations, banks in general and savings banks, insurance companies and others. In addition, to grant mandates and powers to any auxiliary body, mediator and agent.
- b) Open current and deposit accounts, with all types of banks, savings banks and financial institutions, monitor the transactions of these contracts and cancel them; as well as, in general, requesting, contracting and financing the loans, credits and other banking transactions that it deems necessary in order to finance and run the Company. Disburse funds and comply with the balances or statements, whether this is with regards to money, movable or real property, rights or shares of any kind.
- c) Issue, deliver, assign, endorse, negotiate, discount, protest, collect, intervene, indicate, guarantee, accept and pay bills of exchange, vouchers, promissory notes, cheques, money orders and any other kind of trading documents and securities or stock values.
- d) Participate in the formation of companies, associations, property communities, collective investment bodies, consortia, and approve and sign their articles of association; subscribe and distribute shares, equity holdings or debentures; participate in the appointment of corporate officers, accept the appointments made in favour of the Company, and represent them to the administrative bodies and at the General Meeting of Shareholders; pay calls for subscribed capital and collect assets; exercise the preemptive acquisition or subscription rights or those of first refusal and withdrawal that are associated with them and, in general, exercise all the rights inherent to the shareholder or member's position. Buy, pledge, swap and sell shares, shareholdings, and other securities and stocks of other companies or institutions.
- e) Apply, obtain, exploit and assign all kinds of patents and licences. Negotiate, conclude and sign contracts of sale, concession, exclusivity, mandates, representations, leases, guarantees, renting, invoicing, franchise agreements, merchandising and, in general, to hold and conclude civil, commercial and public procurement contracts of all kinds and without any restrictions.
- f) Appoint, suspend and remove executives, representatives, technicians, employees and workers, indicating their remuneration, assignment and working conditions.

4. Acts involving the courts, judicial bodies and the public administration:
 - a) Appear as the claimant, defendant or with any other standing, in proceedings, acts or in civil, criminal, administrative claims, constitutional lawsuits, and any other ordinary or special jurisdiction. Carry out all kinds of actions in or out of court. Lodge complaints and reports, as well as ratifying, waiving and withdrawing them. Make declarations in a trial on behalf of the Company.
 - b) File all kinds of ordinary or extraordinary appeals. Request the enforcement of final judgements.
 - c) Suspend, agree to a compromise, withdraw, engage in arbitrations at law or in equity, or as a third party in the same proceedings. Desist from all kinds of legal actions and guarantees.
 - d) Appear before any public authority or official, or any public or official institution. Submit applications, to pursue cases of any kind, monitoring them and bringing them to a conclusion, having broad powers to waive, withdraw, make compromises, and to appeal against their rulings, exhausting all the channels allowed by law.
 - e) Represent the Company in court-ordered or non-court ordered meetings of creditors and insolvency proceedings. Accept or challenge the credits and debts which are claimed for or against the Company; approving or rejecting proposals for settlement, agreement and arrangement and, in general, make the appropriate decisions accordingly.
 - f) Participate in competitive bids, auctions and public tenders, with the broadest powers in order to conclude public procurement contracts and accept concession contracts, with the terms, prices and conditions that are deemed most appropriate.
 - g) Require the involvement of notaries or other certifying bodies, authorities and officials.
 - h) Grant powers of attorney to litigate, with as wide a scope as necessary, including the power to withdraw, commit to them and settle them through legal counsel.
 - i) Replace all or part of its powers with general or special, authorised representatives and trustees; revoking the substitutions and authorised representatives it has granted and conferring the said authorisation to others, without any limitation.

Article 7. Duties of the Board

1. The Company's Board of Directors must actively participate in the management of all substantial risks, ensuring that the appropriate resources are allocated as well as being obliged to participate in the valuation of assets, in the use of external credit ratings and in internal models relating to these risks.
2. The Board of Directors has at least the following key duties in the establishment and monitoring of:
 - a) The Group's overall business strategy within its legal and regulatory framework, taking into account the long-term financial interests of the Company and its solvency; the annual budgets; setting performance goals with regard to the profit and loss results; the control of the institution's plan and the profit and loss results obtained by the institution, and the monitoring of large distributions of capital, acquisitions and divestments.
 - b) The general risk strategy and risk policy of the Company and the Group that it heads, where applicable, including its tolerance and appetite for risk and the risk management framework.
 - c) The amounts, types and distribution of both the capital and equity required to hedge the Company and the Group's risks.
 - d) The effective operation of the existing Committees and the action of the delegated bodies.
 - e) The coherent and transparent corporate and organisational structure, with clear and effective lines of responsibility and communication channels; as well as the guiding principles of communication systems, including the matter of information security, internal communication agreements and a procedure for reporting and communicating possible breaches within the organisation.
 - f) The operating structure, which must be robust and efficient, including the human and material resources necessary for the correct operation of the institution in areas such as administration, accounting, computer systems and subcontracting.
 - g) The appointment policy and succession plans for people with key functions within the institution. In this regard, it must establish suitability criteria when selecting members of the Board of Directors and of General Management and it must actively and critically monitor the execution of the Board of Directors' strategies by the General Management, including their monitoring and achievement in relation to the reference criteria established by the Board of Directors.

- h) The long-term remuneration framework for the main directors and members of the Board of Directors, which must be in line with the interests of the Company and its shareholders and with the Company's risk strategy. In this regard, the Board of Directors must actively monitor the design and operation of the remuneration system of both the institution and the Group, verifying that it has the appropriate incentives, prudently assuming the risks and periodically reviewing and amending it as soon as any deficiencies are identified.
 - i) The principles of governance and the corporate values of the institution, through its code of ethics and conduct, a deontological code of ethics or a similar document, including the management of conflicts of interest.
 - j) The internal control framework, which must be fit for purpose, proportionate and effective and which must include the establishment of competent, robust and independent risk functions, as well as compliance and internal audit functions that ensure an appropriate environment for the drafting of accounting and financial information.
 - k) The principles applicable to management, the business continuity plan and crisis management.
3. It is also the Board's duty to (i) define, supervise and be responsible for the implementation of governmental agreements that ensure the sound and prudent management of the Company, including the separation of duties within the organisation and the prevention of conflicts of interest; (ii) periodically monitor and evaluate the effectiveness of the Company's governance system, and (iii) take appropriate measures to address any deficiencies.
4. In addition, the Board must also approve the code of ethics and conduct, the internal control policies and regulatory compliance policies, as well as periodically monitor compliance and take the appropriate measures to remedy any deficiencies. It must also approve the general ESG policy and ensure that the good practices that are either mandatory or voluntary are effectively enforced, as well as adapting them whenever necessary.

CHAPTER III

COMPOSITION OF THE BOARD OF DIRECTORS

Article 8. The Chairperson

1. When the Chairperson has not been appointed by the General Meeting of Shareholders, the Board of Directors must elect, from among its members, a substitute Chairperson and, optionally, a Vice-chairperson to replace them in the event of their absence or impediment.
2. The Chairperson of the Board of Directors has the powers provided for in the Law, the Articles of Association and these regulations, as well as those entrusted to them by the Board itself.
3. In cases of absence, incapacity or vacancy of the Chairperson, and in the event that a Vice-Chairperson has not been appointed, the post shall be replaced by the Director who is elected at that same meeting. In the event that a Chairperson has not been elected through the meeting between the attending board members, the chairperson's position shall be replaced by the oldest director in attendance at the meeting.
4. The Chairperson holds the most responsible position for overseeing the proper functioning of the Board of Directors and must promote the development of its powers and coordination with its committees for a better fulfilment of its duties. In addition, the Chairperson has, among others, the following powers, without prejudice to those of the Chief Executive Officer and of the authorised representatives and appointments that have been established:
 - (i) Institutionally and formally represent the Company and the institutions that are answerable to it, without prejudice to the duties assigned in this matter to the Board of Directors and the General Meeting of Shareholders. The Chairperson must also formally represent the Company in its relations with the Andorran and foreign authorities, institutions and public bodies. However, the Chairperson may delegate this representation to the other members of the Board, the Chief Executive Officer or the Company's General Manager.
 - (ii) Convene, set the agenda for and chair the Board of Directors' meetings, directing the discussions and deliberations and limiting the turns to express the opinions for and against any proposal. In addition, the Chairperson may formally execute any resolution of this body.
 - (iii) Ensure that the directors receive sufficient information in advance to be able to deliberate the items on the agenda and encourage the debate and active participation of the directors during the meetings, taking care to take a free position.

