

**SUMMARY OF THE RESOLUTIONS PASSED AT THE ORDINARY GENERAL SHAREHOLDERS' MEETING OF ZARDOYA OTIS, S.A., HELD ON THE SECOND CALL AT THE NH COLLECTION EUROBUILDING HOTEL, MADRID, ON MAY 23, 2018**

**QUORUM FOR CONSTITUTING THE ORDINARY GENERAL SHAREHOLDERS' MEETING**

The result of the list of attendees may be summarized as follows: (i) 174 shareholders holding 62,877,069 shares, representing 13.36 % of the share capital were present; and (ii) 1,066 shareholders holding 276,568,969 shares, representing 58.79 % of the share capital were represented. Consequently, the total number of shares either present or represented was 339.446.038 representing 72.15 % of the share capital.

**RESOLUTION 1**

**Examination and, if applicable, approval of the annual financial statements and management reports of both the Company and its consolidated group for the period running from December 1, 2016 to November 30, 2017.**

The Ordinary General Shareholders' Meeting approved the annual financial statements and management reports of the Company and its consolidated group, including the Annual Corporate Governance Report, for the period 2017 (running from December 1, 2016 to November 30, 2017).

The annual financial statements have been approved by the Board of Directors, signed by all the directors, numbered correlative and verified by the account auditor (who has issued the relevant audit reports).

Said annual financial statements include the global compensation of the Board of Directors for the period in question, which was 2,084 thousand euros, in the income statement.

**RESOLUTION 2**

**Application of the profit for the period running from December 1, 2016 to November 30, 2017.**

The Ordinary General Shareholders' Meeting approved the following application of the profit in accordance with the statement of financial position approved:

<b>Distribution bases</b>	<b>Amount</b>
Profit for the period	152,288,999.12 euros
<b>Distribution</b>	<b>Amount</b>
Legal reserve	376,742.90 euros
Dividends (*)	112,911,434.64 euros
Reserve for goodwill	----- euros
Voluntary reserve	39,000,821.58 euros

(\*) The whole of the proposed dividend has been paid to the shareholders, as stated in the following item on the Agenda.

### **RESOLUTION 3**

#### **Approval of the performance of the Board of Directors and, in particular, of the distribution of dividends charged to the profit for the period running from December 1, 2016 to November 30, 2017.**

The Ordinary General Shareholders' Meeting approved the performance of the Board of Directors during the period running from December 1, 2016 to November 30, 2017 and ratification of the distribution of interim dividends charged to the profit for the period running from December 1, 2016 to November 30, 2017, i.e. three quarterly interim dividends, the total amount of which was 112,911,434.64 euros. For these purposes, the partial cash distribution of the share premium for the sum of 0.079 euros per share, which was approved by the Ordinary General Shareholders' Meeting held on May 14, 2017, was excluded.

### **RESOLUTION 4**

#### **Approval of the distribution of a dividend to be charged to reserves for a gross amount of 0.08 euros per share.**

The Ordinary General Shareholders' Meeting approved the distribution of a dividend charged to reserves for gross amount of 0.08 euros per share, the withholdings and taxes established by law being payable by the recipient.

Thus, the Company will pay up to a maximum of 37,637,144.88 euros, which is the result of multiplying the gross amount of the cash distribution per share (0.08 euros) by 470,464,311, which is the total number of shares into which the Company's share capital is divided. The amount resulting from multiplying the sum of 0.08 euros by the number of any treasury shares that may exist at the time the shareholders become entitled to receive payment of the dividend will be deducted from this maximum amount. This dividend will be paid out on *July 10, 2018*.

### **RESOLUTION 5**

#### **Re-appointment of the auditors for the Company and its consolidated group for the period running from December 1, 2017 to November 30, 2018.**

Subsequent to a proposal in favour by the Audit Committee at its meeting of February 20, 2018 and the Board of Directors at its meeting of April 9, 2018, the Ordinary General Shareholders' Meeting approved the re-appointment of PricewaterhouseCoopers, S.L. ("PwC") as the account auditors for the Company and its consolidated group for the annual period 2018, which commenced on December 1, 2017 and will end on November 30, 2018.

For the purposes of article 153 and related articles of Royal Decree 1784/1996 of July 19, whereby the Companies Register Regulations were approved, PwC is stated to be a Spanish company, with registered office at Paseo de la Castellana, 259 B, Torre PWC, 28046 Madrid, and tax identification number B-79031290, registered in the Madrid Companies Register on Sheet 87, Point 250-1, Folio 75, Volume 9267, Book 8054, Section 3, and in the Official Account Auditors Register (ROAC) with number S0242.

