

SOCIEDAD GENERAL DE AGUAS DE BARCELONA, S.A.

Report on the modification of the Regulations of the Board

Report on the modification of the Regulations of the Board agreed by the latter in its meeting of 2 May 2007, and on which it will report in the Ordinary General Meeting called for 29 June at the first notice and for the following day 30 June at the second notice.

The Board of Directors agreed on 2 May 2007 to modify Sections 4, 5, 9, 11, 12, 13, 14, 16, 17, 19, 26 and 30 of the Regulations of the Board of Directors.

The aim of this modification is to comply with some recommendations of the Unified Code of Good Governance. Thus, the modification of:

- Section 4 aims to achieve a better adaptation of this Section to recommendation no. 8 of this Code.
- Section 5 aims to achieve a better adaptation to recommendation no. 10 and to the definition of Executive Director.
- Section 9 aims to achieve a better adaptation to recommendation no. 18.
- Section 11 aims to achieve a better adaptation to recommendation numbers 8, 42 and 55.
- Section 12 aims to achieve a better adaptation to recommendation no. 42 and to establish that the Chairman of the Board will also be Chairman of the Executive Commission.
- Section 13 aims to achieve a better adaptation to recommendation numbers 44 e), 47, 50 and 52.
- Section 14 aims to achieve a better adaptation to recommendation numbers 27, 44 b), 55 and 57, and in part to recommendation no. 44 e).
- Section 16 aims to achieve a better adaptation to recommendation no. 27.



- Section 17 aims to achieve a better adaptation to the definition of Independent Director.
- Section 19 aims to achieve a better adaptation to recommendation no. 30.
- Section 26 aims to achieve a better adaptation to recommendation no. 8.
- Section 30 aims to achieve a better adaptation to recommendation numbers 26 and 32.