

MOTIVATED PROPOSAL OF THE BOARD OF DIRECTORS OF ALANTRA PARTNERS, S.A. ON THE AMENDMENT OF THE DIRECTORS' REMUNERATION POLICY, INCLUDED IN ITEM 9 OF THE AGENDA OF THE ANNUAL GENERAL MEETING TO BE HELD ON 27 AND 28 APRIL 2022, AT FIRST AND SECOND CALL, RESPECTIVELY

1. INTRODUCTION

Pursuant to the provisions of article 529 *novodecies* of the consolidated text of the Spanish Companies Act approved by Royal Legislative Decree 1/2010, of 2 July (the "LSC"), the Board of Alantra Partners, S.A. ("**Alantra**" or "the **Company**"), following a favourable report from the Appointments and Remuneration Committee -which is attached to this proposal-, at its meeting held on 2 March 2022, has prepared and approved this motivated proposal to amend the current director's remuneration policy (the "**Remuneration Policy**" or the "**Policy**"), approved by the Annual General Shareholders' Meeting held on 28 October 2020 for the financial years 2021 to 2023, both inclusive.

This proposed amendment to the Remuneration Policy will be submitted for approval at the Annual General Shareholders' Meeting, which is expected to be held on 27 April 2022.

2. JUSTIFICATION FOR THE PROPOSED UPDATE

The Board of Directors has decided to undertake certain amendments to the Policy for two purposes:

- I. On one hand, it is proposed to amend the Policy in order to adapt its content to the new provisions on remuneration introduced to article 529 *novodecies* of the LSC by Law 5/2021, of 12 April, which amends the revised text of the Spanish Companies Act, with regard to the promotion of long-term shareholder involvement in listed companies ("**Law 5/2021**"). In accordance with the provisions of section one of the First Transitional Provision of Law 5/2021, it is proposed to submit for approval the adaptation of the Policy to these amendments at the first General Meeting held after the entry into force of Law 5/2021.

As indicated in the supporting report of the Appointment and Remuneration Committee, the Policy is amended to explain (i) how the Policy contributes to the business strategy and the long-term interests and sustainability of the Company, (ii) how the conditions of remuneration and employment of employees of the Group have been taken into account, (iii) the decision-making process for its determination, review and implementation, and (iv) the management of conflicts of interest.

To reflect the content of point (i), a section has been introduced in the Policy (Section 2 "Principles and Objectives") which sets out the principles and objectives governing the remuneration of directors and explains the elements taken into account for its determination. In particular, it describes how directors' remuneration contributes to the business strategy, and to the long-term interests and sustainability of the Company, as well as its alignment with the Alantra Group's Remuneration Policy, both in terms of the principles that inspire them and in the determination of their components.

To reflect the content of point (ii), a new section 3 has been added to the Policy ("Consideration of employees' pay and employment conditions") to reflect the way in which the policy applicable to the rest of the Group's employees is taken into account in determining the executive chairman's remuneration.

The content of points (iii) and (iv) has been reflected in two new sections: section 4 ("Decision-making process for setting remuneration policy") and the new section 5 ("Management of conflicts of interest").

- II. On the other hand, it is proposed to amend the Policy to update the remuneration of the Executive Chairman with the same purpose for which it was already updated in 2018, i.e. to establish an appropriate and competitive system for the only executive director of the Company which, in addition, does not have a negative impact on the level of risk of the entity, but avoids that the still existing restrictions on the proportion between fixed and variable remuneration harm the alignment of interests of the Executive Chairman with the achievement of the results objectives of the Company. The proposal consists of the following:
- a) to increase the fixed remuneration of the Executive Chairman for the financial year 2022 and subsequent years by an amount of 400,000 euros, to 1,400,000 euros; y
 - b) maintaining its current variable remuneration scheme, but (i) increasing from 60% to 90% the percentage of upward or downward variation of the quantitative element of the variable remuneration based on the degree of fulfilment of qualitative objectives, and (ii) increasing from 700,000 to 1,100,000 the amount to be deducted from the resulting variable remuneration.

The purpose of this scheme is to adapt the amounts to the evolution of the Company's results and to establish a system that, without having a negative impact on the entity's risk level, prevents restrictions on the ratio between fixed and variable remuneration from undermining the incentive and competitive nature of the executive chairman's remuneration.

However, as explained in the report of the Appointments and Remuneration Committee, in the event that during the term of this Remuneration Policy (i) Directive (EU) 2019/2034 of 27 November 2019 on the prudential supervision of investment firms is transposed into Spanish law, and (ii) the financial supervisor, based on the activities and risks of the Alantra Group, were to remove the current limiting restrictions on the ratios between the variable component and the fixed component of the total remuneration of key executives, the fixed remuneration of the Executive Chairman would revert to the initial amount of EUR 300,000 and the percentage adjustment, upwards or downwards, of the variable remuneration will revert to 60%. This reversal of conditions shall occur, if applicable, with economic effect as of 1 January of the financial year in which the circumstances described under (i) and (ii) of this paragraph are met.

