

REGULATIONS OF THE BOARD OF DIRECTORS OF IBERPAPEL GESTIÓN, S.A.

The general principles that, in essence, are applied by the Board of Directors of Iberpapel Gestión to govern the Company are described below:

- Maximisation of the Company's value in a sustained manner. In addition to achieving this fundamental objective, the Board shall taken into consideration other interests, such as the observance of ethical duties that are reasonably adequate for the management of the Company's affairs.
- Responsibility, transparency, effectiveness, professionalism and independence.

This is an open list of principles and may be modified by the Company's Board of Directors itself in a plenary meeting, provided there is no conflict with the Law or the Articles of Association in force from time to time.

These general principles are reflected in the following articles, which shall henceforth be observed by the Company's Board of Directors in the course of its activities.

ARTICLE 1.- Scope of application

These Regulations shall apply to the members of the Board of Directors and, where compatible with their specific nature and functions, to the Company's senior managers.

ARTICLE 2.- Governing laws

The activities of the Board of Directors shall be subject to the legal provisions stated below in order of priority:

- a) Corporate laws and regulations applicable to listed companies and to the specific activities performed;
- b) The Company's Articles of Association, provided there is no conflict with the aforementioned laws and regulations;
- c) These regulations;
- d) The resolutions adopted by the Board itself in accordance with the requirements of applicable laws and the Articles of Association.

ARTICLE 3.- Amendment of the Regulations

These Regulations may be amended by means of a resolution adopted by the Board of Directors in accordance with the requirements of applicable laws and the Articles of Association.

The announcement of the meeting in which the amendment is to be discussed and, if applicable, approved shall contain the proposed amendment.

ARTICLE 4.- Interpretation of the Regulations

Any doubts relating to the rules and principles contained in these Regulations shall be resolved by the Board of Directors in conformity with the general criteria for the interpretation of regulations and with the spirit and purpose of the Articles of Association. Such doubts shall be submitted to the Board Secretary.

ARTICLE 5. Function of the Board of Directors

The general supervision of all aspects of the company Iberpapel Gestión and, if applicable, of its Group companies, shall be an essential function of the Board of Directors.

The Board shall perform its functions with a single purpose and on an independent basis, affording the same treatment to all the shareholders and acting in the Company's interests so as to maximise its economic value in a sustained manner.

ARTICLE 6.- Exclusive competence

In addition to the matters stipulated by law, the Board of Directors shall have exclusive competence in the following matters:

- a) The Company's general policies and strategies, particularly:
 - i.- Strategic or business plan and annual management and budgeting objectives;
 - ii.- Investment and financing policy;
 - iii.- Definition of the structure of the group of companies;
 - iv.- Corporate governance policy;
 - v.- Corporate social responsibility policy;
 - vi.- Policy for the remuneration and performance appraisal of senior managers;
 - vii.- Risk control and management policy, and the periodic follow-up of the information and control systems;
 - viii.- Dividend and treasury shares policy, particularly applicable limits.

b) The decisions referred to below:

- i.- At the proposal of the Company's Chief Executive Officer, the appointment and dismissal of senior managers, and their indemnity clauses;
- ii.- Board directors' remuneration and, in the case of executives, additional remuneration for their executive functions and other contractual conditions;
- iii.- Financial information that must be publicly disclosed due to the Company's listed status.
- iv.- Investments or all kinds of operations that are strategic due to their high amount or special characteristics, unless the approval of the General Meeting is required;
- v.- Creation or acquisition of shareholdings in special purpose entities or entities domiciled in countries or territories classed as tax havens, and any other similar transactions or operations which, in view of their complexity, could undermine the Group's transparency.

c) The Company's transactions with Board directors, shareholders that are significant or are represented on the Board, or their related persons (related-party transactions).

However, such Board authorisation shall not be required for related-party transactions that simultaneously fulfil the following three conditions:

- 1.- Effected under standard-form contracts applicable en masse to many customers;
- 2.- Effected at prices or tariffs established on a general basis by the party acting as the supplier of the good or service in question;
- 3.- Amount not exceeding 1% of the Company's annual revenue.