- (iv) Approve the minutes, certifications and other documents relating to the Board of Directors' resolutions and, where applicable, of the Committees he or she chairs, as well as the certifications relating to the resolutions of the General Meeting of Shareholders, and to act on behalf of the Company to implement these resolutions before the regulatory bodies, without prejudice to the powers of other bodies.
- (v) Bear the official signature of the Company and, therefore, sign contracts, prior agreements or other legal instruments that are legally or statutorily required with public administrations and other institutions on the Company's behalf.
- (vi) Ensure that the current legal provisions and the precepts of the Articles of Association and the Regulations and the resolutions of the collegiate bodies they chair are all complied with.

Article 9. The Secretary

1. The Board of Directors must appoint a Secretary, who may or may not be a Board Member and who, in the latter case, has no deliberative vote at the Board's meetings. In the event of the Secretary's absence or impediment, he or she may be replaced by any of the directors.
2. It is the responsibility of the Secretary of the Board of Directors to assist the Chairperson in his/her duties and, in particular: (i) to process the convening of the Board meetings, in the execution of the decision of the Chairperson; (ii) to keep the documentation related to the Board of Directors, record the meeting minutes regarding the proceeds of the meetings and attest to their content and the resolutions adopted in the Minutes Book; (iii) to ensure that the actions of the Board of Directors comply with the applicable regulations as well as with the Articles of Association and any other internal regulations, and (iv) to assist the Chairperson to ensure that the Directors receive the relevant information to perform their duties well in advance and in the proper manner.
3. In any case, the Secretary shall be appointed and removed by the full Board, after receiving a report, in both cases, from the Appointments and Remuneration Committee.

Article 10. Delegation of Powers

1. The Board of Directors may delegate its powers to an executive committee or to the Chief Executive Officer. In order to be valid, these permanent appointments require the agreement of at least two-thirds of the Board Members. Under no circumstances can accountability be delegated to the General Meeting of Shareholders.
2. The Board of Directors may also create such committees, as it deems appropriate, to better implement its powers and to strengthen management transparency, in order to ensure compliance with the Board's own functions, for good governance and the best administration, management and control of the Company. The Audit and Compliance, Risk, and Appointments and Remuneration Committees must be created as a minimum. The Board of Directors must approve the regulations in accordance with the operational regulations of the said committees.

Article 11. Audit and Compliance Committee

1. The Audit and Compliance Committee is made up exclusively of non-executive directors, in the number determined by the Board of Directors, between a minimum of three (3) and a maximum of six (6). The majority of the members of the Audit and Compliance Committee are independent and most of them are appointed taking into account their knowledge and experience in accounting, auditing or both, as well as in internal control and regulatory compliance.
2. The purpose of this committee is to assist the Board of Directors in supervising both the financial statements as well as carrying out the functions of control and compliance of Mora Banc Grup, SA and of its consolidated group.

Without prejudice to any other task that may be assigned to it at any time by the Board of Directors, the Audit and Compliance Committee must carry out the following basic non-executive functions:

- (i) Inform the General Meeting of Shareholders of the issues raised in matters lying within the Committee's scope.
- (ii) Submit the proposals for the selection, appointment, re-election and replacement of the external auditor in accordance with the regulations applicable to the Company to the Board of Directors, for subsequent submission to the General Meeting of Shareholders, along with the conditions of the auditor's contract, the scope of the auditor's professional mandate and to regularly request information from the auditor on the audit plan and its execution, in addition to preserving the auditor's independence in the performance of his/her duties.
- (iii) Serve as a communication channel between the Board of Directors and external auditors, to evaluate the results of each audit and the responses of the management team to its recommendations, and intervene in the event of disagreements between them and the latter regarding the criteria applicable in the drafting of the consolidated financial statements, as well as examining the circumstances, if any, that may have led the auditor to resign.
- (iv) To monitor the Internal Audit and Regulatory Compliance services, checking their suitability, sufficiency and integrity, as well as verifying that Senior Management takes into account the conclusions and recommendations of its reports. In this respect, the Internal Audit and Regulatory Compliance areas shall report periodically to the Audit and Compliance Committee.

In particular, the Audit and Compliance Committee must validate the Annual Internal Audit Plan and the Regulatory Compliance Plan, the degree of implementation of such plans and the degree of implementation of any recommendations that may be issued.

The Internal Audit Department shall report to the president of the Audit and Compliance Committee, notwithstanding its obligation to inform the top-ranking executive so that it discharges its functions properly. In accordance with this, the Committee shall decide on the selection, appointment and replacement of its president, subsequent to submitting a report to the Appointments and Remuneration Committee.

With regard to the president of the Regulatory Compliance Department, the top-ranking executive shall put forward her/his appointment or removal so that the former is able to appraise and, if applicable, approve such motions, subject to a subsequent favourable report by the Appointments and Remuneration Committee. This Committee is responsible for putting any such appointments or removals on record and reporting this to the Board.

- (v) Supervise the work of the auditors on the preparation and presentation process for the required financial information, as well as the regulatory reports which must be issued, and the effectiveness of the Company's internal control systems, including fiscal ones; as well as discussing any significant weaknesses of the internal control system which may be detected during the course of the audit with the auditor. All this, however, must be carried out while respecting the auditor's independence.
- (vi) Establish the appropriate relationships with the accounts auditor in order to receive information on matters that may jeopardise the latter's independence, so it can be considered by the Audit and Compliance Committee, as well as any other information related to the process of auditing the accounts, and any other communications provided for in the current audit legislation and standards.

In any case, the Audit and Compliance Committee must receive an annual declaration from the external auditors of their independence in relation to the Company or institutions that are directly or indirectly linked thereto; as well as information on any additional services (of any kind), which they provide and the corresponding fees received by the external auditor in question from the institution or the people or institutions linked to it, in accordance with the provisions set forth in the legislation on auditing accounts.

In addition, prior to the issuance of the Audit Report, the Audit and Compliance Committee must annually issue a report expressing an opinion on the independence of the accounts audit. In all cases, this report must contain the valuation of the provision of the additional services referred to in the previous paragraph, considered individually and as a whole and which are different from the legal audit and in relation to the rule of independence regime and with the auditing regulations.

- (vii) Monitor the compliance with the audit contract, ensuring that the opinion on the annual accounts and the main contents of the audit report are drafted in a clear and precise manner.
- (viii) Review the Company's accounts and inform the Board of Directors in advance about the financial information that the Company must periodically make public in the markets and, in general, ensure compliance with the legal requirements in this matter to ensure the correct application of the generally accepted accounting principles. In addition, it must also report on proposals for changes in accounting principles and criteria suggested by Management to guarantee the integrity of the accounting and financial information systems, including the financial and operational control and compliance with applicable law in this regard.
- (ix) Supervising and assessing the process of drafting and filing non-financial information, and the effectiveness of internal control systems.