In view of the above, the Board of Directors of Alantra has agreed to propose the approval by the General Shareholders' Meeting of the aforementioned amendments to the Remuneration Policy.

3. DURATION

The Remuneration Policy shall apply to the remuneration of directors up to and including the financial year 2023, unless the General Shareholders' Meeting adopts a resolution amending or replacing it during its period of validity, in accordance with the provisions of

article 529 *novodecies* of the Capital Companies Act.

Notwithstanding the foregoing, all remuneration paid to directors or former directors under the Remuneration Policy for Alantra's directors for the financial year 2021 approved by Alantra's General Shareholders' Meeting on 28 October 2020 shall be valid.

In any case, the Company shall adopt such measures as it deems appropriate or necessary in relation to the Company's Directors' Remuneration Policy within the legal framework applicable to the Group from time to time.

4. PROPOSED RESOLUTION TO BE SUBMITTED TO THE ANNUAL GENERAL MEETING FOR APPROVAL

The Board of Alantra submits for approval of the Annual General Meeting the following resolution under item nine of the Agenda:

“NINETH. Approval, as the case may be, of an amendment to the current Directors' Remuneration Policy

*It is resolved to approve, pursuant to the provisions of article 529 novodecies of the Spanish Companies Act and in accordance with the motivated proposal approved by the Board of Directors at its meeting of 22 March 2022, accompanied by the mandatory report of the Appointments and Remuneration Committee, an amendment to the current Remuneration Policy of the Company's Directors (the "**Remuneration Policy**"), which will be in force until the financial year 2023, inclusive.*

The amendments to the Remuneration Policy are made, firstly, in accordance with the provisions of section one of the First Transitional Provision of Law 5/2021, of 12 April, which amends the revised text of the Capital Companies Act, with regard to the promotion of long-term shareholder involvement in listed companies, this being the first General Meeting to be held after the entry into force of the aforementioned Law. Secondly, the Remuneration Policy is also amended to introduce, given the evolution of the company's results, an update of the fixed and variable remuneration of the Executive Chairman with the same purpose for which the same was already updated in 2018, that is, to establish an adequate and competitive system for the only executive Director of the Company that, additionally, does not have a negative impact on the risk level of the entity, but avoids that the still existing restrictions on the ratio between fixed and variable remuneration harm the alignment of the Executive Chairman's interests with the achievement of the Company's performance targets. Should the current restrictions limiting the ratios between the variable and fixed component of the total remuneration of key executives be removed, the fixed and variable remuneration of the Chief Executive Officer will revert to the initial scheme established in 2015.

It is hereby stated for the record that, since the date of the call to the Annual General Meeting, the Company has made available to the shareholders the full text of the Remuneration Policy, the Report of the Appointments and Remuneration Committee, together with the reasoned proposal of the Board of Directors, justifying the proposed amendment of the Directors' Remuneration Policy.”

Madrid, 22 de marzo de 2022

REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE OF ALANTRA PARTNERS, S.A. CONCERNING THE PROPOSED AMENDMENT OF THE CURRENT DIRECTORS' REMUNERATION POLICY

1. PURPOSE OF THE REPORT

This report is drawn up by the Appointments and Remuneration Committee (the "**Committee**") of the Board of Directors of Alantra Partners, S.A. (the "**Company**") in accordance with the provisions of section 4 of article 529 *novodecies* of Royal Legislative Decree 1/2010, of 2 July, approving the revised text of the Spanish Companies Act ("**LSC**"), which establishes the obligation to accompany the reasoned proposal to amend the Remuneration Policy with a report from the Appointments and Remuneration Committee (the "**Report**").

The directors' remuneration policy (the "**Remuneration Policy**" or the "**Policy**") was first approved by the Shareholders' Meeting on 28 April 2015 for the financial years 2015 and 2016, and subsequently amended and renewed by resolutions of the shareholders' meeting on 27 April 2016, for the financial years 2016 and 2017, and on 28 April 2018, for the financial years 2018 to 2020.

