

# **ARTICLES OF ASSOCIATION OF IBERPAPEL GESTIÓN S.A.**

## **TITLE I**

### **NAME, OBJECT, DURATION AND REGISTERED ADDRESS.**

**ARTICLE 1.-** The Company is named "IBERPAPPEL GESTIÓN S.A." and shall be subject to the provisions of the Law, of these Articles of Association and such other provisions as may be applicable to it at any given point in time.

**ARTICLE 2.** The Company's object encompasses:

A) Commercial transactions of all kinds, for its own account or for the account of third parties, relating to any merchandise or object.

B) Holding and exploitation of all kinds of municipal, rural, farm, forestry and industrial properties.

C) Subscription, derivative acquisition, holding, possession, administration, purchase, sale and transfer of transferable securities and company shares, excluding the activities regulated by Law 46/84 and activities subject to specific legislation.

**ARTICLE 3.** The Company is incorporated for an indefinite period.

The Company shall commence business the day the formation deed is executed (barring the activities requiring special administrative formalities, which shall commence when authorisation is obtained and/or such formalities are fulfilled).

**ARTICLE 4.** The Company's registered office is at San Sebastián, Avda Sancho El Sabio 2-1º.

The Administrative Body has authority to move the registered office within the same municipality and to open, close or move branches, agencies or offices, in Spain and abroad, as deemed necessary or advisable in the course of the Company's activities.

**TITLE II**  
**SHARE CAPITAL AND SHARES**

**ARTICLE 5.** The share capital amounts to SIX MILLION SEVEN HUNDRED AND FORTY-EIGHT THOUSAND FOUR HUNDRED AND FOURTEEN EUROS AND TWENTY EURO CENTS (6,748,414.2 euros).

This capital is divided up into ELEVEN MILLION TWO HUNDRED AND FORTY-SEVEN THOUSAND THREE HUNDRED AND FIFTY-SEVEN (11,247,357) ordinary shares, each with a nominal value of 0.60 euros, all fully subscribed and paid up, and all pertaining to the same single class and series.

**ARTICLE 6.** The shares shall be represented by book entries.

**ARTICLE 7.** The Company shall recognise the shareholder status of the persons that appear in the relevant accounting registers, including the rights pertaining to shareholders under these Articles of Association, and in compliance with applicable regulations.

The share confers shareholder status on its legitimate owner and entails that the owner must comply fully with the provisions of these Articles of Association and of resolutions validly adopted by the Company's governing bodies, while empowering the owner to exercise shareholder rights, in conformity with these Articles of Association and with the Law.

**TITLE III**  
**GOVERNING BODIES**

**ARTICLE 8.** The Company shall be governed and administered, on the terms and conditions stipulated below, by the General Shareholders' Meeting and by the Board of Directors.

This is notwithstanding the other offices that may be appointed by the General Meeting, in accordance with these Articles of Association or with the Law.

**TITLE IV**  
**REGARDING THE GENERAL SHAREHOLDERS' MEETING**

**ARTICLE 9.** The duly assembled General Meeting shall represent all the shareholders, and its resolutions, which are to be passed in accordance with these Articles of Association, the General Shareholders' Meeting Regulations and currently applicable legal provisions, shall be binding upon all the shareholders, including any who were absent or who abstained from voting and any who voted against the resolution, without prejudice to such rights and remedies of all kinds as may be available to them under currently applicable legislation.

The General Meeting shall resolve upon matters falling within the scope of its competence pursuant to the Law, these Articles of Association and the General Meeting Regulations; in particular, the General Meeting shall pass the following resolutions:

1. The appointment and dismissal of Administrators, liquidators, and where appropriate auditors, and the filing of any corporate action for liability against any of these persons.
2. The approval, if appropriate, of the annual accounts, of the allocation of income, and of the company's management.
3. The issue of debentures, and the increase or reduction of share capital, delegating where appropriate to the Board of Directors, within the legally-established periods, authority to set the date or dates of execution of these resolutions; the Board shall be able to make full or partial use of such powers, or even refrain from executing the resolution in the light of market conditions, the condition of the Company itself, or any fact or event of particular relevance which, in its opinion, justifies such a decision. In such circumstances, the Board shall be required to explain such action to the first General Meeting of Shareholders to be held once the period allowed for execution of the resolution has expired. Power to increase share capital in the terms stipulated by Law may also be delegated to the Board of Directors.

