



CIE Automotive

**TO THE SPANISH SECURITIES AND EXCHANGE COMMISSION
DISCLOSURE OF OTHER RELEVANT INFORMATION**

Following article 17 of Regulation (EU) 596/2014 on Market Abuse, articles 227 and 228 of the Royal Legislative Decree Law 4/2015, dated October 23, on the Securities' Market and other applicable legislation, CIE Automotive, S.A. (hereinafter, the "**CIE Automotive**" or the "**Company**") makes public, that (i) in order to accommodate the corporate documentation to the reform of the Good Corporate Governance Code as approved by the CNMV on June 26, 2020 and (ii) with the purpose of changing the name of the Corporate Social Responsibility Committee -which shall change to ESG Committee-; the Board of Directors has resolved to amend articles 3, 5, 10, 12, 14, 15, 16, 19, 19bis, and 21 of the Regulations of the Board of Directors (approved on February 25, 2020 and amended on December 12, 2017). Please find as Annex 1 the amended version of such articles.

The General Shareholders Meeting will be expressly informed of such amendments.

In addition to the above, some articles of the Regulations of the Audit Committee and the Regulations of the ESG Committee have been amended in light of the purposes described above.

Bilbao, 28 October 2020.
Jose Ramon Bercibar Mutiozabal.
Secretary to the Board of Directors

Annex 1 Amended articles of the Regulations of the Board of Directors

Article 3. Modification

1. The Board of Directors, by resolution adopted by at least a two-thirds majority of the Directors present or represented at the meeting, may amend this Regulation at the initiative of its Chairman, of one-third of its Directors, or of the ESG Committee, enclosing with the modification proposal a justifying report on the causes and scope of the purported modification.
2. Proposals for modification must be reported by the ESG Committee if not made by such committee.
3. The text of the proposal, the justifying report by its authors and, if appropriate, the report by the ESG Committee, shall be attached to the call to meeting of the Board, which is to deliberate it.
4. The call to meeting will be made at least ten days in advance thereof.
5. The Board of Directors shall notify the first General Shareholders' Meeting held of any agreed modifications to the Regulation.

Article 5. General Oversight Function

1. The Board of Directors is competent to adopt resolutions on all kinds of matters that are not allocated by law or the Company By-laws to the General Shareholders' Meeting, and shall only be limited by the corporate purpose.
2. The Board of Directors will have the broadest powers and authorities to administrate and represent the Company.
3. Notwithstanding the foregoing, the Board of Directors will focus its activity on the oversight, organization and strategic coordination of the CIE Automotive group (the "**Group**"), in particular, defining the level of risk it is prepared to assume.

Without prejudice to the authorities that by law cannot be delegated, the Board of Directors shall generally entrust the functions of organization and strategic coordination to the Chairman of the Board of Directors, the Managing Director, the Delegated Executive Committee and senior management, which will disseminate, implement and oversee general strategy and basic management directives established by the Board of Directors.

4. The Board of Directors will oversee the actions of the Chairman of the Board of Directors, the Managing Director, the Delegated Executive Committee and senior management and will guarantee the effectiveness of the system of counterbalances envisaged in prevailing legislation.
5. Without prejudice to the granted delegations, the Board will know the issues relevant to the Group as part of its duties generally concerning oversight, organization and strategic

coordination, in addition to the issues specifically mentioned in the Regulation, and is particularly obliged to directly exercise the following responsibilities:

- a) To establish, within statutory limits, the policies and strategies of the Group and the basic directives for its management, and to decide on strategically relevant matters of the Group.
- b) To prepare the Financial Statements, the Management Report and the Proposed Application of Company Profit, as well as the consolidated Financial Statements and Management Report, the Non-Financial Information and the Financial Reporting that it is obliged to publish regularly in its condition as a publicly listed company, ensuring that such documents show a true image of the equity, financial and non-financial position and results of the Company and its Group, pursuant to prevailing legislation.
- c) To update and continually improve the Company's corporate governance system in the framework of legislation in force and the leading recommendations of good corporate governance, adopting as part of its duties or proposing to the General Shareholders' Meeting the resolutions that are necessary or appropriate.
- d) To approve the Company's strategic or business plan, management targets and annual budgets, the investment and financing policy, the corporate social responsibility policy and the dividends policy.
- e) To establish the risk management and control policy, including tax risk, and supervision of internal reporting and control systems.
- f) To determine the Company's tax strategy and approve the investments or operations that, due to their large amount or special characteristics, bear special tax risk.
- g) To define the structure of the CIE Automotive Group. To approve the creation or acquisition of ownership interests in special purpose vehicles or entities resident in jurisdictions considered to be tax havens, and any other transactions or operations of a comparable nature whose complexity might impair the transparency of the Group.
- h) To nominate Directors by co-option and propose the nomination, ratification, re-election or termination of Directors to the General Shareholders' Meeting.
- i) To appoint and renew internal offices of the Board of Directors and the members and offices of the Committees constituted within the Board.
- j) To propose to the General Shareholders' Meeting the approval of the Directors' remuneration policy in the terms established by law, and to adopt decisions on their remuneration within the framework of the By-laws and the provisions of the said policy.
- k) To appoint the Directors who are to perform executive duties and remove them, setting the remuneration corresponding to their executive duties and other contractual conditions, in line with the Directors' remuneration policy approved by the General Shareholders' Meeting, duly overseeing the diversity within the Board of Directors.

- l) To agree the nomination and removal of the senior officers of the Company, as well as establish their compensation or severance in case of removal, all at the proposal of the Delegated Executive Committee, or, if appropriate, of the Managing Director, and in any event, subject to a report from the Nominations and Remuneration Committee. To such end, senior officers shall be considered those holding such condition under article 1.3 above.
- m) To prepare the dividends policy and make the corresponding resolution proposals to the General Shareholders' Meeting on the application of results, as well as agree the interim dividend payment.
- n) To approve the drawdown of the Company's substantial assets and, in general all kinds of investments or operations that, due to their large amount or special characteristics, are strategic in nature, which include industrial commercial or financial operations of special relevance or risk to CIE Automotive, establishing, if appropriate, the Company's position with respect to the companies forming part of the CIE Automotive Group in the aforementioned matters and operations, without prejudice to the authorities corresponding to the General Shareholders' Meeting.
- o) To resolve on proposals submitted by the Delegated Executive Committee, the Managing Director or the Committees of the Board of Directors.
- p) The approval, following a report from the Audit and Compliance Committee, of the operations of the Company or companies of the Group carried out with Directors or with shareholders owning a significant interest or representing in the Board of Directors as well as persons related to these, in the terms set out by law.
- q) To approve the Company's Annual Corporate Governance Report, as well as the Annual Directors' Remuneration Report and any other considered recommendable by the Board of Directors to improve shareholder and investor information or that required by law.
- r) To convene the General Shareholders' Meeting.
- s) To execute the resolutions approved by the General Shareholders' Meeting and exercise any functions instructed by the General Shareholders' Meeting.
- t) To propose to the General Shareholders' Meeting amendments to the Regulation of the General Shareholders' Meeting it deems appropriate for its optimum functioning and shareholders' exercise of their rights.
- u) To approve and amend the Regulation of the Board of Directors according to the terms thereof.
- v) To define the structure of general powers of the Company and the companies forming part of the CIE Automotive Group to be granted by the corresponding management bodies in each instance.
- w) To decide on the authorization or waiver of obligations resulting from the duty of loyalty

envisaged by law (except when the decision on the said authorization or waiver legally corresponds to the General Shareholders' Meeting).

- x) To rule on any other matter of its competence that, in the opinion of the Board of Directors, is considered in the interest of the Company or that the Regulation reserves for the body in plenary session.
6. The authorities that the law reserves directly for the Board of Directors may not be delegated. However, in urgent, duly justified cases where the law so allows, the Delegated Executive Committee or the Managing Director may adopt the decisions concerning the foregoing sections, that shall be ratified in the first meeting of the Board of Directors held following adoption thereof.

Article 10. The Vice-Chairman or Vice-Chairmen

1. The Board may appoint, following a report by the Nominations and Remuneration Committee, one or various Vice-Chairmen in the terms envisaged in the Company By-laws.
2. The Vice-Chairman and/or Vice-Chairmen will replace the Chairman if the latter is absent or cannot take such position, in the manner established in the Company By-laws. In the event of absence of Vice-Chairman, the Chairman shall be replaced by the Lead Independent Director or in the event there would not be one, by the director longer in position and in the event of equal length, by the eldest thereof.