Related-party transactions shall be approved by the Board subject to a favourable report from the Audit Committee.

d) Approval of the Regulations governing the functioning and internal regime of the Board of Directors and related amendments. The Board of Directors shall inform the General Shareholders' Meeting of the approval of the Regulations and amendments to the same, and shall ensure that they are submitted to the National Securities Market Commission and entered in the Mercantile Register.

e) Definition of information and communication policies relating to shareholders, markets and the general public. The Board of Directors shall approve the Annual Corporate Governance Report and shall assume responsibility for supplying the markets with rapid, accurate and reliable information, particularly in relation to the shareholder structure, substantial changes to the rules of governance, relevant related-party transactions or treasury shares.

f) Definition of the content of the Company's website.

- g) Delegation of powers to any of the Board's members in the terms laid down by Law and the Articles of Association, and the revocation of such powers.
- h) Appointment of Board directors to fill a vacancies on the Board until the next General Meeting, at the proposal of the Appointments and Remuneration Committee.
- i) Acceptance of the resignation of Board directors.
- j) The specific matters envisaged in these Regulations.

ARTICLE 7.- Composition of the Board

1. The General Shareholders' Meeting has competence to determine the number of Board directors, subject to a minimum of three and a maximum of ten members, as stipulated in the Articles of Association.
2. 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.

ARTICLE 8.- Appointment of Board directors

The proposals submitted by the Board to the General Meeting relating to the appointment or re-election of Board directors, within the limits stipulated by the Articles of Association, shall previously be proposed by the Appointments and Remuneration Committee, in the case of independent Board directors, and subject to a report from that Committee, in the case of other Board directors, and shall ensure the presence on the Board of a reasonable number of independent Board directors and a majority of external Board directors.

ARTICLE 9.- Board offices

9.1- Chairperson

- a) The members of the Board of Directors shall elect the Chairperson from among their number. The duration of this office shall be the same as the duration of the Chairperson's directorship. Consequently, when the Board member is re-elected as a Board director, there shall be no need for re-election as Chairperson.
- b) The Chairperson's ordinary powers shall include calling, determining the agenda of and leading deliberations during Board meetings, without prejudice to the obligation to call Board meetings in the circumstances envisaged in Article 23 of the Articles of Association.

c) In addition to the functions assigned to the Chairperson by law and by the Articles of Association, the Chairperson shall hold powers the exercise of which shall be subject to prior Board resolutions, or ratification by the Board, where advisable due to the urgency of the situation.

9.2- Vice-Chair

The Vice-Chair, if appointed, shall replace the Chairperson in the event of the latter's illness, absence or death.

Where no Vice-Chair has been appointed, the Chairperson shall be replaced by the oldest Board director.

In such cases, for the duration of the above-mentioned circumstances, the oldest Board director may convene Board meetings, lead negotiations and preside over the meetings.

9.3- Accumulation of the offices of Chairperson of the Board and Chief Executive Officer

If the offices of Chairperson of the Board of Directors and chief executive officer are held by the same person, one of the independent Board directors shall be authorised to perform the following functions:

- a) request the calling of a Board meeting or the inclusion of new items in the agenda;
- b) coordinate the external directors and express their concerns;
- c) lead the Board's evaluation of its Chairperson.

9.4- Secretary to the Board

The Board Secretary or, if applicable the Vice-Secretary or the Board director that acts as secretary shall carry out the following functions:

- a) Ensure that the Board meetings and the resolutions adopted comply with applicable regulations from a formal and material viewpoint.
- b) Issue certificates containing the resolutions adopted.
- c) Exercise any powers that may be granted to the Secretary by the Board of Directors or the General Shareholders' Meeting.
- d) Act as Secretary of Board commissions or committees.
- e) Draw up the minutes of the meetings.
- f) Be responsible for keeping the relevant books.

The appointment and exit from office of the Board Secretary, or the Vice-Secretary, if applicable, shall be approved in a plenary Board meeting, subject to a report from the Appointments and Remuneration Committee.