- (x) Monitor compliance with the regulations regarding related transactions.
 - (xi) Monitor compliance with the internal rules on conduct and ethics, monitor and ensure compliance with and respect for the Law and, in general, the rules of corporate governance. In particular, the Audit and Compliance Committee must carry out the following duties: (a) monitor compliance with applicable national and international regulations in matters related to money laundering and terrorist financing, stock market behaviour, data protection as well as ensuring that the information requirements and action taken by the competent official bodies and regulators on these matters shall be addressed in the appropriate time and manner; (b) ensure that the internal codes of ethics and conduct, applicable to the Group's staff, comply with the regulatory requirements and that they are appropriate for the respective institutions throughout the Group; and (c) monitor, in particular, fulfilment of the provisions contained in these regulations.
 - (xii) Consider the suggestions made by the Chairperson of the Board of Directors, the Board Members, Directors and Shareholders of the Company, and establish and monitor a mechanism that allows employees of the Company, or the group to which they belong, to be able to report (confidentially, and if appropriate, anonymously) any potentially important irregularities, especially in the field of finance and accounts, which they may notice within the company.
 - (xiii) Receive information and, where appropriate, issue a report on the disciplinary measures to be taken against members of Senior Management of the Company.
 - (xiv) Fulfil the other duties assigned to it in accordance with the Law, the Articles of Association, these regulations or other regulatory requirements applicable to the Company.
3. The provisions set forth under sections (ii) to (vi) of the previous section are understood to be without prejudice to the regulations governing the auditing of accounts.
 4. The Audit and Compliance Committee shall meet at least six (6) times a year and as often as necessary to carry out its functions.

This Committee's meetings are convened by the Chairperson, on his/her own initiative or at the request of the Chairperson of the Board of Directors or of two members of the Committee itself. The members of this committee may attend the meetings by videoconference or conference call. Meetings may also be held without a meeting if all its members unanimously accept and approve them.

5. This Committee must inform the Board of Directors about its operations, highlighting the main incidents that have arisen, where applicable, in relation to its own functions. In addition, when the Committee deems it appropriate, it must make proposals for improvement to the Board.
6. The Audit and Compliance Committee shall appoint a Chairperson from among the independent directors. The term of office of the Chairperson of the Committee has a maximum term of four (4) years and may be re-elected for a maximum of two (2) terms. In addition, the Committee must also appoint a Secretary and can appoint a Vice secretary, who may or may not be members of this Committee. In the event that these appointments are not made, those of the Board of Directors shall act as such. Resolutions adopted by this Committee shall be made by a majority of its members present or represented. In the event of a tie, the Chairperson of the Committee shall have the casting vote.

7. The members of the Company's management team or staff are obliged to attend the Audit and Compliance Committee's meetings and collaborate with it, providing access to the information available to them when the Committee so requests. In addition, the Committee may request the Company's auditors and external collaborators and/or external advisers to attend its meetings, where necessary on a permanent basis.

Article 12. Risk Committee

1. The Risk Committee is made up of members of the Board of Directors with the appropriate capacity, experience and knowledge to fully understand and control the Company's risk strategy and risk appetite, in the number determined by the Board of Directors and with a minimum of three (3) and a maximum of six (6) members. At least one third of these members must be external or independent directors.

The Risk Committee must appoint its Chairperson from among its members, who must be an independent or external director, and a secretary may also be appointed. In the absence of the latter appointment, the secretary of the Board shall perform this role or, if this is not possible, one of the vice secretaries of the Board, if there are any.

2. This Committee meets at least ten (10) times a year or as often as is necessary to carry out its functions.
3. Without prejudice to the other duties assigned to it by Law, the Company's Articles of Association or others that may be assigned to it by the Board of Directors, the Risk Committee must perform the following basic functions:
 - (i) Advise the Board of Directors on the Company's current and future global risk appetite as well as its strategy in this regard, report on the risk appetite framework; assist in monitoring the implementation of this strategy; ensure that the Group's actions are consistent with the previously decided level of risk tolerance; and monitor the degree of adequacy of the risks assumed in the established profile.
 - (ii) Propose the Group's risk policy to the Board, identifying, in particular:
 - (a) The different types of risk (credit, market, liquidity, default, operational, reputational, structural, among others) faced by the Company, including the financial and economic risks the contingent liabilities and other off-balance sheet risks.
 - (b) The information and internal control systems which will be used to control and manage the above-mentioned risks.
 - (c) Setting the risk level deemed acceptable by the Company.
 - (d) The measures envisaged to mitigate the impact of the identified risks, in the event that they materialise.
 - (e) The regular review of the Bank's portfolio.
 - (iii) Determine, together with the Board of Directors, the nature, amount, format and frequency of the information on risks to be received by the Board of Directors and to establish what information the Committee must receive.

- (iv) Regularly review exposures and concentrations with the main clients, economic sectors of activity, geographical areas and types of risk.
- (v) Examine the Group's risk information and control processes, as well as the information systems and indicators, which must allow it to:
 - (a) Have a knowledge of the suitability of the structure and functionality of risk management throughout the Group.
 - (b) Have a knowledge of the Group's exposure to risk to assess whether it fits the profile set by the Company.
 - (c) Have sufficient information to accurately know the risk exposure in order to be able to make decisions.
 - (d) Ensure the proper functioning of policies and procedures that mitigate operational risks.
- (vi) Within the scope of its function, it must integrate the indirect monitoring of the risk of non-compliance with regulations, which is directly overseen by the Audit and Compliance Committee.
- (vii) Report on new products and services or significant changes to existing ones, in order to determine:
 - (a) The risks faced by the Company with the issuance of these products and their marketing within the markets, as well as significant changes in existing ones.
 - (b) The information and internal control systems to manage and control these risks.
 - (c) The corrective measures to limit the impact of the identified risks, in the event that they materialise.
 - (d) The appropriate means and channels for marketing them, with the aim of minimising reputational and defective marketing risks.
- (viii) Ensure the sufficiency, suitability and effectiveness of the functioning of the department responsible for the Group's risk management.

- (ix) Authorise and sanction the following credit operations and credit facilities:
- Credit facilities with a personal guarantee of more than €8,000,000.
 - Credit facilities with personal guarantee and a maturity of more than 10 years.
 - Credit facilities with collateral (mortgage, monetary or securities), which account for 50% within the aforementioned limit and without considering the term involved.
 - Risk transactions outside Andorra for an amount of €1,000,000, regardless of their maturity and the overlapping guarantees.
- (x) Authorise and sanction, so that the Board can decide on or ratify the following:
- Credit facilities with a personal guarantee of more than €20,000,000.
 - Credit facilities of any amount provided to Board Members.
 - Any credit facilities extended to the Bank's shareholders that exercise a significant influence and persons that have ties with them, and that are not delegated by the Credit Committee or the Risk Department, due to the amount or risk profile involved.
 - Credit facilities of any amount whatsoever to members of the Bank's Executive Committee, Middle Management or Senior Management.
 - Transactions with the media.
 - Transactions with political parties.
 - Proposals for reports to the Board on any risk area.
- (xi) Cooperate with the Appointments and Remuneration Committee to establish rational remuneration policies and practices. For this purpose, the Risk Committee must examine, notwithstanding the functions of the Appointments and Remuneration Committee, whether the incentive policy covered by remuneration systems takes into consideration the risk, capital, liquidity, likelihood and opportunity of profits.
- (xii) Review the price policy on assets and liabilities offered to customers so that it is in line with the bank's business model and risk strategy.
- (xiii) Any other function that falls to it by virtue of the Law, the Articles of Association, this agreement and all other regulations to which the Company is subject.

4. In order to properly carry out its functions, the Company must ensure that the Risk Committee can easily access information on the Company's risk situation and, if necessary, specialist external advice, including external auditors and regulatory bodies.

The Risk Committee may request that some people, within the organisation, who carry out tasks related to the Risk Committee's functions and who have been provided with the necessary advice to form a judgement on matters within their remit to attend the meetings, which must be processed through the Board's Secretary.

The Risk Committee is convened by the Chairperson of the said Committee, either on their own initiative or at the request of the Chairperson of the Board of Directors or two (2) members of the Committee itself. It can also be convened at the request of the Chief Executive Officer / Chief Executive or the Director of the Risk Department. The meeting must be convened by letter, telegram, fax, email or any other means in which proof of receipt can be verified.

