

COMPANY BY-LAWS OF NATURGY FINANCE IBERIA, S.A.

TITLE I.

COMPANY NAME, TERM, ADDRESS AND OBJECT.

Article 1. COMPANY NAME.

The Company's name is NATURGY FINANCE IBERIA, S.A. and will be governed by these By-laws and by any other legal provisions that may be applicable from time to time.

Article 2. TERM.

The Company is incorporated for an indefinite term. The Company began its activity on the execution date of its public deed of incorporation.

Article 3. ADDRESS.

The Company is domiciled in Madrid 28028, Avenida de América 38.

The Company may establish branches, agencies or representative offices, both in Spain and abroad, by means of a resolution adopted by the Sole Director, who will also be competent to transfer the registered address within the same city, and to remove or transfer its branches, agencies and representative offices.

Article 4. OBJECT.

The Company's object will consist of the issue of financial debt instruments, including ordinary or subordinated debt, pursuant to the First Additional Provision of Act 10/2014, of 26 June, on the arrangement, supervision and solvency of credit entities, the Capital Stock Companies Act or other regulations that may replace or complement the foregoing from time to time.

The CNAE code of the main activity is 6499 (other financial services, except insurance and pension funds n.e.c.).

Those activities which, by specific legislation, are attributed exclusively to specific persons or entities or which need to meet requirements that the Company does not fulfil are excluded from the corporate purpose.

If the law requires any type of professional qualification, licence or registration in special registers for the commencement of certain operations, such operations may only be carried out by a person with the required professional qualification, and only from when such requirements are met.

If any of the activities included in the Company's object are in any way professional activities, as they are activities to be carried out with the required official qualifications and subject to registration of the relevant professionals, it shall be understood that, in relation to such activities, the Company shall act as a mediator or intermediary company, without the regime of Law 2/2007, of 15 March, on professional companies, being applicable to the Company.

TITLE II.
CAPITAL STOCK. SHARES.

Article 5. CAPITAL STOCK.

The capital stock is set at 90.765 EUROS and is fully subscribed and paid up.

Article 6. NUMBER AND REPRESENTATION OF THE SHARES INTO WHICH THE CAPITAL STOCK IS DIVIDED.

The Company's capital stock is divided into 200 shares, numbers 1 to 200, both inclusive, with a face value each of 453,78 EUROS, included in a single class and series, endowing their respective holders with the same rights recognised by applicable regulations and these By-laws.

All shares are represented by nominative certificates.

The Company will hold a Register Book of nominative shares, where all successive share transfers will be entered, including the name, surname, identification or company name, as applicable, nationality and address of the respective holders, as well as the incorporation of any *in rem* rights and encumbrances over the same.

The Company intends to issue provisional receipts and multiple certificates in the conditions and with the requirements foreseen by law.

All share certificates will be issued in cheque books, numbered correlatively, and will at least include the references required by law.

Article 7. RIGHTS CONFERRED BY THE SHARES.

All shares will confer shareholder status on their legitimate holder, endowing it with the rights recognised in applicable regulations and these By-laws.

In the terms established in applicable regulations and these By-laws, excluding the cases legally foreseen, a shareholder will hold at least the following rights:

- a) To participate in the distribution of company gains and the equity resulting from any liquidation.
- b) A preferential subscription right in the issue of new shares or share-convertible obligations.
- c) To attend and vote at the General Meetings and to challenge the corporate resolutions. Each share will entail the right to one vote. The Company may issue shares without voting rights in the conditions and always meeting the limits and requirements foreseen by law.
- d) The right of information.

Article 8. SHARE TRANSFER RULES.

All shares may be freely transferred if the transferor shareholder is a Company and is making the transfer to one or several Companies of which it is a majority shareholder, or the purchaser is the outcome of a merger, spin-off, transformation or absorption process in which the transferor Company has participated. A transfer may also be freely made if the purchaser holds a majority stake in the transferor Company.

Any *inter vivos* transfer of shares will meet the following requirements:

Any shareholder intending to transfer one or several of its shares will provide

authentic communication in writing, indicating the numbering, price and purchaser of the shares, if any, to the Management Body, which, in turn and within ten calendar days, will inform each and every one of the other shareholders at the address provided for each one in the Register Book of nominative shares. Within twenty calendar days following the date when the shareholders are notified, the latter may decide to purchase the shares, and if several were to exercise this right, the shares held will be proportionately distributed amongst them, assigning any surplus from the division to the potential purchaser with the most shares. Upon expiration of this term, the Company may decide, within a further term of forty calendar days following expiry of the preceding term, whether to allow the intended transfer or to acquire the shares itself, as permitted by law. Upon expiry of this latter term, without the shareholders or the Company making use of their preferential right of acquisition, or if it is exercised but does not cover all the shares offered, the shareholder in question will be free to transfer its shares to the person and in the conditions informed to the Management Body, provided that the transfer takes place within two months following expiry of the last term referred to.

In order to exercise this preferential acquisition right, the purchase price, if there is disagreement, will be the one determined by an auditor other than the Company's auditor, designated to that effect by the parties in dispute.