The current Policy was approved on 28 October 2020 for the financial years 2021 to 2023, therefore, its validity ends on 31 December 2023. Notwithstanding its validity, the Committee proposes to the Board of Directors to undertake certain amendments to the Policy, which will be applied for the remuneration of 2022 and 2023 (unless further amended by the General Meeting), with a twofold purpose:

- a) On one hand, the purpose of the amendment of the Policy is to adapt its content to the new provisions on remuneration introduced in article 529 *novodecies* of the LSC, by Law 5/2021 of 12 April, which amends the revised text of the Spanish Companies Act, with respect to the promotion of long-term shareholder involvement in listed companies ("**Law 5/2021**"). Thus, and in accordance with the provisions of section one of the First Transitional Provision of Law 5/2021, it is proposed to submit for approval the Remuneration Policy adapted to these new features introduced in article 529, to the Annual General Meeting to be held on 27 April 2022, as this will be the first General Meeting to be held after the entry into force of Law 5/2021.
- b) On the other hand, the amendment seeks to update the remuneration of the Executive Chairman with the same purpose for which it was already updated in 2018, i.e. to establish an appropriate and competitive system for the only executive director of the Company which, in addition, does not have a negative impact on the level of risk of the company, but avoids that the still existing restrictions on the proportion between fixed and variable remuneration harm the alignment of interests of the Executive Chairman with the achievement of the Company's results objectives.

The Report is prepared for the purpose of justifying the proposed amendment of the Policy, which the Board of Directors must propose in a reasoned manner to the Annual Shareholders' Meeting for approval.

The Report and the proposed Directors' Remuneration Policy will be made available to shareholders on the Company's website from the date on which the notice of the Annual General Meeting at which its approval is proposed is published.

2. JUSTIFICATION FOR THE PROPOSAL AND CONCLUSIONS OF THE COMMISSION:

- I. This report is prepared by the Committee, taking into account the best practices of good governance, in order to justify the amendment of the Policy so that it further develops the terms and conditions of the remuneration of the Company's directors, in accordance with the minimum content established in the new section 3 of article 529 *novodecies* of the LSC as amended by Law 5/2021.

The purpose of this amendment is to explain (i) how the Policy contributes to the business strategy and to the long-term interests and sustainability of the Company, (ii) how the conditions of remuneration and employment of employees of the Group have been taken into account, (iii) the decision-making process for its determination, review and application, and (iv) the management of conflicts of interest.

To reflect the content of point (i), a section has been introduced in the Policy containing the principles and objectives (Section 2 "Principles and Objectives") that are to govern the remuneration of directors, where the elements taken into account for its determination are explained in detail. In particular, the Policy describes how the remuneration of directors contributes to the business strategy, and to the long-term interests and sustainability of the Company, as well as its alignment with the general remuneration policy of the Alantra Group, both in terms of the principles that inspire it and in the determination of its components.

To reflect the content of point (ii), a new third section has been added to the Policy ("Consideration of employees' pay and employment conditions") to reflect the way in which the policy applicable to the rest of the Group's employees is taken into account when determining the executive chairman's remuneration.

In addition, the content of points (iii) and (iv) has been reflected in two new sections, section 4 ("Decision-making process for setting the remuneration policy") and the new section 5 ("Management of conflicts of interest").

- II. Regarding the modification of the Executive Chairman's remuneration, after analysing different alternatives, it has been concluded that the most efficient way to maintain the consistency and principles of the Remuneration Policy is to:

(a) to increase the Executive Chairman's remuneration for the financial year 2022 and thereafter by an amount of EUR 400,000 to EUR 1,400,000; and

b) to maintain his current variable remuneration scheme, although (i) increasing from 60% to 90% the percentage of upward or downward variation of the quantitative element of the variable remuneration based on the degree of fulfilment of qualitative objectives, and (ii) increasing from 700,000 to 1,100,000 the amount to be deducted from the resulting variable remuneration.

With this modification, the amounts are adapted to the evolution of the Company's results and a system is established which, without having a negative impact on the level of risk of the entity, prevents restrictions on the proportion between fixed and variable remuneration from damaging the incentive and competitive nature of the executive chairman's remuneration..

Notwithstanding the foregoing, Directive (EU) 2019/2034 of 27 November 2019 on the

prudential supervision of investment firms is expected to be transposed into Spanish law during the current financial year 2022, which should have happened before 26 June 2021, the deadline granted by the aforementioned directive to the Member States to implement it in their respective legal systems.

The new Directive implies a change in the regulatory framework that makes it possible to apply a flexible remuneration policy with regard to the variable components of remuneration. Thus, under the new regulatory framework, institutions will be able to set appropriate ratios between the variable and the fixed component of total remuneration, taking into account their activities and the risks associated with them, as well as the impact that different categories of executives have on the institution's risk profile.