Article 12. Lead Independent Director

1. The Board of Directors will adopt the measures necessary to ensure that the Chairman of the Board, the Managing Director and the Delegated Executive Committee are under its effective supervision.
2. The appointment of an Executive Director as Chairman of the Board of Directors will require the favorable vote of at least two thirds of the members of the Board of Directors.
3. If the Chairman of the Board of Directors is an executive Director, at the proposal of the Nominations and Remuneration Committee and with the abstention of the executive Directors, the Board of Directors shall appoint a Lead Independent Director from among the Independent Directors, who will be specially authorized to perform the following duties, when deemed appropriate:
 - a) Request that the Chairman of the Board of Directors convenes a meeting and jointly work on planning the annual meetings schedule.
 - b) Participate in preparing the agenda of each meeting of the Board of Directors and request inclusion of matters in the agenda of meetings of the Board of Directors already convened.

- c) Coordinate, meet and echo the concerns of Non-Executive Directors.
 - d) Lead the regular appraisal of the Chairman of the Board of Directors and lead, if appropriate, the process of his succession.
4. The Lead Independent Director may also maintain contact with shareholders when so agreed by the Board of Directors, with the aim of knowing their views and opinions, specially on the corporate governance of the Company.
5. The revocation of any of the foregoing authorities will require a prior report of the Nominations and Remuneration Committee, unless these are authorities recognized by law, in that case they may not be revoked.

Article 14. Vice-Secretary of the Board

1. The Board of Directors may appoint a Vice-Secretary, following a report from the Nominations and Remuneration Committee, who does not need to be a Director, in order to assist the Secretary of the Board of Directors in their duties, at the indication of the latter or in substitution thereof in the event of absence in the performance of such function.
2. Vice-Secretary may attend the meetings of the Board to substitute the Secretary, assist the latter on their request, or when so decided by the Chairman
3. The Vice-Secretary of the Board may also occupy the position of Legal Counsel to the Board, provided they are a Lawyer.
4. The Vice-Secretary of the Board of Directors will also act as Vice-Secretary of the Delegated Executive Committee.

Article 15. Committees of the Board of Directors

Without prejudice to the delegations of powers that, if applicable, are carried out individually to the Chairman or any other Director (chief executive officer) and the power held by the Board to establish a Delegate Executive Committee, with the decision-making powers delegated to it, in any case there will be an Audit and Compliance Committee, an Appointments and Remunerations Committee, an ESG Committee and a Strategy and Operations Committee, only with information, advice and proposal powers in the matters determined by the following articles.

Article 16. Delegated Executive Committee

1. As a delegated body of the Board, and with the nature of permanent body, the Delegated Executive Committee will have all authorities inherent to the Board of Directors (unless the Board of Directors determines otherwise), with the exception of those that cannot be delegated by law or the By-laws and those specifically reserved to the Board, which are established in section 5.6 above.

The Delegated Executive Committee will be formed of the Directors appointed by the Board by the favorable votes of two thirds of the Directors, and will be renewed in the time, form and number decided by the Board of Directors, which will also establish the rules of operation.

2. The Delegated Executive Committee will be formed of the number of Directors decided by the Board, with a minimum of three (3) and a maximum of six (6) Directors. In any case, the Chairman of the Board will chair these meetings, and the Managing Director or Managing Directors, as appropriate, will form part of the Delegated Executive Committee. Additionally, two members shall always be non-executive directors, amongst which at least one shall be an independent director.

The Secretary of the Delegated Executive Committee will be the Secretary of the Board of Directors and, in absence thereof, the Vice-Chairman of the Board will act as such, whether or not they are a Director. In the absence of both, the Director chosen from among the attendees will occupy such position.

The General Managers of the Company (if any) shall also participate in the meetings of the Delegated Executive Committee, who will have speaking but no voting rights, as shall any other person specifically convened by the Chairman.

3. The Delegated Executive Committee will meet at least once (1) quarterly and on any other occasion deemed appropriate by the Chairman, who may also suspend any of the ordinary meetings when deemed appropriate by his free judgement. The Committee will also meet when so requested by two (2) of its constituent Directors. The Delegated Executive Committee will dispense all matters corresponding to the Board, which, in the judgement of the Committee, must be decided upon without delay, with the sole exceptions of accountability, submission of balance sheets to the General Shareholder Meeting, the authorities it grants to the Board without authorizing delegation and the authorities of the Board of Directors, which, by law, or according to the By-laws, cannot be delegated.
4. The resolutions of the Delegated Executive Committee will be adopted by the majority of Directors forming part of the Committee present or represented at the meeting. Should the votes be tied, the Chairman will have the deciding vote.
5. The Delegated Executive Committee must inform the Board of Directors in its first meeting following the meeting of the Committee of the matters tabled and decisions adopted.
6. In the absence of specific rules, insofar as is not incompatible with its nature, the Delegated Executive Committee will be subject to the provisions of this Regulation on the functioning of the Board of Directors and, in particular, with respect to convening meetings, delegation of representation to another Director, constitution, universal meetings, adoption of resolutions, written votes in absentia and approval of the minutes of the meeting.