4. The amendment of the Articles of Association.
5. The dissolution of the Company, its conversion, merger, demerger or the universal assignment of its assets and liabilities, and the transfer of its domicile to a foreign location.
6. The approval of the final liquidation balance sheet.
7. The approval of Specific Regulations for the General Meeting, and any subsequent amendments thereto.
8. The reaching of a decision on any matter referred to it by the Board of Directors, in the event of there being relevant circumstances or events affecting the Company, the body of shareholders, or decision-making bodies, and in the event of a public offering for the acquisition of securities issued by the Company in respect of which the Board of Directors has reported unfavourably.
9. The granting to the Board of Directors of such powers as it considers appropriate in respect of unforeseen circumstances.
10. Any other matters stipulated by law or in the Articles of Association.

**ARTICLE 10.** - General Meetings may be either ordinary or extraordinary.

General Meetings are to be called upon the initiative of the Company's Board of Directors, whenever they consider this necessary or advisable in the Company's interests and, in any event, on the dates or within the periods established in the Law and in these Articles of Association.

The Board of Directors shall also be required to call a General Meeting when requested by one or more shareholders representing at least five per cent of share capital, the matters to be debated by the meeting being stipulated in the request thus presented. In this case, the General Meeting must be called to be held within the legally required period counted as from the date on which the Board of Directors was asked in a notarised request to issue the call; the matters indicated in the request are necessarily to be included in the Agenda.

The ordinary general meeting, having been called for this purpose, is necessarily to be held within the first six months of each year, to approve the way in which the company has been managed, where appropriate, and the

annual accounts for the previous year, and to resolve upon the allocation of income.

Any meeting which is not that envisaged in the preceding paragraph is to be classed as an extraordinary general meeting.

The ordinary general meeting is to be considered valid even when it has been called or held outside the required period.

**ARTICLE 11.** The Ordinary or Extraordinary General Meeting shall be validly assembled on first call when shareholders present or represented hold at least one quarter of issued voting capital. On second call, the General Meeting shall be validly assembled whatever the percentage of share capital that is present or represented.

**ARTICLE 12.** Without prejudice to the provisions of the preceding article, the Meeting must be attended at first call by one half of subscribed voting capital to be able to resolve validly upon the following matters: the issue of debentures, the increase or reduction of share capital, the elimination or limitation of pre-emptive rights in respect of new shares, the conversion, merger or demerger of the Company or the universal assignment of its assets and liabilities, the changing of its domicile to a foreign location and, in general, any amendment of the Articles of Association. The representation of one quarter of subscribed voting capital shall be considered sufficient at second call.

When, however, the Meeting is attended by shareholders representing less than fifty per cent of subscribed voting capital, the resolutions referred to in this article may only be passed with the vote in favour of two thirds of capital present or represented at it.

**ARTICLE 13.** Meetings are required to be held in the municipality in which the Company has its corporate domicile, at the venue indicated in the notice in which they are called.

Meetings are to be called through the publication, with the legally required advance notice, of an announcement in the Companies Registry Official Gazette

and on the Company's web page; this is unless there is a legal provision which requires the dissemination of the announcement by any other means.

The announcement in which the Meeting is called is to indicate:

a) The company's name, the place, date and time at which the Meeting is to take place at first call, and at second call where appropriate, in which case there must be a period of at least twenty-four hours between the meeting at first and at second call.

b) The Agenda for the Meeting, which is to indicate with clarity and precision the matters which are to be debated by it.

c) The right of shareholders representing at least five per cent of capital to request publication of an addendum to the notice calling the general meeting of shareholders indicating one or more points which are to be included on the agenda. This right is to be exercised through the issue of a formally evidenced notification which must be received at the company's domicile within a period of five days counted as from the publication of the call.

The addendum to the call is to be published at least fifteen days prior to the date set for the Meeting.

Failure to publish the addendum to the call notice within the legally established period shall constitute grounds for the nullification of the meeting.

d) The requirements to be met by persons wishing to attend the Meeting and the evidence required to be presented to the Company in this connection.

e) The remote communications means which, in accordance with the Law, the Articles of Association and the General Meeting Regulations, can be used by the shareholders in order to exercise their rights of representation and group formation and their voting rights; and the requirements, periods and procedures established for the use of such means.

f) The right of shareholders to arrange their representation at the Meeting by another person, and the requirements applicable and procedures to be followed in order to exercise this right.

g) The shareholders' right to information and the manner in which this right is to be exercised.

The Meeting shall nevertheless be considered called and validly assembled to address any matter when the entire share capital is either present in person or represented and those attending accept unanimously that a Meeting be held.