The Secretary of the Risk Committee must convene the meeting as well as file the minutes and documentation submitted to the Committee.

The Risk Committee is validly constituted when a majority of its members, in person or through representatives are present. Resolutions shall be adopted by a majority of the concurrent members, present or represented, and minutes shall be taken of the agreements adopted at each meeting.

The members of this committee may attend the meetings by videoconference or conference call. Meetings may also be held without a meeting if all its members unanimously accept and approve them.

Through its Chairperson, the Risk Committee shall report to the Board on its activity and the work that has been carried out, on the meetings scheduled for this purpose or the one to be held immediately after if the Chairperson deems it necessary.

This Committee must inform and report to the Board of Directors about its operations, highlighting the main incidents, where applicable, in relation to its own functions. In addition, it must also inform the Board of Directors on matters of major importance. This information will be used by the Board, where necessary, to evaluate the Committee and its members. In addition, when the Committee deems it appropriate, it must make proposals for improvement to the Board.

Article 13. Appointments and Remuneration Committee

1. The Appointments and Remuneration Committee is made up of directors who do not have executive roles, in the number determined by the Board of Directors, with a minimum of three (3) and a maximum of five (5) members, always with a predominance of independent or external directors. It must also have a composition allowing it to form a competent and independent opinion on remuneration policies and practices, and on the incentives created to manage risk, capital and liquidity.
2. The Committee must choose its chair from among the external and independent directors who are members of it and a secretary may also be appointed. If the Committee does not specifically appoint a secretary, the Secretary of the Board or, if this is not possible, any vice-secretaries of the Board, will act as such.
3. This committee must meet at least two (2) times a year and as often as necessary to perform its duties.
4. Notwithstanding any other duties that may be assigned to it by the Board of Directors, the Appointments and Remuneration Committee has the following basic responsibilities:
 - A) Regarding appointments:
 - (i) To evaluate and propose to the Board of Directors the evaluation of the necessary skills, knowledge and experience of the members of the Board of Directors and the Senior Management staff.
 - (ii) To submit proposals for the appointment of independent and external directors to the Board of Directors so they are appointed through co-option by the General Shareholders Meeting or to submit the decision to the Board, as well as proposals for the General Shareholders Meeting to re-elect or dismiss such directors.
 - (iii) To report on the proposals for the appointment and, if applicable, dismissal of the secretary and vice-secretaries to submit them for the approval of the Board of Directors.
 - (iv) To assess the profile of the most suitable people to be part of the various committees in accordance with their knowledge, skills and experience, and submit the relevant proposals to the Board.
 - (v) To inform the Company's Board of Directors of the CEO's proposals to appoint or dismiss Senior Managers, with the authority to make such proposals directly in the case of senior managers when, due to their control duties or duties to support the Board or its committees, the Committee considers it must take this initiative. Furthermore, if it so deems appropriate, it may propose basic conditions in senior managers' contracts, unrelated to remuneration, and report on them when they have been established.
 - (vi) To examine and organise, in collaboration with the chair of the Company's Board of Directors, his/her successor and that of the CEO and, when appropriate, submit proposals to the Board of Directors so that this succession takes place in an orderly and planned manner.

- (vii) To periodically assess – at least once a year – the structure, size, composition and performance of the Board of Directors and its committees, its chair, the CEO and secretary, and submit recommendations for possible changes.
 - (viii) To assess, with the frequency required by the regulations, the suitability of the various members of the Board of Directors and the Board as a whole, and to inform the Board of Directors accordingly.
 - (ix) To consider the suggestions made by the chair, the Board members, the managers or the Company's shareholders.
 - (x) To supervise and monitor the proper functioning of the Company's corporate governance system by making the proposals deemed appropriate to improve it.
 - (xi) To supervise the independence of external and independent directors.
 - (xii) To assess the balance of knowledge, capability, diversity and experience of the Board of Directors and draft a description of the roles and skills required for a specific appointment, and to assess the time commitment expected for the position.
 - (xiii) To set a representation target for the less-represented sex on the Board of Directors, which must develop guidelines on how to achieve this objective.
- B) Regarding remuneration:
- (i) To prepare decisions on remuneration and, in particular, to inform and propose to the Board of Directors the remuneration policy, the system and amount of the annual remuneration of the directors and senior managers, as well as the individual remuneration of the Company's executive officers and the CEO, and the other conditions of their contracts. The preparation of these decisions must take into account the long-term interests of shareholders, investors and other stakeholders of the Company, as well as the public interest.
 - (ii) To directly supervise the remuneration of the Senior Management and those responsible for risk management and regulatory compliance roles.
 - (iii) To ensure the directors' and senior managers' remuneration policy is observed, and to report on the basic conditions set in their contracts and their compliance.
 - (iv) To analyse, draft and periodically review remuneration schemes, assess their suitability and performance, and ensure they are observed.
 - (v) To consider the suggestions made by the chair, the members of the Board, the managers or the shareholders of the Company.

5. The Appointments and Remuneration Committee may use the resources it deems appropriate to perform its duties, including external advice, and may have adequate funds to do so.
6. Notwithstanding what has been stipulated above, it must meet whenever it is appropriate for the proper performance of its duties. Meetings must be convened by the chair of the Committee, either on his/her initiative or at the request of two (2) members of the Committee. It must be convened whenever the Board or its chair requests the issuance of a report or the passing of a proposal.
7. The convening notice must be sent by letter, telegram, fax, e-mail or any other means that keeps a record of receipt. The secretary of the Committee must convene the meeting and archive the minutes and documentation submitted to the Committee.
8. Minutes must be taken of the resolutions passed in each meeting, which must be taken into account at the full Board meeting. The minutes must be available to all Board members at the Secretary's Office. However, they may not be forwarded or released for reasons of discretion, unless the chair of the Committee decides otherwise.
9. The Committee must have a quorum when the majority of its members are present or represented by proxy. Resolutions shall be passed by a majority of the members present or represented by proxy.

Members of this committee may attend meetings by videoconference or telephone conference. Meetings may also be held without the members meeting together if all of the members unanimously agree to do so and approve it.

10. The Committee must report to the Board of Directors on its operation, whereby it must highlight the main incidents that may have arisen, if any, concerning its duties. It must also inform the Board of the most relevant issues. When applicable, this information, among others, must serve as the basis for the Board of Directors' assessment. In addition, when the Committee in question deems it appropriate, it must include improvement proposals in this report.

Article 14. Executive Committee

1. The Executive Committee is made up of members of the Board of Directors, in the number determined by the Board of Directors and with a minimum of five (5) and a maximum of seven (7) members. The Chairman/woman of the Board of Directors is a member of this Committee. Due to current regulatory restrictions, the CEO or Managing Director will attend with the right to address the board and without a vote, unless at some point the supervisor's express authorisation is obtained so that he or she can be a full member.
2. The Chairman/woman of the Executive Committee is appointed from among the directors who are members of this Committee and, preferably, the appointment of this person to chair the Board of Directors should be avoided.

The Committee may also appoint a secretary and if it does not specifically appoint one, the Chairman/woman or, if not possible, any of the vice secretaries of the Board, if there are any, may act in this capacity.

3. Without prejudice to other functions that may be assigned to it by the Board of Directors, the Executive Committee has the following responsibilities:
 - I. Make recommendations and suggestions to the Board of Directors to improve the Company's profitability that of the Group's business.
 - II. Monitor and ensure proper management of investments in the real economy or private equity.
 - III. Reflect on, analyse, assess, work on and, if applicable, draw up proposals for the Board of Directors on matters related to equity, which, by way of example but not limited to, includes the following:
 - a. Significant corporate transactions.
 - b. Dividends and distribution of profit.
 - c. Liquidity mechanisms for shareholders.
 - d. The exercise of the right of first refusal and other matters related to the sale and purchase of the Mora Banc Group's shares.
 - IV. Where necessary, review and approve relevant, off-budget investment proposals, delegated by the Board of Directors.