Article 19. ESG Committee

The composition, functions and rules of operation of the ESG Committee will be compliant with the Company By-laws and the Regulation of the ESG Committee, which is attached as an appendix to this Regulation, forming an integral part hereof.

Article 19bis. The Strategy and Operations Committee. Composition, competences and functioning

1. The Board of Directors may also establish a permanent Strategy and Operations Committee, an internal body of an advisory and informative nature, without executive functions, with information, advice, and proposal powers within its scope of action indicated in section 3 of this article. The Strategy and Operations Committee will be composed of a minimum of three and a maximum of five Directors, appointed by the Board of Directors itself, who may be Executive Directors or external Directors. The Board of Directors will also appoint its Chairman from among the members that form part of said Committee. The Strategy and Operations Committee will appoint the person who performs the duties of Secretary of the Committee, who does not need to be a Director and who, in any case, must comply with the obligations set out for the Directors in these Regulations that, by their nature, may result applicable.
2. The Directors forming part of the Strategy and Operations Committee shall hold office for a maximum term of four years, without prejudice to their possible re-election. The renewal, re-election and removal of the Directors forming part of the Committee shall be as resolved by the Board of Directors.
3. Without prejudice to any other tasks that may be assigned at any time by the Board of Directors, the Strategy and Operations Committee shall exercise the following basic functions:
 - (i) Evaluating and proposing to the Board of Directors strategies for growth, development or diversification of the business of the Company and its Group.
 - (ii) Submitting to the Board of Directors with the opportunity to undertake new investments (both those that promote organic growth and those that allow inorganic growth through the acquisition of new companies, activities, or sectors), formulating alternatives of investment in assets increasing in the value of the Company and its Group in the long term.
 - (iii) Studying and proposing recommendations or improvements to the strategic plans and updates submitted to the Board of Directors.
 - (iv) Those other functions that could be resolved by the Board of Directors of the Company.
4. The Strategy and Operations Committee will meet at least twice a year. It will also meet at the request of any of its members and each time it is convened by its Chairman, who must do so whenever the Board or its Chairman requests the issuance of a report or the adoption of proposals and, in any case, whenever it results convenient for the proper performance of its tasks
5. Meetings of the Committee shall be called by the person performing the functions of President at each moment. The calling, except for special reasons of urgency in the opinion of the President, will be notified to the members of the Commission at least eight calendar days in advance, by letter, fax, telegram or email. The calling will include the agenda of the meeting. Without prejudice to this, the Committee may also deliberate on other issues not included in the aforementioned agenda.
6. The Strategy and Operations Committee will be validly constituted when a majority of its members attend the meeting, present or represented, and its resolutions will be adopted by an absolute majority of the Directors attending, in person or by proxy, the meeting. Representation may only be granted in favor of another Director who is a member of the Committee. Those who have been appointed to these positions will act as President and

Secretary of the Commission. In case of impossibility or absence, the Chairman will be replaced by the member of the Committee most senior in the same and, if there are several with the same seniority, by the oldest member of the Committee. In case of impossibility or absence, the Secretary will be replaced by the younger member.

7. The Committee must record minutes of its meetings by the Secretary who, once approved well at the end of the meeting itself, or in the next meeting, will be signed by the President and the Secretary.
8. For the best performance of its functions, the Strategy and Operations Committee may seek the advice of external experts when it deems it necessary for the proper performance of its functions. Likewise, it shall have full powers to access all types of information, documentation or records deemed necessary for this purpose.

Article 21. Place of meeting

1. The meetings of the Board of Directors will be held at the place indicated in the call to meeting.
2. The Board of Directors may be held in several places interconnected by systems that allow the recognition and identification of the attendees, ongoing communication among them, and the participation and casting of votes in real time. The meetings shall be understood to take place in the corporate seat. The attending directors from any of the interconnected venues shall be deemed to attend a single and same meeting of the Board of Directors.