**ARTICLE 14.** The General Meeting may be attended by all shareholders who are able to evidence their status as such and whose ownership of shares is reflected in corresponding accounting register at least five days in advance of the date set for the Meeting. When a shareholder exercises its voting rights using remote communication means, in the terms established in Article 14 *bis* of these Articles of Association, this requirement must also be met at the time of casting of the vote.

Shareholders who are entitled to attend may appoint another person to represent them. A single shareholder cannot be represented at the Meeting by more than one representative.

Powers of representation are to be nominative and are to be formalised in writing specifically in respect of each Meeting. These provisions are without prejudice to the provisions of the Law.

Shareholders may also grant powers of representation by electronic or telematic means of remote communication which provide sufficient guarantees as to the powers of representation granted and the identity of the person represented, and which the Board of Directors considers provide sufficient guarantees as to the authenticity and identification of the shareholder who is granting the powers. Powers of representation thus granted are to be communicated to the Company using the procedure and within the period set by the Board of Directors in the resolution in which the Meeting is called.

In the resolution to call each Meeting, the Board of Directors shall determine the procedure, requirements, system and period allowed for the granting and presentation to the Company of representative powers or delegations of voting rights cast electronically or telematically, and for the revocation thereof.

These details shall be indicated in the announcements in which the Meeting is called.

Public representation requests are to conform in any event to the pertinent provisions of the Law.

General Meetings are to be attended by the company's Administrators. They may also be attended – with the right to speak but not to vote - by the Directors, technical personnel and any other persons who, in the opinion of the Board of Directors, have an interest in the success of the Company's affairs and whose presence at the Meeting may, if required, prove useful for the Company. The Chairman of the General Meeting may authorise the attendance of any other person whose presence he/she considers advisable, without prejudice to the Meeting's power to revoke such authorisation.

**ARTICLE 14 bis.**

1. Shareholders entitled to attend may cast their vote on the proposals relating to agenda items in any kind of General Meeting through the following distance communication media:

a) By ordinary mail, sending the attendance card obtained from the Company or from the relevant member entities of the Securities Registration, Clearing and Settlement System, duly signed and completed.

b) Through other electronic or other distance communication media, provided the Board of Directors considers that they duly guarantee the voting shareholder's identity and unequivocal evidence of the identity and status (shareholder or representative) of the voters, of the number of shares held and of the direction of the vote or, if applicable, of abstention.

2. The Regulations of the General Shareholders' Meeting shall stipulate how long before the date of the Meeting the distance vote shall be received by the Company.

3. Shareholders that cast a distance vote in the terms of this article shall be deemed to be present for the purposes of the relevant General Meeting.

**ARTICLE 15.**

1. The shareholders' information right shall be respected as stipulated by law and through a company website, the content of which shall be determined by the Board of Directors. In any event, the website shall include:

a) The full text of the announcement of the General Meeting.

- b) The text of all the proposed resolutions prepared by the Board of Directors in relation to the items on the agenda.
- c) The documents or information on the agenda items that must by law be made available to the shareholders as from the date the General Meeting is convened.
- d) The distance communication media which, in accordance with the Law and the Articles of Association, may be used by shareholders to exercise their rights of representation, voting and, if applicable, attendance; and the requirements, deadlines and procedures governing the use of such media.
- e) Information on the shareholder information services (telephone number, e-mail, offices) in order to obtain information or make suggestions or proposals, in accordance with applicable regulations.

2. The shareholders' information right may also be exercised through specific requests for information submitted, which shall comply with the following rules:

a) Questions or requests for information or clarification relating to the items on the agenda of the General Meeting may be submitted:

- During the Meeting, in the terms stipulated in the Regulations of the General Shareholders' Meeting. In this case, the Board directors shall respond to the shareholder's request during the Meeting, unless this is not possible, in which case the Board directors shall respond in writing within seven days, in the terms stipulated in the aforementioned Regulations.

In writing, until the seventh day prior to the date of the General Meeting, by delivering the request to the registered office or by sending it to the Company by ordinary mail or using electronic or telematic distance communication media. The communication media which the Board of Directors, in a resolution previously adopted to that effect, deems to adequately guarantee authenticity and the identity of the shareholder exercising his or her information right, shall be admissible. Such requests shall be answered prior to the General Meeting using the same medium as was used to submit them, unless the shareholder indicates a different medium that is deemed appropriate by the Board of Directors.

b) Requests for information or clarifications relating to publicly accessible information that has been submitted by the Company to the Spanish National Securities Market Commission (CNMV), since the date of the immediately previous General Meeting, may be submitted until the seventh day prior to the date of the General Meeting by delivering the request to the registered office or by sending it to the Company by ordinary mail or using electronic or telematic distance communication media. The communication media which the Board of Directors, in a resolution previously adopted to that effect, deems to adequately guarantee authenticity and the identity of the shareholder exercising his or her information right, shall be admissible.