ARTICLE 10.- Committees

The Board of Directors, for the proper performance of its functions, may create the committees deemed fit to assist it in matters for which it is competent and may delegate relevant powers, barring accountability to the General Meeting, the presentation of the annual accounts to the General Meeting, and all the powers that the General Meeting has granted to it without specifically authorising their delegation.

10.1 Executive Committee-Chief Executive Officers

1. The Board of Directors may designate from among its number an Executive Committee comprising three to five Board directors, which shall be formed and dissolved at the Board's discretion.

2. Once appointed, the Executive Committee shall establish the rules governing its activities and shall meet on the dates and in the terms decided by the Committee.

3. Moreover, the Board of Directors may appoint one or more Chief Executive Officers, establishing the rules governing their activities and the content of the powers delegated to them.

4. Both the Executive Committee and the Chief Executive Officers shall be required to report to the Board of Directors on the performance of the functions delegated to them.

5. The permanent delegation of any powers of the Board of Directors to the Executive Committee or to the Chief Executive Officer, and the designation of the Board Directors who must hold such offices, shall require the favourable vote of two thirds (2/3) of the members of the Board and shall not have effect until it is entered in the Mercantile Register.

10.2 Audit Committee

1. The Audit Committee shall be formed by a minimum of two and a maximum of four Board members, all of whom shall be external directors.

2. The Board of Directors shall appoint and remove Audit Committee members in a plenary meeting. The Committee members shall automatically leave the Committee when they cease to be Company Board directors.

3. The Committee members shall hold office for a maximum of four years and may be re-elected one or more times for the same maximum period.

4. The Committee shall elect from among its number a Chairperson, who shall be appointed for a period of four years and may be re-elected once one year has elapsed as from the end of the term of office. The Secretary to the Board of Directors shall act as the Audit Committee Secretary.

5. All members of the Executive team, including the General Manager, and all Company personnel, shall be required to attend Committee meetings, cooperate and provide access to information held, when asked to do so.

6. The Audit Committee shall have the following powers:

a) Provide information during the General Shareholders' Meeting on the matters raised by shareholders at the Meeting for which it has competence.

b) Supervise the internal audit services.

c) Have knowledge of the Company's financial information processing and internal control systems.

d) Supervise compliance with the internal codes of conduct and corporate governance rules.

e) Having regard to the external auditors:

i.- Submit to the Board proposals for the selection, appointment, re-election and replacement of the external auditor.

ii.- Receive regularly from the external auditor information on the audit plan and the audit results, and check that senior management takes the auditor's recommendations into account.

iii.- Ensure the external auditor's independence and, to this end, ensure that:

1. The Company informs the National Securities Market Commission of the change of auditor, as a relevant event, attaching a declaration regarding the possible existence of disagreements with the outgoing auditor and, if applicable, the content of such discrepancies;

2.- The Company and the auditor observe applicable regulations governing the provision of non-audit services, limits of the auditor's business concentration and, in general, auditor independence;

3.- The circumstances giving rise to the external auditor's resignation, if applicable, are examined.

f) Report on the annual accounts and on the half-yearly and quarterly financial statements for submission to market regulators or supervisors, referring to the internal control systems, to control over follow-up and compliance through internal audits, where applicable, and to the accounting criteria applied. The Board shall also be informed of any change to accounting criteria and of risks recognised and not recognised in the balance sheet.

g) Prepare an annual report on the Committee's activities for inclusion in the Directors' Report.

10.3 Appointments and Remuneration Committee

1. The Appointments and Remuneration Committee shall have the following missions:

a) Oversee the process for the selection of Board directors and senior executives;

b) Propose to the Board of Directors the appointment or re-election of independent Board directors;

b) Report to the Board of Directors on the appointment or re-election of other Board directors;

d) Report on appointments and dismissals of senior executives proposed to the Board by the Chief Executive Officer;

e) Report to the Board on sundry matters;

f) Propose the following to the Board of Directors:

i.- Remuneration policy of Board directors and senior executives;

ii.- Individual remuneration and other contractual conditions of executive Board directors;

iii.- basic contractual conditions of senior executives.

2. The Board of Directors shall appoint and remove Committee members in a plenary meeting and the Committee shall be formed by at least three members. The Committee members shall automatically leave the Committee when they cease to be Company Board directors.

