

## **OPERATION OF THE GENERAL SHAREHOLDERS MEETING**

The operation of the general shareholders meeting is regulated by the provisions stipulated in the Company's Bylaws and the Code of good Governance

### **COMPANY BYLAWS**

#### **ARTICLE 8. GENERAL SHAREHOLDERS MEETING.**

The General Shareholders Meeting is the Company's highest governing body, and to that extent it is responsible for determining the mechanisms for evaluation and control of the activities performed by Company managers and key directors and executives. Based on the provision stipulated herein, the Meeting has the power to exercise direct control of these activities and carry out an assessment of the Company's situation, within the limits imposed by the law, and the following in particular:

1. Approve or disapprove, at its regular meetings, accounts, balance sheet and the profit and loss report.
2. Freely remove any Company employee or officer whose designation is under its responsibility.
3. Authorize officials when requested, upon presentation of the relevant information, to participate in person, by proxy, in activities, of a personal or third party interest, that involve competition with the Company or acts in which there is a conflict of interest.
4. Adopt the decision to initiate a corporate liability action against the directors, with a majority of half plus one of the shares represented at the meeting.
5. Authorize payment in Company shares, in whole or in part, of the bonuses granted to the President, its alternates, or employees who report directly to him.

#### **ARTICLE 9. TIMEFRAME OF THE GENERAL SHAREHOLDERS MEETINGS**

The ordinary session of the General Shareholders Meeting will be held within the first three months of each year. The Meeting may also meet for an extraordinary session or also in its own right, in the cases provided for by law. These meetings will be chaired by the Chairman of the Board. In the absence of the President they will be chaired by any person designated by the General Shareholders Meeting.

Paragraph. - Shareholders representing at least ten percent (10%) of the subscribed capital may request that the General Shareholders Meeting be convened when there are sufficient reasons to justify that the rights they have as shareholders can be violated, or when they require the information needed for the exercise of their rights, which could not be provided otherwise. This request must be presented to the Company President, and in case of disagreement between the legal representative and the applicant shareholders regarding the justification of the convening, the Board will settle the conflict.

#### **ARTICLE 10. CONVENING OF GENERAL SHAREHOLDERS MEETINGS.**

Convening meetings of the General Shareholders Meetings will be made in writing, using means such as letters, telegram, telex, fax or electronic message, sent to each shareholder to the address registered with the Company, or by notice published in a newspaper which circulates in the city where the Company's headquarters are located. When financial statements or management reports are to be discussed, the call will be made fifteen days in advance. In all other cases five calendar days will suffice. For purposes of these Bylaws, Saturdays are not considered business days.

#### **ARTICLE 11. QUORUM AND MAJORITIES.**

The General Shareholders Meeting will meet the quorum when half plus one of the subscribed shares outstanding are present or duly represented, and unless the law requires a different majority, decisions shall be taken by the affirmative vote of half plus one of the votes present.

## CODE OF GOOD GOVERNANCE

### 3. GOOD GOVERNANCE PRINCIPLES REGARDING SHAREHOLDERS AND OTHER INVESTORS

All Shareholders and Investors have, among others, the possibility of exercising their rights under the Law, the By-laws or the corresponding prospectus, make observations regarding Management and prepare proposals that are relevant and legal regarding the best performance for the Company

ODINSA S.A., due to the respect it has for its shareholders and investors, agrees to:

- a) Recognize and defend their rights;
- b) Provide them with timely and comprehensive public information and relevant information required to make decisions, in compliance with the guidelines set out in the Policy for Shareholder and Investor Relations adopted by the Board.
- c) Plan and execute the general meetings in order for them to participate according to their rights as titleholders.
- d) Grant fair and equal treatment to those who are in equal conditions.
- e) Make recommendations on the Company's good governance.

Specific Shareholder Rights:

- a) In the case of shareholders with voting rights, participate and vote at the General Shareholders' Meetings regarding the decisions made therein, as well elect the corresponding bodies and persons in accordance with the law and the By-laws.
- b) Make recommendations for the improvement of the Company's corporate governance.
- c) Participate from the Company's benefits, in proportion to their participation and subject to the conditions stipulated in the corresponding Issue and Placement Regulations, when applicable.
- d) Request authorization from Company Management to order Specialized Audits, on matters other than those audited by the Company's Statutory Auditor, at the expense of the Company and under the responsibility of the Shareholder.