This regulated preferential acquisition right will apply to any *inter vivos* transfer, except for what is provided in paragraph one above, whether voluntary or resulting from a judicial or administrative enforcement procedure.

Any limits on the transferability of shares regulated above will also apply if the object of the transfer consists of preferential subscription rights or the right to assign new shares at no cost.

Any transfers that do not follow the provisions of this article will not be effective vis-à-vis the Company, which will not acknowledge shareholder status in favour of the purchaser, in breach of or without observing this clause.

TITLE III. CORPORATE BODIES.

Article 9. CORPORATE BODIES.

The Company's bodies will consist of the General Shareholders Meeting, as the supreme body for discussion purposes, manifesting the Company's will by a majority decision in any matters within its remit, and the Sole Director, entrusted with the Company's management, administration and representation, with the rights assigned to him in applicable regulations and these By-laws.

SECTION ONE. GENERAL MEETINGS.

Article 10. GENERAL MEETING.

The shareholders, legally and validly convened as a General Meeting, will decide by majority on the matters within the Meeting's remit.

All the shareholders, including dissidents and those not in attendance at the meeting, will be bound by the General Meeting's resolutions, without prejudice to the right of challenge held by any shareholder in the cases and with the requirements foreseen by law.

Article 11. TYPES OF GENERAL MEETINGS.

General Meetings may be ordinary or extraordinary and will be called by the Company's Sole Director.

An Ordinary General Meeting, previously called to that end, will necessarily be held during the first six months of each financial year in order to approve the corporate management and, if applicable, the accounts of the previous year, resolving on the allocation of results in accordance with the approved balance sheet.

Any General Meeting other than the one foreseen above will be treated as an Extraordinary General Meeting and will be held provided that the Sole Director deems this appropriate in the Company's interests and, in any case, if requested by a number of shareholders owning at least 5% of the capital stock, indicating in the request the matters to be discussed at the Meeting. In this latter case, the Meeting will be called in order to be held during the two months following the date when the Sole Director was summoned by notarial means to call the same; the agenda will necessarily include at least the matters covered by the request.

Irrespective of the matters expressly reserved by applicable regulations and the By-laws to the competence of the Ordinary General Meeting, any other matter, also attributed by applicable regulations or the By-laws to the General Shareholders Meeting, may be decided by the Meeting at an ordinary or extraordinary meeting.

Article 12. CALLING.

All ordinary or extraordinary General Meetings will be called by means of an announcement published in the Official Gazette of the Commercial Registry and in at least one of the most widely distributed newspapers in the province where the Company has its address, at least one month in advance, before the date scheduled for the meeting at first call, stating in the announcement all the matters to be discussed. The date when the Meeting will convene at second call may also be included, if applicable, and at least twenty-four hours must transpire between both meetings.

The calling of an Ordinary General Meeting will expressly refer to the right of every shareholder to obtain from the Company, immediately and cost-free, any documents to be submitted for approval, as well as the auditors' report. If an Ordinary or Extraordinary General Meeting needs to decide on an amendment of the By-laws, the issues to be amended will be clearly described in the calling announcement, as well as the right held by all the shareholders to examine a full version of the amendment proposed and related report, at the registered address, and to request that said documents be handed over or delivered at no cost.

Without prejudice to the foregoing provisions, a Meeting will be deemed as called and validly convened to discuss any matter if the entire capital stock is present and those in attendance unanimously decide to hold the same. In this case, the Meeting may be held in a location other than the registered address.

Article 13. QUORUM.

An ordinary or extraordinary General Meeting will be validly convened at first call if the shareholders present or represented hold, at least, 25% of the voting capital subscribed. At second call, a Meeting may validly convene irrespective of the capital stock in attendance.

Without prejudice to the foregoing, in order for an ordinary or extraordinary General

Meeting to validly agree on the issue of share-convertible obligations or the granting to obligation holders of a right to participate in the company gains, a capital increase or decrease, the Company's transformation, merger, spin-off or dissolution and, in general, any amendment of the Company By-laws, the Meeting at first call must be attended by shareholders present or represented who own at least 50% of the voting capital subscribed. At second call, it will suffice for 25% of the capital stock to be present; however, if the attending shareholders, present or represented, represent less than 50% of the voting capital subscribed, approval of the resolutions foreseen herein will require the favourable vote of two thirds of the capital present or represented at the Meeting.

Article 14. ATTENDANCE AT MEETINGS.

All shareholders may personally attend General Meetings if they are recorded in the register book five days before the date scheduled for the Meeting.

Any shareholder with a right of attendance may be represented at a General Meeting through another person, even if not a shareholder. This proxy will be conferred in writing and specifically for each Meeting. Any proxy obtained through a public request must conform with the requirements foreseen by law.

The Sole Director will attend all General Meetings. They may also be attended by Managers, Administrators, Attorneys, Technicians and other persons who, in the opinion of the Chairman of the Meeting, should be present at the meeting due to holding an interest in the good progress of company matters. The Chairman of the Meeting may, in principle, authorise any other person to attend whom he deems appropriate. However, the Meeting may revoke this latter authorisation.

