



**REPORT SUBMITTED BY THE BOARD OF DIRECTORS ON THE PROPOSED
RESOLUTION TO BE SUBMITTED AT THE EXTRAORDINARY GENERAL
SHAREHOLDERS' MEETING OF THE COMPANY AS ITEM FIRST ON THE AGENDA IN
RELATION TO THE AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

I. Purpose of the report

This report is drawn up in accordance with the provisions of article 286 of the Corporate Enterprises Act to explain and provide grounds for the proposal to be submitted to the extraordinary General Shareholders Meeting of Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A., (BME or the Company) concerning the amendment to the Articles of Association.

Furthermore, in accordance with the foregoing, the proposed resolution that the Board of Directors will submit at the extraordinary General Shareholders Meeting includes the complete text of the amendments proposed.

In order to assist shareholders in comparing the wording of the articles of the Articles of Association to be amended and the current wording, a verbatim transcription of the Articles of Association has been included as an appendix to this report for information purposes, in two columns, whereby the right column highlights the amendments proposed to be introduced into the current text, which is transcribed in the left column.

II. Applicable legislation.

Article 285.1 of the Corporate Enterprises Act stipulates that the General Shareholders Meeting shall be responsible for any amendments to the Articles of Association.

In relation to the amendments to the Articles of Association, article 286 of the Corporate Enterprises Act requires Directors to draft the complete text of the amendment proposed and, for public limited liability companies, a written report supporting the amendments must be drawn up.

Accordingly, article 287 of the said Act states that the call notice of the General Shareholders Meeting must express with due clarity the points to be amended and state the shareholders' right to examine at the registered office the complete text of the proposed amendment and, in the case of public limited liability companies, of the report thereon and to request that such documents be delivered or sent to them free of charge.

Likewise, pursuant to article 518 of the Corporate Enterprises Act, applicable to listed companies, from the announcement of the call to meeting and the General Meeting being held, the proposed resolution for amending the Articles of Association and the explanatory report issued by the Board of Directors shall also be made permanently available on the Company's website, www.bolsasymercados.es.

The proposed amendments to the Articles of Association are subject to authorisation by the Spanish National Securities Market Commission (CNMV), in accordance with section 3 of additional provision six of the Spanish Securities Market Law.

III. Explanatory report on the proposed amendments to the Articles of Association

Below follows reasoned arguments to explain and provide grounds for the proposed resolution to be submitted at the extraordinary General Shareholders Meeting of the Company as item first on the agenda in relation to the amendments to the Articles of Association.

Following the success of the voluntary public offer by SIX GROUP AG to acquire all shares in the Company and the resulting change in the shareholder structure of the Company, with a shareholder owning 93.16% of its share capital, it is deemed necessary to propose the amendment of the Articles of Association to adapt the structure and composition of the Board of Directors and the composition of the Board committees to this new situation.

In particular, the new shareholder structure justifies reducing the number of members of the Board of Directors, and the proposed amendment to the Articles of Association therefore refers to reducing the minimum number of members of the Board of Directors established in these Articles from nine (9) to six (6), and reducing the maximum number from fifteen (15) to nine (9) members.

This reduction in the number of Directors justifies the proposed amendment to the Articles of Association to remove the obligation to have a Lead Independent Director, irrespective of the classification of the Chairman of the Board of Directors, and remove the possibility to establish an Executive Committee.

Likewise, it is proposed to amend the minimum number of meetings of the Board of Director must hold annually, from nine (9) to eight (8).

The reasons highlighted indicate the need to submit before the extraordinary General Shareholders Meeting the proposed amendment to the Articles of Association in the manner in which they are detailed in the following sections.

In accordance with article 197.bis.2 of the Corporate Enterprises Act, the proposals for amendments to the Articles of Association are presented as different items on the agenda so they can be voted on separately.

III.1 Evidence supporting the proposed amendment to paragraph 1 of article 26 of the Articles of Association relating to the number and appointment of members of the Board.

As a result of the aforementioned change in the Company's shareholder structure, it is deemed necessary to reduce the number of members who will make up the Company's Board of Directors.

For these purposes, a proposal is to be submitted to the extraordinary General Shareholders Meeting regarding the amendment of article 26, paragraph 1, of the Articles of Association to reduce the minimum number from nine (9) to six (6) and the maximum from fifteen (15) to nine (9) members of the Board of Directors.

The Company considers that a Board of Directors made up of between six (6) and nine (9) members has the adequate size to carry out its functions efficiently and with a sufficient contrast of opinions. Furthermore, the proposed range is in line with the recommendation regarding the size of the Board of Directors established in the Good Governance Code of listed companies.