Such requests shall be answered prior to the General Meeting using the same medium as was used to submit them, unless the shareholder indicates a different medium that is deemed appropriate by the Board of Directors.

3. The provisions of this article shall not affect the shareholders' right to obtain the printed documents and to ask the Company to send them free of charge, where stipulated by the Law.

**ARTICLE 16.** The Administrators may convene an Extraordinary General Meeting when they consider this to be in the company's interests. They shall also be required to convene a Meeting when asked to do so by shareholders representing five per cent of capital, in which case the request presented is to indicate the matters to be addressed at the Meeting. In this case, the Meeting must be called to be held within a period of one month counted as from the date on which a notarised request to this effect was presented to the Administrators, who are necessarily to include in the agenda the matters referred to in the request.

**ARTICLE 17.** The General Meeting shall be chaired by the Chairperson of the Board of Directors or, in his or her absence, by the Vice-Chair of the Board. Should they both be absent, the oldest Board director shall chair the Meeting. The Secretary to the Board shall act as Secretary during the Meeting and, in his or her absence, the Vice-Secretary to the Board. Should they both be absent, the person designated by the attending shareholders shall act as Secretary.

**ARTICLE 18.** The resolutions of the General Meeting shall be adopted by a majority, barring the cases requiring a qualified majority, as stipulated in these Articles of Association and by law. Each share carries one vote.

**ARTICLE 19.** The minutes of the General Meeting may be approved by the Meeting itself, at the end of the Meeting, or within fifteen days by the Chairperson and two receivers, one representing the majority and the other the minority.

The minutes approved through either of these two procedures shall be enforceable as from the date of approval.

Minutes certificates shall be issued and resolutions shall be executed in public deeds by the persons authorised to do so in these Articles of Association and the Mercantile Registry Regulations.

## **TITLE V REGARDING ADMINISTRATION**

**ARTICLE 20.** The Company shall be represented in and out of court by the Board of Directors, which may make and carry out all activities included in the Company's object and exercise all powers not specifically reserved for the General Meeting by the Law or by these Articles of Association.

**ARTICLE 21.** The Board of Directors shall have a minimum of three and a maximum of ten members, designated by the General Shareholders' Meeting.

The Board directors shall hold office for a maximum of six years and may be re-elected one or more times for the same maximum period.

The Board of Directors shall be authorised to provisionally fill vacancies on the Board by designating in the manner stipulated by law the persons who will fill the vacancies until the next General Meeting is held.

A Board director need not be a shareholder.

If a legal entity is appointed Board director, it shall designate a natural person as its representative to perform the functions of its office.

Persons subject to a legal cause for disqualification or a conflict of interest may not be Board directors.

**ARTICLE 22.** The Board of Directors shall elect from among its number a Chairperson and a Secretary and, if applicable, a Vice-Chairperson and a Vice-Secretary. The Secretary and the Vice-Secretary may or may not be Board directors. In the latter case, they shall be entitled to speak but not to vote.

The Board of Directors shall receive remuneration consisting of a four percent share of net profits that shall only be deducted from net profits after the appropriation to the legal reserve and, if applicable, the statutory reserve, and after having agreed to pay out to the shareholders a dividend of at least four percent of paid up share capital.

Each year, the Board of Directors shall determine the exact amount payable to each Board director, graduating the sum receivable in each case based on whether or not they form part of Board committee, the office held and the time devoted to serving the company.

**ARTICLE 23.** Board meetings shall be convened and shall be held whenever requested by two Board members or at the discretion of the Chairperson or Acting Chair.

The Chairperson shall convene the meeting at least forty-eight hours prior to the date of the meeting. The meeting may be called by any ordinary means, provided the calling of the meeting may be evidenced.

The Board meeting shall be validly assembled when half plus one of the members are present or represented. Representative status shall be conferred by means of a letter sent to the Chairperson.

Resolutions shall be adopted by an absolute majority of the attendees. In the event of a tied vote, the Chairperson shall have the casting vote.

The result of a written vote without a meeting shall be valid if it is not contested by any of the Board directors.

The Board's deliberations and resolutions shall be transcribed into a minutes book that shall be signed by the Secretary with the approval of the Chairperson.