To this end, the Board has given the Executive Committee the power to decide on the following matters:

 - a. Decisions on investment and divestment in non-core assets (private equity) with an amount above 2.5% of Mora Banc Group's own funds;
 - b. Acquisitions of financial, banking or insurance activities with an amount of between 5 and 10% of Mora Banc Group's own funds;
 - c. Capital increases and restructuring in subsidiaries with an amount of between 5 and 10% of Mora Banc Group's own funds.
4. The Executive Committee may use the resources it deems appropriate to carry out its functions, including obtaining external advice, and will have the appropriate budget available to be able to do so.

5. The Committee must meet at least four (4) times a year and as often as necessary to properly carry out its functions.
6. Meetings shall have to be convened by the Chairman/woman of the Committee (either on his/her own initiative or at the request of two members of the Committee itself) and shall be held whenever the Board or its Chairman/woman requests the issuance of a report or adoption of a proposal. It may also be convened if required by the Chief Executive Officer or the Managing Director.
7. The meeting must be convened by letter, telegram, fax, email or any other means in which proof of receipt can be verified. The Secretary of the Committee must convene the meeting as well as file the minutes and documentation submitted to the Committee. In any case, the documentation submitted must be sent at least three (3) working days in advance.
8. Minutes shall be taken of the resolutions adopted at each meeting, which shall be reported to the full Board and the said minutes shall be made available to all Board Members and to the Secretary; however, they may not be remitted or delivered on a discretionary basis, unless the Chairman/woman of the Committee decides otherwise.
9. The Committee shall be deemed validly constituted when the majority of its members are in attendance, either in person or through proxies, and resolutions must be passed by a majority of members entitled to vote, whether in person or through proxies.

The members of this committee may attend the meetings by video conference or conference call. Meetings may also be held by a circular resolution if all its members unanimously accept and approve it.

10. The Committee must inform the Board of Directors about its proceedings, highlighting the main incidents, where applicable, related to its own functions. Where applicable, this information should serve as a basis, among other information, for the evaluation of the Board of Directors. In addition, when the Committee deems it appropriate, the report will include proposals for improvement.

Article 15. Technology, Innovation and Information Security Committee

1. The Technology, Innovation and Information Security Committee (hereinafter, TIISC) is made up of a minimum of three (3) members who are appointed from among the members by the Board of Directors, who will also nominate its Chairperson. For these purposes, the Board of Directors takes into consideration the knowledge and experience in technology, information systems and cybersecurity.

In the event that the Chairperson is unable to attend, his or her duties shall be carried out by the most senior member of the TIISC in the Committee and, in the event of two or more coinciding in this regard, by the oldest member.

2. The TIISC may appoint a Secretary. If the Committee does not appoint one, the Secretary of the Board or, if this is not possible, one of the Vice Secretaries of the Board, if any, shall act in this capacity.
3. This Committee must meet at least four (4) times a year and as often as necessary to carry out its functions.
4. The TIISC aims to assist the Board in:
 - a) Maintaining knowledge of the main infrastructures and technological developments, as well as make proposals to the Board and monitor the Group's technological and innovation strategy as well as its alignment with its general strategy.
 - b) Gaining knowledge of and understanding the main technological and information security and cybersecurity risks of the Group, as well as monitoring the management of these areas at Group level in order to mitigate these risks.
 - c) Ensuring that the Group has sufficient plans and policies as well as the necessary and appropriate ways of managing these areas and in making proposals to the Board of Directors.

All of this is without prejudice to any other functions that the Board may assign to it at any time, always related to its main areas of responsibility.

5. Without prejudice to other duties that may be assigned to it by the Board of Directors, the TIISC must perform the following functions:
- a) In the field of infrastructure and technological developments:
 - Study the plans and actions related to technology and report them to the Board, assisting it in the evaluation of the quality and strategic suitability of the technological service. By way of example, but not limited to: the infrastructure, architecture, information systems and application development and integration; investments in computer equipment and technological transformation, service quality improvement programmes and measurement procedures, as well as relevant technology projects.
 - b) In the field of technological and innovation strategy:
 - Study the innovation plans and actions, and report them to the Board, assisting it in the evaluation of the capacities and conditions for innovation at a Group level, as well as identifying the main threats. By way of example, but not limited to: adopting new business models, technologies, systems and platforms, associations, business relations and investments, and relevant innovation projects.
 - Where appropriate, it must keep itself informed of technological trends that may affect the Group's strategic plans, including monitoring the general trends in the sector.
 - c) In the field of information security and cybersecurity:
 - Assist the Board in gaining knowledge on and understanding the risks, regulations and compliance in the monitoring of the Group's main risks and technological and security infrastructure, including information security and cybersecurity risks.
 - Study the contingency plans for business continuity regarding technology and technological infrastructure issues and report them to the Board.
 - In addition, the Committee must keep informed of the relevant events that have taken place in the field of information security and cybersecurity, gaining an understanding of those that, in isolation or as a whole, could significantly impact or damage the Group's equity, profit and loss results or its reputation. In all cases, when discovered, these events will be reported to the Chairperson of the Committee.

In general, to inform the Board of Directors and, where applicable, the delegated Committees decided by the Board on relevant matters related to information technology that fall within its scope.

In order to carry out its duties in the best way possible, the appropriate coordination systems must be established with the Board, as well as with its Committees (especially with the Audit and Compliance Committee and the Risk Committee) in matters that are the responsibility of this committee and affect matters relating to or connected with their respective responsibilities.

6. The TIISC may request the attendance at the meetings from people within the organisation, who have assignments related to their functions. In addition, the TIISC can request the help of the external advisers that are necessary to form a judgement on the questions within its scope; this must be processed through the Board's Secretary.
7. The TIISC must be convened by the Chairperson of the Committee, either on their own initiative or at the request of the Chairperson of the Board of Directors or two (2) members of the Committee itself. The meeting must be convened by letter, telegram, fax, email or any other means in which proof of receipt can be verified.

The Secretary of the TIISC must convene the meeting as well as file the minutes and documentation submitted to the Committee.

8. The TIISC is validly constituted when a majority of its members, in person or through representatives are present. Resolutions shall be adopted by a majority of the concurrent members, present or represented, and minutes shall be taken of the agreements adopted at each meeting.

The members of this committee may attend the meetings by videoconference or conference call. Meetings may also be held without a meeting if all its members unanimously accept and approve them.

9. Through its chairperson, the TIISC must report to the Board on its activity and the work carried out, on the meetings scheduled for this purpose or the one to be held immediately after if the Chairperson deems it necessary.
10. This Committee must inform the Board of Directors about its operations, highlighting the main incidents, where applicable, related to its own functions.

In addition, it must also inform the Board of Directors on matters of major importance. This information will be used by the Board, where necessary, to evaluate the Committee and its members. In addition, when the Committee deems it appropriate, it must make proposals for improvement to the Board.

CHAPTER IV

OPERATION OF THE BOARD OF DIRECTORS

Article 16. Operational Rules

1. The Board of Directors must meet whenever it deems it appropriate for the proper functioning of the Company and at least six (6) times a year; at least one meeting must be held each quarter.
2. Regarding the convening of the meeting:
 - a) The meeting must be convened at least five (5) working days in advance of the date of the meeting. Exceptionally, in the event of matters of extreme emergency, this period may be reduced to 24 hours. The Board may meet without the need to convene when all its members are present or represented, when it is unanimously accepted to hold the meeting and to discuss the items on the agenda.
 - b) The meeting must be convened in writing, this can include by email or fax to the address or number provided by each director.
 - c) It must contain the agenda of the matters to be dealt with. Resolutions may not be adopted on matters not listed on the agenda unless all members of the Board are present or represented.
3. Unless the Board of Directors has been constituted or has been convened exceptionally because of an emergency, the directors must have been provided with the necessary information to deliberate and adopt agreements on matters to be dealt with, in advance and in good time. The Chairperson of the Board, in collaboration with the Secretary, shall ensure that this provision is complied with.
4. As a general rule, the Board of Directors' Meetings and those of its Committees take place at the registered office; however, they may also be held in another location determined by the Chairperson of the Board or Committee in question, who may authorise meetings with simultaneous attendance in different places, connected by audiovisual or telephonic means, provided that the recognition of the participants and the interactivity and intercommunication in real time and, therefore, the unity of act can be ensured. Attendees who do not physically come to the venue of the meeting and who use methods of communication which allow them to be present at the meeting simultaneously and reciprocally with the physical venue of the meeting and other members who use remote media are considered to be attending for all effects and purposes, and they may cast their vote through the said communication method. In the event that any of the directors are at the registered office, the meeting is deemed to have been held at that registered office. If this is not the case, the meeting is deemed to be held wherever the director who chairs the meeting is located.