In keeping with the aforementioned proposal, it is also proposed to amend article 26, paragraph 3, ("Number and appointment of Board members") of the Articles of Association to reflect a

new wording which states that the Board of Directors will be made up of a minimum of six (6) and a maximum of nine (9) members, it being the responsibility of the General Shareholders Meeting to determine the final number.

III.2 Evidence supporting the proposed amendment to paragraph 3 of article 26 of the Articles of Association relating to the number and appointment of members of the Board.

As indicated in the initial evidence of this report, the purpose of the amendment to article 26, paragraph 3, of the Articles of Association ("Number and appointment of members of the Board") is to remove the obligation to have a Lead Independent Director, irrespective of the classification of the Chairman of the Board of Directors, since the existence of this position is considered to be unnecessary on a Board of Directors with fewer members.

The proposed new wording adapts article 26.3 of the Articles of Association to article 529.septies.2 of the Corporate Enterprises Act, which establishes that where the Chairman is classified as an Executive Director, the Board of Directors must appoint a Lead Independent Director.

In this regard, it is proposed to include the reference to their appointment "*if the Chairman is considered to be an executive Director*".

III.3 Evidence supporting the proposed amendment to paragraph 1 of article 29 of the Articles of Association relating to number Board Meetings and quorum.

The purpose of the amendment to article 29, paragraph 1, of the Articles of Association ("Board Meetings and quorum") is to reduce the number of meetings that the Board of Directors must hold annually in ordinary manner, from the current nine (9) to eight (8).

This amendment does not prevent the holding of as many extraordinary meetings as is needed for the Board of Directors to carry out the functions attributed thereto effectively.

III.4 Evidence supporting the proposed removal to article 34 of the Articles of Association relating to the Executive Committee.

The purpose of the proposed removal to article 34 of the Articles of Association ("Executive Committee") to be submitted before the extraordinary General Shareholders Meeting is to eliminate the possibility that the Articles of Association established to setting up an Executive Committee within the Board of Directors.

In this regard, it is considered that the existence of an Executive Committee is unnecessary on a Board of Directors with fewer members.

**BOLSAS Y MERCADOS ESPAÑÓLES, SOCIEDAD HOLDING DE MERCADOS Y
SISTEMAS FINANCIEROS, S.A.**
PROPOSAL TO AMEND THE ARTICLES OF ASSOCIATION.

CURRENT VERSION	PROPOSED VERSION
<p>Article 26.- Number, types and appointment of Board members.</p> <p>1. The Board of Directors shall consist of a minimum of nine and a maximum of fifteen members, it being the responsibility of the shareholders at a General Shareholders' Meeting to determine the number, which they may do either by adopting an explicit resolution or indirectly by filling vacancies or appointing new directors, within the upper limit specified above.</p> <p>That stipulated above is deemed to be without prejudice to the system of proportional representation that corresponds to shareholders under the terms laid down by law.</p> <p>(...)</p> <p>3. The Board of Directors shall appoint from among the independent Directors, with the abstention of any executive Directors, a Lead Director with the functions attributed by law for such purpose.</p>	<p>Article 26^o.- Number, types and appointment of Board members.</p> <p>1. The Board of Directors shall consist of a minimum of six nine and a maximum of nine fifteen members, it being the responsibility of the shareholders at a General Shareholders' Meeting to determine the number, which they may do either by adopting an explicit resolution or indirectly by filling vacancies or appointing new directors, within the upper limit specified above.</p> <p>That stipulated above is deemed to be without prejudice to the system of proportional representation that corresponds to shareholders under the terms laid down by law.</p> <p>(...)</p> <p>3. <u>If the Chairman is considered to be an executive Director, the</u> The Board of Directors shall appoint from among the independent Directors, with the abstention of any executive Directors, a Lead Director with the functions attributed by law for such purpose.</p>
<p>Article 29.- Board Meetings and quorum</p> <p>1. The Board of Directors shall ordinarily meet at least nine times each year and, in any event, whenever a meeting is called in accordance with the terms envisaged in Article 27 above.</p> <p>(...)</p>	<p>Article 29.- Board Meetings and quorum</p> <p>1. The Board of Directors shall ordinarily meet at least eight nine times each year and, in any event, whenever a meeting is called in accordance with the terms envisaged in Article 27 above.</p> <p>(...)</p>
<p>Article 34.- Executive Committee.</p> <p>The Board of Directors shall be able to form an Executive Committee. The permanent delegation of powers by the Board of Directors and the appointment of Directors who are to form part of it, having in total a minimum of three and a maximum of seven members, shall require the vote in favour of two thirds of the members of the Board.</p>	<p><u>Article 34.- Executive Committee.</u></p> <p><u>The Board of Directors shall be able to form an Executive Committee. The permanent delegation of powers by the Board of Directors and the appointment of Directors who are to form part of it, having in total a minimum of three and a maximum of seven members, shall require the vote in favour of two thirds of the members of the Board.</u></p>