For purposes of conducting such audits the following procedure shall apply:

- i. The shareholder or group of shareholders representing at least 5% of the subscribed capital of the Company may request that the Company carry out a Special Audit by means of a written communication addressed to the Vice President for Legal and Institutional Affairs.
- ii. The aforementioned communication must include (i) the firm appointed to perform the audit; (ii) the reasons and underlying facts for carrying out the audit (iii) specific issues to be audited and the information required; and (iv) the duration thereof. In no case will general, indeterminate or ambiguous applications be admissible.
- iii. Audits should be carried out during the period between the announcement and the business day prior to the ordinary session of the General Shareholders' Meeting.
- iv. The firm appointed to carry out the audit must meet the same qualifications required for the Company's Statutory Auditor and prove that it meets independence criteria from competitors and / or litigious counterparts.
- v. When the percentage required for the Special Audit request is comprised of a plural number of shareholders, the application must include an appointed representative who will be responsible for the whole procedure.
- vi. In no case will these be conducted regarding industrial secrets, insider information or information subject to confidentiality agreements.
- vii. Specialized audits may only cover the assessment of information and documents which are in the possession of the Company and are no older than 5 years.
- viii. Both the shareholders requesting the audit and the firm appointed to perform it must sign a confidentiality agreement with the Company.
- ix. Working papers supplied to the firm performing the audit and the results thereof, will be subject to confidentiality and will remain in the possession of the Company. The Company reserves the right to take the necessary measures to guarantee the confidentiality of the documents and the disclosure of information.

- x. The results of the specialized audit will be announced to the Board at the next meeting from the date of receipt, in order to determine whether they must be provided to the other shareholders, as provided in this Code.
  - xi. For no reason, on the pretext of specialized audits, will the violation of Company rights, its information, contracts that offer a competitive advantage, or any documents deemed privileged or confidential or owned by a third party be allowed.
  - xii. In no case may they represent impairment to the autonomy of the Directors, in accordance with legal and statutory powers.
1. In those cases in which an operation may result in the dilution of capital of minority shareholders, these must receive a detailed explanation of said operation, within the term for the exercise of inspection, in a previous report presented by the Board, which must be accompanied by a review of the terms of the respective transaction, issued by an independent external adviser with recognized creditworthiness, which will be appointed by the Board of Directors

### **3.2 GENERAL SHAREHOLDERS' MEETING**

The General Shareholders' Meeting is the highest corporate body, and is composed of the Company's shareholders. It must hold ordinary meetings once a year and as many extraordinary meetings as required for the proper fulfillment of the duties assigned to it in the Bylaws.

The operation and convening of the Meeting is governed by the provisions stipulated by Law, the Bylaws and this Code.

### **3.3 REGULATIONS FOR THE GENERAL SHAREHOLDERS' MEETING**

#### **3.3.1 Meetings**

The General Shareholders' Meeting meets ordinarily once a year, within the first three (3) months of each year. The date, time and place for the Meeting shall be clearly indicated in the call.

The General Shareholders Meeting also holds extraordinary sessions, where required due to Company's unforeseen or urgent needs, or when convened by the Board, the Legal Representative, or the Auditor.

All members of the Board of Directors will attend the General Shareholders Meeting, especially the chairmen of the various Board committees and President of the Company, in order to address Shareholder concerns.

No notice is required when all of the outstanding shares are represented.

#### **3.3.2 Convening Meetings**

The terms for convening the meetings, provided for in the Bylaws, will be observed. The call will be made according to the means established in the Bylaws and in the following rules:

- a) The call, the proposals by the Administration regarding each point on the agenda, as well as relevant information for decision-making that can be known to the general public, will be published on the Company's website.
- b) Without prejudice to the Shareholders' right to submit proposals during the meetings, each issue on the agenda will be addressed so as not to be confused with others, giving the agenda a logical sequence, except for those issues to be discussed jointly due to their relationship, a fact that will be notified in advance.

In no case will issues such as "Miscellaneous" or "Others" be included in the call, or any other that does not allow for previous knowledge of all the issues to be addressed in the respective meeting.

- c) Within the five (5) calendar days following the date of the call, Shareholders, may submit one or more items to be included in the General Shareholders' Meeting agenda or submit new proposals, by means of a written and duly substantiated communication.

In the event that the Board dismisses the request, it shall do so in writing, and include the reasons for its decision. This obligation will only be required for requests that have been submitted by shareholders representing at least 5% of the subscribed capital.