5. The valid constitution of the Board of Directors requires the attendance of more than half of its members, in person or represented.
6. The directors may only be represented by another member of the Board of Directors. In this case, their proxy must be granted in writing, especially for each meeting, and in favour of another member of the Board. The letter granting the representation must be sent to the chairperson of the Board of Directors.
7. The Board of Directors may pass resolutions without holding a meeting. In this case, the vote may be cast by any means of remote communication, provided that the identity of the director and the way they have voted can be sufficiently guaranteed.
8. The Chairperson maintains the good order of the Board; ensuring the regularity of deliberations; granting and withdrawing the floor to give presentations and may impose a maximum time for each turn; he/she may also decide that an issue has been sufficiently debated and to put it to a vote.
9. At least once a year, the full Board shall evaluate:
 - (i) The quality and efficiency of the Board's operation.
 - (ii) The performance of the duties carried out by the Chairperson of the Board, the Secretary of the Board and the Chief Executive of the Company.
 - (iii) The operation of the Committees and propose, on the basis of the results, an action plan to improve how they function.

Article 17. Proceedings of meetings

1. The chairperson must organise the debate, seeking and encouraging the participation of all of the directors in the deliberations of the body, and directing its votes.
2. Except in cases in which the Law or the Articles of Association specifically establish other voting quorums, resolutions shall be adopted by an absolute majority of votes present or represented at the meeting. Notwithstanding the foregoing, the delegation of powers requires the agreement of at least two-thirds of its members.
3. The Secretary must draw up the minutes of the meetings of the Board of Directors. At least the chairperson and the secretary must sign these minutes, which must be transcribed and recorded, in accordance with the applicable regulatory requirement, in the corresponding minutes book.
4. The resolutions of the Board of Directors must be recorded in minutes that must be transcribed into the corresponding minutes book. In any case, the minutes must include:
 - a) The date, place and time of the meeting.
 - b) The date, form and full text of the convening of the meeting.
 - c) The name of the attendees, and whether they attend in person or through a proxy.
 - d) A summary of the matters dealt with and the contributions which the speaker(s) requested be recorded.
 - e) The content of the resolutions and the majorities with which they were passed. Abstentions and the result of the vote must also be stated, particularly for votes against, if the interested party so requests it.
 - f) The approval of the minutes, when this occurs at the end of the meeting.
5. The minutes may be approved at the end of the meeting or at the next meeting. In this case, the secretary must send the draft minutes to all attendees within 15 days before the date of the meeting and is considered approved if none of them raises any objections within another 15 days; this without prejudice to subjecting them to the express approval at the next meeting.
6. The power to certify the minutes and resolutions of the Board of Directors is vested in the Secretary of the Board, regardless of whether the Secretary is a director, with the approval of the Chairperson.
7. The person issuing the certification must hold the current position and must be previously registered in the Companies Register, or have registered themselves at the same time as the certified agreement is registered. If the person seeking the registration of their office is a person other than the one listed in the Companies Register with the power to certify, the notarial notification previously performed for the former holder must be certified.

CHAPTER V

APPOINTMENT AND REMOVAL OF DIRECTORS

Article 18. Appointment of the Board Members

1. The Members of the Board of Directors are appointed by the General Meeting of Shareholders by a vote, although the shareholders may group together voluntarily to directly appoint directors.

Notwithstanding the provisions of the preceding paragraph, the Board of Directors may appoint, from among the shareholders, the people who must fill the vacancies that arise on the Board until the first General Meeting of Shareholders is convened.

2. Each voluntary group of shareholders representing a capital amount equal to or greater than that resulting from dividing the entire capital by the number of Board Members has the right to appoint a Director for each resulting entire fraction.

In the event that this power is used, the Shareholders grouped together in this way may not take part in the voting for the Board Members until those elected have ceased to hold office. For this purpose, the shareholders who have exercised this right must be identified in the minutes of the vote, with their number and series.

3. Whenever shareholders exercise their right to group together, all the of the Board Members who have been elected by the entire share capital must be renewed, regardless of how long they have held office.
4. Directors shall be appointed for a term of three (3) years and they may be re-elected on an indefinite basis. They may be removed at any time by a resolution of the General Meeting of Shareholders under the terms and conditions provided for in the Articles of Association, even if this item is not on the agenda. In the event of a resignation, it shall not take effect until the Company has received notification of such in writing with acknowledgement of receipt.
5. It is not necessary to be a Shareholder in the Company to hold the position of Director. The Directors may simultaneously hold any other position or role in the Company, regardless of whether or not it is remunerated.
6. In the event that a legal entity is appointed to the position of Director, it must appoint a natural person to act on its behalf in the governing body.

The acceptance agreement for the position for which they have been appointed and the appointment of its representative, where applicable, must be adopted by the governing body of the legal entity which has received the appointment. Additionally, it is an essential requirement that a certificate of the agreement be submitted, issued in a legal way and with notarised signatures, to the Chairperson of the Company's Board of Directors within five days of the date of the adoption of the resolution accepting the position and of the appointment of the representative.

Article 19. Classification of the Directors

1. Directors are classified as being either executive or non-executive, and the latter are distinguished between proprietary or independent.
2. Executive directors are those who perform management functions in the Company or its group, regardless of the legal relationship they maintain with it. However, directors who are senior executives or directors of companies that belong to the group of the controlling institution of the Company are considered to be proprietary directors in the subsidiary. When a director performs management functions and, at the same time, is or represents a significant shareholder or is represented on the Board of Directors, he/she is considered to be an executive.
3. Proprietary directors are those who have a shareholding equal to or greater than that which is considered legally significant or who have been appointed due to their status as shareholders, even if their shareholding does not reach this amount, as well as those representing significant shareholders.
4. Independent directors, appointed for their personal and professional abilities, are those who can perform their functions without being conditioned by their relationship with the Company or its group, or its significant shareholders or its directors.

It should be noted that people who are in any of the following categories cannot be considered independent directors under any circumstances:

- (a) They have been employees or executive directors of any of the companies of the Group, unless three (3) or five (5) years, respectively, have elapsed since the termination of this relationship.
- (b) They receive any amount or benefit on a basis other than the director's remuneration from the Company, or from its own group, unless it is considered insignificant for a director's position.

For the purposes of the provisions under this sub-section, dividends or pension supplements received by the director for their previous professional or employment relationship are not taken into account, provided that these supplements are unconditional in nature and, consequently, that the Company that pays the said dividends or supplements may not suspend, modify or revoke the remuneration at its discretion, without breaching obligations.

- (c) They are, or have been in the last three (3) years, shareholders responsible for the audit report, regardless of whether it is the audit performed during this period on the Company or any other company in its group.
- (d) They maintain, or have maintained during the last year, a significant business relationship with the Company or with any company belonging to its group, either in their own name or as significant shareholders, directors or senior executives of an institution that maintains or has maintained this relationship. Provider of goods or services, including financial, advisory or consultant relationships are considered business relationships.