Likewise, the Ordinary General Shareholders' Meeting approved to authorize the Company's Board of Directors, expressly permitting it to be substituted by any of the members thereof or by the Board Secretary, to determine the account auditor's remuneration for the aforementioned period in accordance with the generally-applicable economic bases for said audit firm and, specifically, to execute the relevant service

agreement, with the clauses and conditions deemed appropriate. The Board is likewise authorized to make any amendments to said agreement that may be appropriate in accordance with the legislation in force at any given moment; The foregoing is proposed by the Audit Committee in compliance with art 529 *quaterdecies* (d) of the Capital Companies Law.

It was expressly stated that the re-appointment of PwC is in accordance with the new Law 22/2015 of July 20 on Account Auditing, which places restrictions on the maximum term for which an auditor may be engaged. According to the Transitional Provision established in Regulation (EU) 537/2014 of the European Parliament and Council, audited entities which, like the Company, had been engaging the same auditor for a period of 20 years or more as of June 2014 will not have to change auditor until June 17, 2020.

## **RESOLUTION 6**

### **Consultative ballot on the 2017 Annual Director Compensation Report in accordance with the provisions of the Capital Companies Law, article 541.**

In order to comply with (i) the provisions of the new article 541 of the Capital Companies Law; and (ii) Order ECC/461/2013, which reorganizes and completes the transparency requirements established in the Securities Market Law, the 2017 Annual Director Compensation Report has been approved by the Ordinary General Shareholders' Meeting as a consultative ballot consideration.

## **RESOLUTION 7**

### **Appointment and re-election, if appropriate, of the following members of the Board of Directors:**

#### **7.1 Ratification and re-election of Ms Robin Fiala, who was appointed by co-option, as a proprietary director..**

The Ordinary General Shareholders' Meeting approved the ratification of Ms Robin Fiala, of legal age, married, a United States of America national, domiciled in Farmington, United States of America, holding United States of America passport No. 452042476, currently in force, and N.I.E. (foreigner identification No.) Y-5915181-D as a proprietary director for the Bylaw-stipulated term of four years.

Ms Robin Fiala was appointed as a director by co-option, in a resolution passed by the Board of Director son October 5, 2017 subsequent to a report in favour from the Nominating and Compensation Commission, as a consequence of the resignation of the director Mr Philippe Delpech.

#### **7.2 Re-election of Mr Mark George as a proprietary director.**

The Ordinary General Shareholders' Meeting approved the re-election of Mr Mark George, of legal age, married, a United States national, domiciled at One Carrier Place Farmington, CT06034, United States of America, holding United States of America passport No. 113107476, currently in force, and N.I.E. (foreigner identification No.) Y-3453374-F, as a proprietary director for the Bylaw-stipulated term of four years.

## **RESOLUTION 8**

**Authorization of the Board of Directors for the direct or indirect derivative acquisition of treasury shares, within the limits and meeting the requirements set forth in article 146 and related articles of the Capital Companies Law.**

The Ordinary General Shareholders' Meeting approved to authorize the Board of Directors to, without previously consulting the General Shareholders' Meeting, acquire, directly or indirectly, the Company's own shares up to a maximum of 10% of the share capital for a maximum term of five years as from the date of this General Shareholders' Meeting. These shares may be acquired by purchase in the market at a minimum price of two euros per share and a maximum price of twenty-five euros per share and the Board of Directors is authorized to set aside the reserves stipulated in article 148 of the Capital Companies Law.

It is expressly stated that any shares acquired as a result of this authorization may be sold (or exchanged), written off or delivered to the Company's workers or directors, either directly or as the result of their exercising any option rights they may hold.

This delegation of powers to the Board of Directors replaces the powers conferred at the Company's General Shareholders' Meeting of May 24, 2017, which, in consequence, will be null and void.

## **RESOLUTION 9**

**Authorization for the Company to accept its own shares as security, either directly or indirectly, in accordance with the provisions of article 149 of the Capital Companies Law.**

The Ordinary General Shareholders' Meeting approved to authorize the Board of Directors to, directly or through any companies in the Company's group, accept its own shares in pledge or as any other type of security, within the limits established by law and with the same requirements as apply to the acquisition thereof.

Specifically:

- (A) The number of shares that may be accepted in pledge will not exceed 10% of the Company's share capital.
- (B) The pledged shares must be free of all charges or encumbrances, fully paid up and not attached to compliance with any obligation the beneficiary of which is not the Company.
- (C) The authorization will remain in force for the maximum term provided for by law at any given moment, as of the date of the Ordinary General Shareholders' meeting that has approved such authorization.
- (D) When performing these transactions, the rules on the matter contained in the Company's Internal Code of Conduct must also be complied with.