In the event that the Board approves the request, one day after the 5 calendar days from the date of the call, a supplement to the initial call will be published, or at least fifteen (15) calendar days prior to the General Shareholders' Meeting.

- d) Whenever the General Shareholder Meeting has to address a substantial change of corporate purpose, waive the right of preference in the subscription of shares, change of registered office, early dissolution or segregation of the Company, such issues must be specifically indicated in the call.

Additionally, in these events, the right of withdrawal in the same terms and conditions set forth by law for events such as mergers and divisions will be allowed.

- e) Whenever Company Bylaws need amending, the articles or group of articles, which are substantially independent, must be voted on separately.
- f) In the event that a shareholder or group of shareholders representing at least 5% of the outstanding shares, request that an item be voted on separately during the Meeting, it must be done. This right shall be duly explained in the call.

### **3.3.3 Operation of the General Shareholders' Meeting**

- a) The meeting will be conducted in strict accordance to the agenda proposed in the call. Once the agenda has been completed, any Shareholder may propose that a new issue be included; however it will only be addressed if approved by a majority of the votes present at the meeting.
- b) The meeting will be chaired by the Chairman of the Board or in his absence by any person appointed by the General Shareholders' Meeting; the Company's Secretary General will act as Secretary.
- c) All members of the Board of Directors will attend the General Shareholders Meeting, especially the chairmen of the various Board committees and President of the Company, in order to address Shareholder concerns.
- d) Whenever commissions need to be formed for the approval of Minutes, the verification of votes or similar events, in the case that they are not elected unanimously, these will be formed by the electoral quotient system.
- e) Once each of the items on the agenda has been presented, and before voting, the President shall give the floor to the Shareholders to formulate any questions or comments they consider relevant.
- f) In order to involve all Shareholders, interventions can last no longer than 10 minutes each.
- g) When deemed necessary, Shareholders may submit to the Investor Relations Office any questions they wish addressed at the Meeting.
- h) The Shareholder who for any reason has a special interest or a conflict with the Company in relation to a specific topic should disclose it when registering at the Meeting and refrain from participating in the discussion and voting on the issue.

### **3.3.4 Access to Information by the Shareholders**

Within the term of notice in the case of ordinary General Shareholder's Meetings, and in accordance with the provisions stipulated regarding the right of inspection in the Commercial Code, all documents relating to matters and issues to be addressed as well as the Company's financial information, shall be made available to shareholders when required for decision-making. They may also request any information and clarifications they deem appropriate, and ask any questions that arise in relation to the matters on the agenda and the available documentation.

Requests for information from shareholders may be refused if, according to the internal procedures of the Company, it is considered that the information requested i) is not relevant or, ii) does not apply to information regarding the progress or the interests of the Company, iii) is confidential, which includes privileged information on securities, trade secrets, and any ongoing operations whose successful completion materially depends on the confidentiality therein, or iv) other information whose disclosure generates an imminent risk the competitiveness of the Company.

If any of the answers given to any shareholder offer him/her an advantage, the Company guarantees the other shareholders under the same conditions access to that reply.

Regarding access to information by shareholders in the case of extraordinary meetings, the documentation relevant to the matter to be discussed at the respective extraordinary general meeting, will be made available to the Shareholders within the term of notice; however they will not have access to Company books or financial information that is not strictly related to the matter open for discussion in the respective extraordinary meeting.

Directors who hinder the exercise of the right of inspection and / or the Auditor who knowing of that breach abstains from reporting it in a timely manner, will incur in grounds for removal.

### **3.3.5 Quorum and Majorities**

The General Shareholders' Meeting will deliberate with a plural number of shareholders representing at least half plus one of the subscribed shares.

As a rule, the decisions by the General Shareholder's Meeting shall be adopted by a majority of the votes corresponding to the shares represented at the meeting, given that each share is entitled to one vote, with the exceptions stipulated by Law and the Bylaws.

### **3.3.6 Representation**

Shareholders may be represented before the Company for deliberation and voting at the General Shareholders' Meeting, to collect dividends and any other effect, by written authorization, in accordance with the Law and within the terms and conditions outlined in the Bylaws.

During the term of the notice, the Company will publish the Regulations on Powers of Attorney on its website which indicate in detail the conditions and characteristics that the powers of attorney must fulfill in order to be considered valid, as well as templates suggested, which include the proposed agenda for the meeting, the proposals submitted by the Administration and the express indication that the Company shall not be responsible for verifying that the proxy meet the voting instructions given by the Shareholder.