- (e) They are significant shareholders, executive directors or senior executives of an institution that receives, or has received during the last three (3) years, donations from the Company or its group. Included in these provisions of this sub-section are people who are simply patrons of a foundation that receives donations.
 - (f) They are spouses, people bound by a similar personal relationship or relatives, including second-degree relatives, of an executive director or senior executive of the Company.
 - (g) They have not been favourably evaluated, either for their appointment or renewal, by the Appointments Committee.
 - (h) They have been directors for a continuous period of more than twelve (12) years.
 - (i) With regard to any significant shareholder or representative on the Board, any of the cases indicated in letters (a), (e), (f) or (g) above apply. In the case of the kinship relationship referred to in letter (f), the limitation applies not only to shareholders, but also to its proprietary directors in the investee company. Proprietary directors who lose this status as a result of the sale of their shareholding by the shareholder they represented may only be re-elected as independent directors when the shareholder they represented up until that time has sold all of their shares to the Company. A director who has a shareholding in the Company may have the status of an independent director as long as they meet all the conditions set forth above and, in addition, their shareholding is not significant.
 - (j) Directors who receive any remuneration from any of the shareholders or companies which have any partners who are shareholders of the Bank.
5. Non-executive directors who cannot be considered proprietary or independent directors are considered external.
6. The status of a director must be detailed by the Board of Directors before the General Meeting of Shareholders which must carry out or ratify their appointment or agree to their re-election and must be recorded or, if necessary, amended in the Annual Corporate Governance Report, with the prior report from the Appointments and Remuneration Committee.

Article 20. Term of Office

1. The directors hold office for the term set forth in the Articles of Association until the General Meeting of Shareholders agrees to remove them or they resign. They may be re-elected once or more times for periods of the same duration. However, the term of office for independent directors cannot be for a period of more than twelve (12) years.
2. The directors appointed by co-option must hold their office until the date of the next General Meeting of Shareholders or until the expiration of the legal term for the holding of the said Meeting which must be resolved on the approval of the accounts of the previous year; however, if the vacancy occurs once the General Meeting has been convened but before it has been held, the appointment of the director by co-option by the Board to fill this vacancy shall remain in effect until the following General Meeting of Shareholders.

Article 21. Cessation of Directors

1. Directors must leave office when the period for which they were appointed has elapsed, and they have not been re-elected to office; when the General Meeting of Shareholders so decides in the use of the powers conferred to them by Law or the Articles of Association; and when they resign.
2. The directors must make their position available to the Board of Directors and formally hand in, if it is deemed appropriate, the corresponding resignation in the following cases:
 - a) When they resign from the positions, functions or executive offices to which their appointment as directors is associated.
 - b) When they are disqualified by any of the cases of incompatibility or prohibition stipulated by law or they fail to meet the suitability requirements required by the current regulations.
 - c) When they are prosecuted for an alleged criminal act or are subject to disciplinary proceedings for serious or very serious misconduct at the instruction of the supervisory authorities.
 - d) When their position on the Board may jeopardise the interests of the Company or when the reasons for which they were appointed no longer exist. In particular, in the case of proprietary directors, when the shareholder they represent fully transfers their shareholding.
 - e) When there are significant changes in their professional situation or in the conditions under which they were appointed.
 - f) When, in the Board's opinion, due to facts attributable to the director, their remaining on the Board could cause serious damage to the equity or to its corporate reputation.
3. In the event that a natural person representing a legal entity director is affected by any of the provisions set forth in the previous section, the natural person acting as the legal entity's representative must make their position available to the said legal entity that appointed them. If this person decides to keep the representative to carry out the office of director, the legal entity's director must make this position as director available to the Board of Directors.
4. When a director resigns before the end of their term, they must explain the reasons in a letter to be sent to all the members of the Board of Directors.

CHAPTER VI

INFORMATION ON THE DIRECTOR

Article 22. Powers to Request Information and Inspection

1. In the performance of their functions, directors have the duty to demand and the right to request the necessary information from the Company to enable them to fulfil their obligations. To do this, they must request information on any aspect of the Company and examine its books, records, documents and other types of documentation. Whenever possible, this right to information also extends to investee companies.
2. The request for information must be addressed to the Chairperson of the Board of Directors, if it is an executive request and, failing that, to the Managing Director or Chief Executive Officer, who must send it to the appropriate interlocutor in the Company.
3. In the case of information considered confidential in the opinion of the Chairperson, Managing Director or Chief Executive Officer, the Director requesting and receiving it must be advised about this circumstance, as well as their duty of confidentiality in accordance with that provided for in these regulations.

Article 23. Expert Assistance

1. In order to receive assistance in the performance of their duties, non-executive directors may request that legal, accounting, financial or other experts be contracted at the Company's expense. The assignment must mandatorily deal with specific problems of a certain relevance and complexity that arise in the fulfilment of their duties.
2. The decision to contract this assistance must be communicated to the Chairperson of the Company or, if this is not possible, to the Managing Director or the Chief Executive Officer, and the Board of Directors may veto it provided that it can verify that:
 - a) It is not necessary in order to carry out the main functions entrusted to the non-executive directors.
 - b) The cost involved is unreasonable considering the importance of the problem and the Company's assets and income.
 - c) The technical assistance requested can be adequately provided by experts and technicians within the Company.
 - d) This assistance may pose a risk to the confidentiality of the information to be processed.

CHAPTER VII

REMUNERATION OF THE DIRECTORS

Article 24. Remuneration

1. The members of the Board of Directors must be remunerated.
2. The remuneration has two components: (a) a fixed annual amount on the basis of the mere appointment as a member of the Board of Directors, regardless of whether it has been made by the General Meeting of Shareholders or by the Board itself in accordance with its co-option powers; and (b) a supplementary amount to be set taking into account the status of each member of the Board, the functions and responsibilities assigned to them and their membership on the various committees of the Board of Directors; this may give rise to a different remuneration for each of the members of the Board of Directors.
3. The remuneration is determined by the General Meeting of Shareholders and remains in force as long as the Board does not agree to change it, although the Board of Directors may reduce it in the financial years in which it deems it appropriate.
4. In view of their responsibilities, duties, dedication and other objective circumstances that are considered relevant, the member of the Board who holds the position of Chairperson enjoys an additional fixed remuneration and, where applicable, a variable one in the manner, the conditions and the amount determined by the General Meeting of Shareholders.
5. The remuneration of the Managing Director and/or the Chief Executive Officer, where applicable, is excluded from the remuneration system established in the previous paragraphs and is set by the Board of Directors without the participation of the Director in question, in the manner, the conditions and the amount it determines.
6. The position of Secretary is unpaid when the position is filled by a director; in the event that this is not the case, the position is remunerated and the Board itself agrees on the manner, the conditions and amount of the remuneration.

CHAPTER VIII

THE DIRECTOR'S DUTIES

Article 25. Performance of the Duties of a Director

1. The members of the Board of Directors of the Company perform the duties that correspond to them in accordance with their respective position on the Board and the Committees which they form a part of, in accordance with the Law, the Articles of Association and the resolutions the governing bodies of the Company adopt in this regard.
2. Directors are subject to the duty of loyalty and must comply with the duties imposed by Law and the Articles of Association displaying loyalty to corporate interest, understood as in the interest of the Company.
3. Directors are obliged to attend the meetings of the corporate bodies and the Board's Committees of which they are members, except for justified reasons, and to participate in the deliberations, discussions and debates that may arise on matters submitted for their consideration.
4. Directors must act with full knowledge, in good faith, with due diligence and attention and in accordance with the interests of the Company and its shareholders, with honesty, integrity and demonstrating independent ideas, evaluating and questioning, where appropriate, effectively managing the decisions of the General Management as well as effectively monitoring and controlling the decision-making process performed by Management.

In addition, directors must act in accordance with the established channels, refraining from any individual interference and in accordance with their respective tasks on the Board of Directors and its Committees, as well as in exercising their specifically delegated powers assigned by the Company's governing bodies, especially in relationships with the Bank's clients, executives and employees.