Article 15. INCORPORATION OF THE PANEL. DISCUSSIONS. ADOPTION OF RESOLUTIONS.

The Sole Director or shareholder chosen in each case by the majority shareholders attending the meeting will chair the General Shareholders Meeting.

The Secretary of the Meeting will be the person designated by the majority shareholders in attendance at the meeting.

Before discussing the Agenda, a list of attendants will be drawn up in the manner and with the requirements foreseen by law.

The Chairman will direct all discussions, granting the floor in strict order to all shareholders who have so requested in writing, and then to those making a verbal request.

Each one of the points included in the Agenda will be separately voted upon. Resolutions will be adopted by a majority of the shares present or represented at the Meeting.

Article 16. MINUTES.

All discussions and resolutions adopted both by ordinary and extraordinary General Meetings will be recorded in minutes issued or transcribed into a minutes book and will be signed by the Chairman and Secretary of the Meeting. The minutes may be approved by the Meeting itself right after it is adjourned or, otherwise, within fifteen days, by the Chairman and two supervisors, one appointed by the majority and another by the minority.

The Sole Director, at his own initiative, if this is decided, and mandatorily if requested authentically in writing five days prior to the date scheduled for the Shareholders Meeting, representing at least 1% of the capital stock, will require the presence of a Notary Public in order to execute a certificate of the Meeting; the Company will bear the fees incurred by the chosen Notary Public. This notarial certificate will be considered the minutes of the Meeting.

SECTION TWO. MANAGEMENT BODY.

Article 17. MANAGEMENT BODY.

The management, administration and representation of the Company, in or out of court, and in any acts covered by the corporate object, will be entrusted to a Sole Director.

No persons involved in any legal incompatibility, particularly those involved in any of the incompatibilities foreseen in Act 3/2015, of 30 March, and other applicable laws, may hold office as Sole Director; this includes the provisions foreseen in Articles 228 and 229 of the Capital Stock Companies Act with respect to the duty of loyalty and Directors' conflicts of interest.

Article 18. TERM OF DIRECTOR OFFICE.

The Sole Director will be appointed for a six-year term; he may be re-elected by the Meeting once or several times, for equal periods of time.

Article 19. POWERS OF THE SOLE DIRECTOR.

The Sole Director will have the broadest powers of administration, management, disposal and ownership and will represent the Company both in and out of court, in any acts covered by the corporate object, defined in Article 4 of these By-laws.

Article 20. DIRECTOR'S REMUNERATION.

The office of Sole Director will not be remunerated.

TITLE IV.

FINANCIAL YEAR, ACCOUNTING DOCUMENTS AND ALLOCATION OF PROFIT.

Article 21. FINANCIAL YEAR.

The financial year will begin on 1 January and end the following 31 December.

Article 22. ACCOUNTING DOCUMENTS.

Within a maximum of three months, following the closing of each financial year, the Sole Director will draw up the consolidated annual accounts, statement of changes in net wealth, the cash flow statement, management report, proposed allocation of

results, accounts and management report, if applicable, pursuant to the valuation criteria and structure required by law.

These documents will be signed by the Sole Director, and may be reviewed by one or several auditors named in the manner, for the term and with the duties foreseen by law for the verification of annual accounts. The General Meeting, when appointing the person(s) in charge of the auditing, will determine their number and period of time during which they will perform their tasks, which must be at least three years and no longer than nine, as of the commencement date of the first financial year under audit; they may be re-elected by the General Shareholders Meeting for maximum periods of three (3) years, as long as this is permitted by applicable law.

Article 23. DEPOSIT AND PUBLICATION OF THE ANNUAL ACCOUNTS.

Once the annual accounts are approved by the General Shareholders Meeting, these will be submitted along with the management report and auditors report, if any, in order to be deposited along with a certification of the Meeting's resolutions at the competent Commercial Registry located in the registered address, in the manner, within the timeframe and following the provisions foreseen by law and the Commercial Registry Regulations.

Article 24. ALLOCATION OF PROFIT.

In relation to the profit obtained each financial year, once the legal reserve is endowed and other provisions made as foreseen by law, the Meeting may assign the amount it deems appropriate to a voluntary reserve or to any other need permitted by law. The remainder will be assigned as decided by the Meeting and, as the case may be, will be distributed as dividends amongst the shareholders in proportion to the capital paid up per share.

The payment of interim dividends will be subject to applicable legal provisions.

TITLE V.

DISSOLUTION AND LIQUIDATION OF THE COMPANY.

Article 25. DISSOLUTION

The Company will be wound up in the cases and with the requirements foreseen by law.

Article 26. LIQUIDATION PROCEDURE.

The General Meeting agreeing to wind up the Company will also agree to appoint the liquidators, which may be entrusted to the Sole Director.

There will always be an uneven number of liquidators.

Article 27. LIQUIDATION RULES.

When liquidating the Company, the rules foreseen by law will be followed, as well as any complementary and consistent rules that may have been agreed by the General Shareholders Meeting that decided to wind up the Company.