## **RESOLUTION 10**

**Delegation to the Board of Directors for the interpretation, rectification, execution, formalization and registration of the resolutions adopted.**

The Ordinary General Shareholders' Meeting approved to authorize the Chairman of the Board of Directors, Mr Mario Abajo García, the Deputy Chairman of the Board of Directors Mr José María Loizaga Viguri, the Chief Executive Officer, Mr Bernardo Calleja Fernández and the Secretary of the Board of Directors, Ms Lorea García Jáuregui, so that any one of them, without distinction, may, jointly and severally, execute compliance with and/or perform each and every one of the resolutions and/or decisions adopted at

the present meeting, with sufficient capacity and power of attorney to enter them into public record, execute deeds of power of attorney and request any entries that might be applicable in the relevant registers, including the Companies Register, making any rectifications that may be appropriate in this respect in the light of the oral or written comments of the registrars until the deeds are fully registered.

## **RESOLUTION 11**

### **Requests and questions**

All questions were answered and the requests put forward by the shareholders at the appropriate moment received a response.

In accordance with Recommendation 3 of the Good Governance Code and article 10 of the Regulations of the General Shareholders' Meeting, the Chairman reported orally on the most significant aspects of the Company's corporate governance.

## **RESOLUTION 12**

### **Approval of the Minutes of the Ordinary General Shareholders' Meeting.**

## VOTING RESULTS

According with article 525 of the Capital Companies Law, for each motion proposed for approval to the the General Shareholder's Meeting of Zardoya Otis, S.A., the following is determined: (i) number of shares for which valid votes has been cast; (ii) proportion of share capital represented by said votes: (iii) total number of valid votes; (iv) number of votes in favour and against, and in its case, number of abstentions.

Junta General de Accionistas

ZARDOYA OTIS, S.A.

*23 de Mayo de 2018 (2<sup>a</sup> Convocatoria)*

**ACTA  
RESUMEN VOTOS\***

Propuestas Motions	Nº Total Acciones - Quorum Shares total number - Quorum	A favor In favour	%**	En Contra Against	%**	En Blanco Blank	%**	Total	%**	%***	Abstenciones Abstentions	%**
Propuesta 1	339.446.038	339.023.120	99,88%	500	0,00%			339.023.620	99,88%	72,06%	422.418	0,12%
Propuesta 2	339.446.038	339.397.849	99,99%	500	0,00%			339.398.349	99,99%	72,14%	47.689	0,01%
Propuesta 3	339.446.038	338.635.671	99,76%	66.673	0,02%			338.702.344	99,78%	71,99%	743.694	0,22%
Propuesta 4	339.446.038	339.126.985	99,91%	41.364	0,01%			339.168.349	99,92%	72,09%	277.689	0,08%
Propuesta 5	339.446.038	338.037.589	99,59%	1.405.760	0,41%			339.443.349	100,00%	72,15%	2.689	0,00%
Propuesta 6	339.446.038	314.019.876	92,51%	25.376.973	7,48%			339.396.849	99,99%	72,14%	49.189	0,01%
Propuesta 7,1	339.446.038	311.602.177	91,80%	27.838.651	8,20%			339.440.828	100,00%	72,15%	5.210	0,00%
Propuesta 7,2	339.446.038	311.605.509	91,80%	27.835.319	8,20%			339.440.828	100,00%	72,15%	5.210	0,00%
Propuesta 8	339.446.038	338.685.411	99,78%	739.612	0,22%			339.425.023	99,99%	72,15%	21.015	0,01%
Propuesta 9	339.446.038	339.398.540	99,99%	42.464	0,01%			339.441.004	100,00%	72,15%	5.034	0,00%
Propuesta 10	339.446.038	339.440.504	100,00%	500	0,00%			339.441.004	100,00%	72,15%	5.034	0,00%
Propuesta 11	339.446.038	339.167.849	99,92%	500	0,00%			339.168.349	99,92%	72,09%	277.689	0,08%
Propuesta 12	339.446.038	339.416.592	99,99%	26.757	0,01%			339.443.349	100,00%	72,15%	2.689	0,00%

\*Each share of Zardoya Otis, S.A. corresponds to one vote.

\*\*Percentage over total valid votes and abstentions.

\*\*\*Percentage over total shares of Zardoya Otis, S.A. at the date of the General Shareholder's Meeting of Zardoya Otis, S.A.