5. Directors must comply with the duty of diligence and the duty of loyalty. The duty of diligence requires the members of the Board of Directors to act with full awareness, being fully informed, in good faith and with due diligence and care. The duty of loyalty is understood as the duty of the members of the Board of Directors to take into account the interests of the institution and its shareholders in their actions.
6. The directors must have sufficient information to be able to form a judgement with regard to the matters that correspond to the Bank's corporate bodies, acting with the foresight that is required in each case.

The exercising of the right to information must be channelled through the Chairperson, the Managing Director, the Chief Executive Officer or the Secretary of the Board of Directors, who must answer requests directly by providing the information or establishing the appropriate channels within the organisation, unless the Board's committees have established a specific procedure for this purpose.

Article 26. Duty of Confidentiality

1. The deliberations of the corporate bodies are confidential. The resolutions adopted must be made public at the time and in the manner determined by the corporate bodies themselves. Directors must keep the deliberations of the Board and the committees of which they are a member confidential, as well as all the information to which they have had access to in the performance of their position, which they must use exclusively in carrying out their duties and which they must safeguard with due diligence. The obligation of confidentiality persists even after leaving office.
2. When the director is a legal entity, the duty of confidentiality is borne by its representative, without prejudice to the fulfilment of their obligation to inform the said entity.

Article 27. Ethics and Standards of Conduct

1. In carrying out their responsibilities, directors must conduct themselves in an ethical manner in accordance with the regulatory requirements applicable to people carrying out administrative tasks in companies, in particular in financial institutions, in good faith and in accordance with the principles that form the values of the Mora Banc Group.

These regulations regulate conflicts that may arise between the interests of the director or their relatives, and those of the Bank and its group; as well as cases of incompatibility that would disqualify them from performing the duties of a director, among other aspects.

The members of the Board are subject to Mora Banc Group's Code of Internal Conduct and Mora Banc Group's Stock Market Code.

To this end, directors must report the following situations to the Board of Directors: any direct or indirect conflict that they may have with the interest of the Company; their shareholding in any company of the same type of analogous or complementary activity, which constitutes their corporate purpose and the positions or functions they perform in it; as well as the carrying out, on their own behalf or on the behalf of others, of the same kind of analogous or complementary activity, which constitutes the corporate purpose. They must also inform the Bank of any situations, facts or news that may have an influence on the course of the Bank's activity and of any situation which they are aware that, due to their importance, may seriously affect the institution's reputation.

In addition, they must also inform the Bank of any circumstances that may affect it and that could damage its credit or reputation; in particular, in criminal cases in which they appear as defendants and any important changes in circumstances in their proceedings. After examining the situation, the Board may require that the director submits their resignation; the director must comply with this decision.

Article 28. Conflict of Interests

1. Directors must refrain from attending and speaking in cases that may give rise to a conflict of interest with the Company.
2. The director may not be present at the deliberations of the corporate bodies on matters in which they may be directly or indirectly involved, or which affect people linked to them in legally established terms. In addition, directors may not carry out, directly or indirectly, any personal, professional or commercial transactions with the Company or companies of its Group other than the usual banking relations, unless they are subject to a contracting procedure that ensures their transparency, with competitive offers and at market prices.
3. In addition, directors must refrain from having direct or indirect shares in businesses or companies in which the Bank has a stake (or in companies in which the Bank has a majority stake), unless this shareholding precedes their joining the Bank as a director, or they are companies whose shares are listed on the stock exchange or are authorised by the Board of Directors of the Bank.
4. Directors may not use their position in the Company to obtain an equity advantage, or make a profit, for their own benefit, indirectly or for people linked to them, from a business opportunity which they have become aware as a result of their activity as a director of the Bank; unless this opportunity has been previously offered to the institution and it has decided not to exploit it and the Board of Directors allows the directors to take advantage of it.

In any case, in their actions, directors must submit to the provisions applicable to them in accordance with the Group's Code of Conduct in the field of securities markets; as well as the internal provisions and instructions that are applicable when applying for credit, bonds and guarantees from the financial institutions that make up the Mora Banc Group.

5. In their activity related to the stock markets, they may not carry out operations on their own behalf or on the behalf of others, directly or indirectly, in relation to securities they own, which due to their position, or from inside information and provided that this information is not made public.

Nor may they recommend the acquisition or transfer of securities with regard to which they have inside information to third parties, nor carry out any act that encourages a third party to acquire or transfer the securities relating to the said information.

Article 29. Incompatibilities

1. Directors cannot provide professional services to companies which compete with the Bank or any institution in its group of companies, nor may they accept positions of employee, manager or executive; unless they have the prior express authorisation of the Board of Directors and with the agreement of the General Meeting of Shareholders, or that these services have been provided or performed prior to the director joining the Bank and that they have informed the institution of this fact at that time. Consequently, before making a final decision and in order to avoid a possible conflict of interest, they must consult with the Bank whether they can agree to be appointed as a director, employee or permanent adviser of a company; except when they are companies controlled by the director, their spouse and minor children.
2. Directors who have obtained the exemption established in the previous section are bound to comply with the conditions and guarantees set forth in the exemption agreement and, in any case, they are bound to refrain from participating in deliberations and votes which may involve a conflict of interest.
3. Directors who end their term of office or who, for any other reason, cease to hold office may not provide services or be a director in another Andorran financial and/or banking institution that is in a situation of effective competition with the Bank for a period of twelve (12) months, unless they obtain the express authorisation from the Board of Directors or there are particular agreements and conditions signed between the director and the Company.

Article 30. Use of Non-public Information

1. With regard to the use of any non-public information of the Company, the directors are subject to the duties of diligence, loyalty, confidentiality and secrecy inherent to their position, so they must refrain from using this information for their benefit or that of third parties in contravention of the aforementioned duties.
2. The provisions set forth in this article are without prejudice to the obligations that correspond to the directors with regards inside information and relevant information of the Company in the terms referred to in stock market legislation.

Article 31. Exemption from the Fulfilment of Duties by Directors

In cases in which it has not been expressly prohibited, the Company may exempt the director from the fulfilment of certain obligations. When this dispensation is not the responsibility of the General Meeting of Shareholders, it may be approved by the Board of Directors in advance and exceptionally and after the report from the Audit and Compliance Committee stating that no harm shall be caused to the Company and that the legal or statutory rules applicable in each case are not breached.

CHAPTER IX

RELATIONSHIPS WITH THE BOARD

Article 32. Relationships with Shareholders

1. The Board of Directors must implement the appropriate procedures to be aware of the proposals that the shareholders may formulate in relation to the management of the Company.
2. Through some of its directors and with the collaboration of the members of the Company's Senior Management that it deems relevant, the Board may organise informative meetings on the performance of the Company and its group with the shareholders.
3. The Board of Directors must promote informed participation of shareholders at the General Meetings and take all appropriate measures to make it possible for the General Meeting of Shareholders to effectively perform its own functions in accordance with the Law and the Articles of Association.

In particular, the Board of Directors must adopt the following measures in accordance with the provisions set forth in the Law:

- a) Strive to provide all legally required information and, even if it is not required, any information that may be of interest and be reasonably supplied to shareholders, prior to the Meeting and within a reasonable time period in advance.
- b) Respond, with the utmost diligence, to requests for information by the shareholders prior to the Meeting.
- c) If it is not possible to respond to requests for information at the meeting itself, it must provide the information requested after the end of the Meeting in the terms provided for by Law.
- d) Answer, with the same diligence, the questions posed to it by the shareholders at the General Meeting.
- e) Ensure that matters proposed to the Board are voted on in an orderly and individual way, and allow shareholders to address the meeting to express their views on each of the issues put to vote.

Article 33. Relationships with Auditors

1. The Board's relationships with the Company's external auditors must be channelled through the Audit and Compliance Committee.



morabanc.ad