ARTICLE 11.- Board and Board committee meetings

The Board of Directors and the Board committees shall meet when convened by the respective chairpersons, who shall do so when deemed fit or at the proposal of the members, or where required by law or the Articles of Association.

Minutes of the Board committee meetings shall be raised and copied to all the Board members.

ARTICLE 12. Evaluation of the Board and Board committees

The Board of Directors shall evaluate annually:

- a) the quality and efficiency of the Board's own activities;
- b) the performance of functions by the Chairperson of the Board and the Company's Chief Executive Officer, based on the report submitted by the Appointments and Remuneration Committee;
- c) the functioning of the Board committees, based on the report submitted by each committee.

ARTICLE 13.- Regarding information and advice for Board directors.

13.1 Information

The Board directors shall receive the information necessary to perform their tasks on a timely basis and to a level of detail that is appropriate for the matters addressed. They may obtain additional information when deemed fit. The request shall be channelled through the Board Secretary.

13.2 Right to external advice.

The Board directors may request, through the Chairperson, the contracting of the external advisors deemed fit for the proper performance of their Board director duties.

The Board shall adopt the relevant resolution in each case, in a plenary meeting, regarding the contracting of the external advice, the person or firm that will provide it, restrictions on access to the Company's reserved information that the advisor will require, and the approval of the relevant expense item, if applicable.

13.3 Guidance for Board directors

When new Board directors are appointed, they shall be provided with the Articles of Association in force at the appointment date, a copy of these regulations, duly updated, and information on the Company and its background.

ARTICLE 14- Regarding Board directors' duties

14.1 Duty of diligent administration

The Board directors shall diligently inform themselves of the Company's evolution and perform their duties with the diligence of an orderly entrepreneur and of a legal representative. They shall also devote sufficient time to perform their duties effectively.

14.2 Duty of fidelity

The Board directors shall perform the duties imposed by laws and by the Articles of Association faithfully, which entails protecting the Company's interests.

14.3 Duty of loyalty

a) The Board directors shall not use the Company's name or invoke their Board director status to carry out operations for their own account or for the account of persons related to them.

b) No Board director may carry out investments or operations related to the Company's assets, for their own benefit or for the benefit of persons related to them, where they have knowledge of such investments or operations due to their directorship, where the investment or operation has been offered to the Company or the Company is interested in it, provided the Company has not ruled out the investment or operation without having been influenced by the Board director.

c) Board directors shall notify the Board of Directors of any direct or indirect conflict of interest vis-à-vis the Company and shall refrain from attending and participating in deliberations affecting matters in which the Board director has a personal interest, or that affect a related party.

In any event, conflicts of interest affecting the Company's Board directors shall be reported in the Annual Corporate Governance Report.

d) Board directors shall give notice of any shareholdings in companies engaged in a business that is the same as or similar or complementary to the Company's objects, and of offices or functions held or performed in such companies, and of the performance for their own account or for the account of third parties of activities that are the same as or similar or complementary to the Company's objects. This information shall be included in the notes to the annual accounts.

e) The Board directors shall notify the Board of Directors of any criminal lawsuits in which they are the accused party and of subsequent developments during the proceedings.

14.4 Duty of diligence

Board directors shall have a duty of diligence in the fulfilment of their obligations under applicable laws, the Articles of Association and regulations, to which end they shall attend and participate in Board and Board committee meetings.

They may compile the information deemed fit for the fulfilment of the said obligations and, unless otherwise stated in the minutes, it shall be understood

that all the Board members have obtained the information necessary to formulate the annual accounts as required by law, before doing so.

Board directors shall likewise prepare any specific content entrusted to them by the Board of Directors that reasonably forms part of their obligations as Board director.

