



CIE Automotive

Policy governing the selection
of candidates for the post of
director and diversity on the
Board of Directors

	POLICY GOVERNING THE SELECTION OF CANDIDATES FOR THE POST OF DIRECTOR AND DIVERSITY ON THE BOARD OF DIRECTORS	Code:	CIE CO CP PO 10
		Revision:	01
		Page	2 of 4

Content

1. Introduction.....	3
2. Scope	3
3. Objectives of candidate selection	3
4. Characteristics of the candidates.....	3
5. Diversity on the Board of Directors.....	4

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 CIE Automotive	POLICY GOVERNING THE SELECTION OF CANDIDATES FOR THE POST OF DIRECTOR AND DIVERSITY ON THE BOARD OF DIRECTORS	Code:	CIE CO CP PO 10
		Revision:	01
		Page	3 of 4

1. Introduction

The Board of Directors of CIE Automotive, S.A. (the "**Company**"), together with its group companies (the "**Group**"), recognises transparency in all its actions as a key element of its corporate governance strategy, including the process of selecting candidates to sit on the Board of Directors.

Therefore, the Board of Directors has approved this policy governing the selection of candidates for the post of director. It is a public, specific and verifiable policy, which ensures that proposals for the appointment of Company directors are based on an analysis of the needs of the Board of Directors, and guarantees the presence on the Board of a diverse range of skills, knowledge, experiences, origins, nationalities, age and gender.

2. Scope

This policy for selecting candidates for the post of director will be applicable to the selection of natural persons to hold said posts.

In the case of candidates that are legal entities, this policy will be extended to any persons who represent them.

3. Objectives of candidate selection

The selection of candidates to sit on the Board of Directors will be grounded in an analysis of the Company's requirements, conducted by the Board of Directors with the support and based on a prior report drawn up by the Appointments and Remunerations Committee.

In addition, it will seek people who meet the criteria set out in the following paragraphs and whose appointment enhances the diversity of skills, knowledge, experiences, origins, nationalities, age and gender within the Board of Directors.

4. Characteristics of the candidates

When selecting directors, candidates will be assessed on the basis of the following criteria:

- a) In order to identify candidates for the post of executive director, firstly, managers and executives that have been linked to the Company or to other Group companies will be taken into consideration.
- b) In order to select candidates for the post of independent director, candidates are sought with knowledge and experience in the major countries and sectors in which the Group carries out or plans to develop its business, as well as in matters that the Appointments and Remunerations Committee considers relevant in managing the challenges and needs of the Group.
- c) When identifying directors representing major shareholders, the proposing shareholder will be urged to adhere to fully the principles contained in this policy relating to the characteristics of directors and the diversity principles mentioned above.

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		Revision:	01
		Page	4 of 4

All the candidates for the post of Company director will be honourable, suitable persons, and will possess recognised solvency, competency, experience, qualification, training, availability and commitment to the post.

In addition, they must be sufficiently familiar with the English language to perform their duties.

Candidates for the post of director may not be affected by any of the reasons enshrined in Law regarding incompatibility for the performance of their duties, and they must comply with all the requirements set forth in the Regulations of the Board of Directors.

5. Diversity on the Board of Directors

When selecting candidates, the Board will endeavour to achieve diversity and balance on the Board of Directors as a whole, which enriches its decision-making and provides for pluralistic views in debates on matters within its competence.

The Board of Directors pledges to promote diversity in its membership and, to this end, when selecting candidates for the post of director, it will value candidates whose appointment would favour the presence on the Board of Directors of different capabilities, knowledge, experiences, origins, nationalities, ages and genders.

The criteria of diversity will be chosen in accordance with the nature and complexity of the business developed by the Group, as well as the social and geographical context in which it is present.

In addition, depending on the needs of the Board of Directors, other criteria may be taken into account.

In the process of selecting candidates, it will avoid any kind of bias that may involve any discrimination, among others, on grounds of sex, ethnic origin, age or disability.

The Board of Directors will regularly evaluate the degree of compliance and efficacy of its diversity policy and, in particular, the percentage of women directors at any given time, in order to assess the degree of compliance with the recommendations on corporate governance with regard to the presence of women on the Board.

In addition, the Annual Corporate Governance Report will include a detailed description of this policy, as well as the objectives set and the results obtained.

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