

II.1.2.3. The evaluation of the independence of the non-executive directors by the management body shall take into account the legal rules and regulations in force on the requirements of independence and the regime of incompatibilities applicable to the members of other social bodies, assuring coherency systematically and throughout time in the application of independence criteria to the entire company. The director which, in other corporate body, would not be able to assume that quality under the applicable rules, shall not be considered as independent.

The Board of Directors body is composed by three members and includes a member, Prof. Juan Carlos Vázquez-Dodero that is a non-executive member. The mentioned member is a non-executive director of affiliated companies.

This member does not accomplish any business or activities with the Company in the meaning of the 397º and 398 articles of the Commercial Societies Code(CSC). However he does not accomplish the requirements of independence stated in the 414th, nº 5 article of the mentioned CSC, in the meaning that he, however, is a non-executive member of the board of directors of affiliated companies - and in this sense he accomplishes the UE Recommendation the 15th February 2005 over this theme - he does not accomplish the more restrictive meaning stated by the CMVM. Regarding the items of incompatibility, the same non-executive director accomplish those rules

with the exception of the c) alinea nº 1 of the CSC 414-A article.

In conclusion, however the Company's administration structure is not governed by a auditory committee that takes part of it's Board of Directors (and so the company is not legally obliged to accomplish the 423º-B article of CSC code, namely nºs 4 and 5), it is understood that the item required under the points II.1.2.3. of the Corporate Governance Code is complied with.

II.1.5.6. At least one of the Remuneration Committee's representatives shall be present at the Annual Shareholders' General Meeting.

The company has complied with this Recommendation at the Annual G. Meeting taking place in 2011.

II.2. Identification and composition of other committees created with responsibilities for the management or the supervision of the company.
Not existent.

II.3. Organizational structure or functional chart concerning the delegation of responsibilities among the various corporate bodies, committees and/or departments within the company, including information on the scope of delegating responsibilities or distributing duties among the members of the Management or Supervisory bodies, as well as a list of non-delegable subject matters and delegable subject matters.