14.5 Duty of secrecy

The Board directors and the non-voting Secretary and Vice-Secretary shall maintain secrecy with respect to the deliberations of the Board and of all the bodies of which they form part and, in general, shall refrain from disclosing information, data, reports or background details accessed in the performance of their duties, an obligation that shall remain in force even after they leave the Board. All the documentation of the Company and its Group obtained while in office is confidential; neither this information nor the aforementioned information may be disclosed in any way, except in the following circumstances:

a) The Board specifically resolves to apply an exception, provided disclosure does not damage the Company's interests.

b) In any event, in cases in which the law allows the communication or disclosure of the information to third parties, or the information has been requested by or must be submitted to the relevant regulator, in which case the information shall be assigned as stipulated by the law.

Where the administrator is a legal entity, the duty of secrecy shall pertain to its representative, without affecting the fulfilment of the obligation to report to the legal entity.

14.6 Duty of abstention

The Board directors' duty of abstention entails not using reserved information received while holding office for private purposes, or effecting investments or commercial transactions arising from their office. This duty also encompasses activities performed by related parties.

14.7 Related party

For the purposes of this article, the following parties shall be deemed to be related to the Board directors:

a) The Board director's spouse or similar partner in sentimental terms.

b) Ascendants, descendants and siblings of the Board director or of his or her spouse.

- c) Spouses of the Board director's ascendants, descendants and siblings.
- d) The companies in which the Board director, directly or through a nominee, is in any of the situations envisaged in Article 4 of Stock Market Act 24/1988 (28 July).

With respect to legal entities that are Board directors, the following shall be related parties:

- d) Shareholders that are in any of the situations envisaged in Article 4 of Stock Market Act 24/1988 (28 July) with respect to the legal entity that is the Board director.
- b) *De jure* or *de facto* Board directors, liquidators and legal representatives holding general powers of the legal entity that is the Board director.
- c) Companies of the same group of companies, as defined in Article 4 of Stock Market Act 24/1988 (28 July), and their shareholders.
- d) Persons that, with respect to the representative of the legal entity Board director, are related to the Board directors as stipulated in the previous paragraph.

ARTICLE 15.- Exit from office

Board directors shall be leave office at the end of the period for which they were appointed, pursuant to Article 145 of the Mercantile Registry Regulations, and when the relevant decision is taken by the General Meeting, exercising the powers attributed to it.

Furthermore, the Board directors shall hand in their notice, if the Board deems fit, in the following circumstances:

- a) When they are subject to any of the conflicts of interest or prohibitions stipulated by law.
- b) When their directorship could threaten the Company's interests or when the reasons for which they were appointed cease to exist.
- c) When they are prosecuted or a ruling is issued to instigate oral proceedings against them for any of the crimes referred to in Article 124 of the Spanish Companies Act, the Board shall examine the case as soon as possible and shall decide whether or not the Board director should remain in office.
- d) Controlling directors shall hand in their resignation when the shareholder they represent sells its entire shareholding.

ARTICLE 16.- Board director's obligations after leaving office

When Board directors leave office at the end of the period for which they were elected, or for any other cause, they may not work for a competitor of the Company or of its group of companies for a period of two years, unless the Board of Directors exonerates them from this obligation or shortens its duration.

ARTICLE 17.- Board directors' remuneration

Board directors' remuneration, received in that capacity, shall be stipulated in and allocated as stated by the Articles of Association, subject to a report from the Appointments and Remuneration Committee.

The Board of Directors and the Appointments and Remuneration Committee shall adopt the measures necessary to ensure that the annual report includes information on the individual remuneration accrued during the year to the Board directors, acting in that capacity, including:

a) Itemised breakdown of each Board director's remuneration, which shall include, if applicable:

- i. Meeting attendance allowances and other fixed remuneration for Board directors;
- ii. Additional remuneration for the Chairpersons or members of Board committees;
- iii. Remuneration in the form of shares in profits or bonuses and the reason this remuneration is paid, if applicable;
- iv. Contributions made for the Board director to defined contribution pension plans, or the increase in the Board director's vested rights, in the case of defined benefit pension plans;
- v. Indemnities agreed or paid in the event the Board director leaves the Board, if applicable;
- vi. Remuneration received as Board director of other Group companies;
- vii. Remuneration for the performance of senior management functions by the Executive directors;
- viii. Any other remuneration item, whatever the nature or the Group company that pays it, particularly where this involves a related-party transaction or if the omission of the information would distort the fair view of the total remuneration received by the Board director.

b) Itemised breakdown of shares, stock options or other share-based instruments allocated to Board directors, stating:

- i. Number of shares or stock options allocated during the year and the exercise conditions;
- ii. Number of stock options exercised during the year, stating the number of shares involved and the exercise price;

- iii. Number of stock options not yet exercised at the year end, stating their price, date and other exercise requirements;
- iv. Any changes during the year to the exercise conditions of stock options already allocated.

c) Information on the relationship, in that previous year, between the remuneration obtained by the executive Board directors and the results or other performance indicators.