**ARTICLE 24.** - The Board of Directors

The Board of Directors, in order to perform its functions more effectively, may form such Committees as it considers necessary to assist it in relation to matters falling within the scope of its competence; it may delegate the powers which correspond to it, except the power to render accounts to the General Meeting, the presentation to the General Meeting of the Annual Accounts and all powers which the General Meeting has granted to it without authorising expressly their delegation.

Executive Committee -Managing Directors

The Board of Directors may appoint from among its members an Executive Committee made up of between 3 and 5 Directors, which is to be set up and dissolved at the Board's will.

This Executive Committee, once appointed, shall lay down the rules regulating its operation and shall meet on the dates, and subject to the conditions, which the committee itself sets.

Similarly, the Board of Directors may appoint one or more Managing Directors, establishing the regime under which they are to act and the content of the powers delegated to them.

Both the Executive Committee and the Managing Directors shall be under the obligation to keep the Board of Directors duly informed with respect to the performance of the functions thus delegated.

The permanent delegation of any power of the Board of Directors to the Executive Committee or to the Managing Director and the naming of the Directors who are to occupy these positions shall require, in order to be considered valid, the vote in favour of two thirds (2/3) of the members of the Board, and shall not be effective until entered in the Companies Register.

Audit Committee

The Board of Directors shall have an audit Committee which shall supervise both the financial statements and the performance of control functions.

The rules regulating this Committee shall be as follows:

1°.- The Audit Committee shall be made up of a minimum of two and a maximum of four directors, all of whom shall be required to be external directors.

2°.- The appointment of board members and their dismissal shall be undertaken by the Board of Directors in plenary session. The Members of the Committee shall be automatically dismissed when they cease to be Directors of the company.

3°.- The Committee members shall hold their positions for a maximum of four years; they may be re-elected on one or more occasions for periods of the same maximum duration.

4°.- The Committee shall elect from among its members a Chairman, who is to be appointed for a period of four years; the chairman may be re-elected once a period of one year has elapsed as from his/her dismissal. The Secretary of the Board of Directors shall act as the Secretary of the Committee.

5°.- Any member of the Management team, including the Director General or Company personnel whose attendance at Committee Meetings is requested, shall be under the obligation to attend such Meetings and to collaborate and make available any information which they hold.

6°.- The areas of competence of the Audit Committee shall be those established in the Law and in the Board Regulations.

#### Appointments and Remuneration Committee

1°. An Appointments and Remuneration Committee shall be formed and shall be generally empowered to make proposals and present information in relation to remuneration and the appointment and dismissal of directors.

2°. The Appointments and Remuneration Committee shall be made up of a minimum of three and a maximum of five directors, all of whom are external or non-executive, with a majority representing independent directors.

3°. The members of the Appointment and Remuneration Committee shall be appointed by the Board of Directors, consideration having been given to the knowledge, experience and skills required for the functions to be performed.

4°. The members of the Committee shall hold their positions as such for a maximum period of four years and may be re-elected on one or more occasions for periods of the same maximum duration.

5°. The Board Regulations shall regulate the functioning and areas of competence of the appointments and remuneration committee.

## **TITLE VI**

### **REGARDING THE FINANCIAL YEAR AND THE ANNUAL ACCOUNTS**

**ARTICLE 25.** The financial year shall coincide with the calendar year.

**ARTICLE 26.** In conformity with the Code of Commerce, the Company shall keep orderly accounts that are adequate for its business and allow the chronological follow-up of its operations and the preparation of inventories and balance sheets. The books of accounts shall be officially stamped by the Mercantile Registry covering the Company's registered office.

**ARTICLE 27.** Within one month as from the approval of the annual accounts, they shall be submitted to the Mercantile Registry for filing, together with the certificate attesting to the approval of the accounts and the distribution of results, in the manner stipulated by law.

**ARTICLE 28.** The profits obtained each year, after the appropriation to the legal reserve and other legally established bonuses, may be transferred to a voluntary reserve in the amount deemed fit by the General Meeting. Any remaining profit shall be paid out as dividends to the shareholders, in proportion to the share capital paid up for each share.

The payment of interim dividends shall be subject to the provisions of law.

## **TITLE VII**

### **DISSOLUTION AND LIQUIDATION**

**ARTICLE 29.** The Company shall be dissolved on legally stipulated grounds. In the event of dissolution, liquidation shall be entrusted to the Board directors

who, acting as liquidators, shall liquidate and divide the assets in accordance with the resolutions of the General Meeting and the provisions of applicable laws.

**ARTICLE 30.** Once all the creditors have been paid and the amounts of their debt claims has been deposited, and amounts not yet due have been adequately secured, the resulting assets shall be distributed among the shareholders, in accordance with the Law.