ARTICLE 18.- Use of the Company's assets

The Board director may not use the Company's assets or his or her position in the Company to obtain a financial advantage, unless adequate consideration is paid or this is necessary for his or her Board director tasks.

ARTICLE 19.- Relations with shareholders

1. In the event that the Board of Directors or any of its members request representative status, for them or for any other person, and, in general, provided the request is formalised in a public manner, the document containing the powers shall include or attach the agenda, as well as the request for instructions for the exercise of the voting right and the indication of the direction of the representative's vote, where precise instructions are not issued.

The Board director that obtains representative status may not exercise the voting right attached to the shares represented for items on the agenda in respect of which he or she is subject to a conflict of interest.

2. The Board of Directors shall seek to ensure that the shareholders participate in an informed manner in General Meetings and shall take all measures advisable to facilitate the effective exercise of the functions that pertain to the General Meeting by law and under the Articles of Association.

In particular, the Board of Directors shall ensure that, prior to the General Meeting, all the information required by law is made available to the shareholders and, through the Secretary, Vice-Secretary or person responsible for the Shareholder Information Service, shall respond to shareholder requests for information on the items on the agenda prior to the General Meeting. Moreover, through the Chairperson, any Board director or the Secretary or Vice-Secretary, the Board shall answer any questions posed during the General Meeting by the shareholders in connection with the items on the agenda.

3. The Board of Directors shall also implement adequate measures for the regular exchange of information with the institutional investors that are Company shareholders.

Relations between the Board of Directors and the institutional investors shall not, in any circumstances, entail providing the latter with information that could put them in a privileged situation or provide them with advantages with respect to the rest of the shareholders.

Article 20.- Transactions with significant shareholders

The Board shall analyse any direct or indirect transaction between the Company and a significant shareholder, evaluating the transaction from the viewpoint of fair treatment of all shareholders and of market conditions; information on particularly significant transactions shall be included in the notes to the annual accounts.

ARTICLE 21.- Delegation of votes

Delegations of votes received by the Board of Directors or by any of its members shall be executed by faithfully observing the instructions received; the exercise of the voting right and identity of the shareholder that issued the voting instructions shall be included in the minutes where the shareholder votes against the Board's proposals, so as to safeguard any rights that may pertain to the delegating shareholder.

ARTICLE 22.- Communication with stock markets

The Board shall ensure that the market is provided with accurate and reliable information on the Company's activities, results, shareholders, agreements with shareholders, syndication arrangements, transactions with significant shareholders, treasury shares and any other information that may be of public interest.

The periodic financial information shall be consistent and reliable, and shall be reviewed by the relevant Board committee, if applicable.

The Board shall immediately issue public information on:

- a) Relevant events that could significantly influence the formation of share prices.
- b) Substantial amendments to the Company's governance rules.

c) Treasury share policies that the Company plans to implement as authorised by the General Meeting.

ARTICLE 23.- Annual information

The Board shall include these Regulations in the first annual report prepared as from the date they are adopted and shall report any changes in subsequent annual reports.

ARTICLE 24.- Publication of these Regulations

The Board of Directors shall seek to ensure that these Regulations are adequately distributed among shareholders and investors in general. To this end, the prevailing text of the Regulations shall be available, once approved and entered in the Mercantile Register, on the Company's website.

ARTICLE 25.- Effective date

These Regulations shall be binding once they are approved by the Board of Directors, submitted to the National Securities Market Commission and entered in the Mercantile Register, and the General Meeting shall be informed accordingly.