Given the reasons given for the modification of the executive chairman's remuneration, in the event that during the term of this Remuneration Policy (i) the new Directive is implemented in Spanish legislation, and (ii) the financial supervisor, based on the activities and risks of the Alantra Group, eliminates the current restrictions limiting the ratios between the variable component and the fixed component of the total remuneration of key executives, the fixed remuneration of the executive chairman will return to the initial amount of 300,000 and the percentage adjustment, upwards or downwards, of the variable remuneration will revert to 60%. This reversal of conditions shall occur, if applicable, with economic effect as of 1 January of the financial year in which the circumstances described under (i) and (ii) of this paragraph are met.

On the basis of the foregoing, the Committee considers justified that the Board propose to the Annual General Meeting that the current Directors' Remuneration Policy be updated to remain in force until 2023 (as previously envisaged), unless it is amended prior to the approval of the General Meeting.

The proposed Remuneration Policy for Directors of the Company is attached to this report as an **Annex**.

Madrid, 22 March 2022

**ALANTRA PARTNERS, S.A. DIRECTORS' REMUNERATION POLICY FOR 2021-2023
(AS AMENDED BY THE BOARD OF DIRECTORS AT ITS MEETING HELD ON 22 MARCH 2022 AND
BY THE ANNUAL GENERAL MEETING ON 27 APRIL 2022)**

1. INTRODUCTION

This document contains Alantra Partners, S.A.'s the Directors' Remuneration Policy (the "**Remuneration Policy**") which, unless subsequently amended or replaced with the approval of the Shareholders' Meeting of the Company, shall be in force until the financial year 2023, inclusive.

The Remuneration Policy is, in essence, that approved by the Annual General Meeting of the Company held on 28 October 2020, to which certain amendments proposed by the Board of Directors held on 22 March 2022 and approved by the Annual General Meeting of 27 April 2022 have been introduced, in order to adapt its content to the current wording of article 529 *novodecies* of the Companies Act following the amendments introduced by Law 5/2021, of 12 April, amending the revised text of the Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July, and other financial regulations, with regard to the promotion of long-term shareholder involvement in listed companies.

The proposal of the Remuneration Policy, as well as the reasoned proposal of the Board of Directors and the report justifying the same from the Appointments and Remuneration Committee, are available on the Company's corporate website since the call to the Annual General Meeting. Once approved, such documentation shall remain available on the corporate website, together with the date of approval and the result of the vote for at least the term of the Remuneration Policy.

2. PRINCIPLES AND OBJECTIVES

The Remuneration Policy, formulated in accordance with the provisions of the Articles of Association and the Regulations of the Board of Directors, is the instrument through which the criteria for the remuneration of the Company's directors are established.

The Remuneration Policy is intended to remunerate directors in a manner appropriate to the qualifications required, the responsibility assumed and the dedication provided, ensuring that such remuneration is appropriate in accordance with market requirements, that it is necessary to attract and retain directors with the desired profile, and that it is proportionate so as not to compromise the independence of judgement of the non-executive directors.

The guiding principles of the Remuneration Policy in relation to director's remuneration, both executive and in their capacity as such, for the performance of such duties are as follows:

a) Competitiveness and moderation:

The remuneration of the Company's directors should be designed to attract and retain the most outstanding profiles suitable for the fulfilment of the Company's objectives and business strategy, and should be aligned with best market practices. The remuneration scheme should be commensurate with the characteristics of the Company and the business model and strategy, and combine the principles of moderation and competitiveness, taking into account market benchmarks of comparable companies.

b) Appropriateness and proportionality:

The remuneration of directors in their capacity as such must be appropriate to the size and composition of the Board of Directors and the amounts must be such as are necessary to foster effective dedication, high qualifications and responsibility, without compromising the independence of the directors.

c) Alignment with Alantra Group's strategy:

A significant part of the remuneration of the Company's executive directors will be based on the achievement of results that reflect the Alantra Group's strategic priorities.

d) Alignment with the Company's stakeholders, sustainability and environmental commitment:

The Remuneration Policy shall be reviewed periodically to ensure alignment between the achievement of results and the sustainable creation of value for the Company and its shareholders.

Improvements and progress in sustainability and environmental matters should be criteria to be considered in determining the variable remuneration of executive directors.

e) Long term:

The remuneration scheme for directors should be aligned with the long-term objectives and values of the Company.

f) Transparency:

The remuneration of the Company's directors is disclosed to the market through the legally established channels, in a fully and completely transparent manner.

g) Securities market regulations:

Given the Company's status as the parent entity of a group of investment services companies, the Company shall comply with the obligations imposed by securities market regulations on remuneration. For such purposes, and in accordance with the provisions of article 189 of Royal Legislative Decree 4/2015, of 23 October, approving the revised text of the Securities Market Act, the Company shall have, in conditions proportionate to the nature, scale and complexity of its activities, a remuneration policy for its personnel that is consistent with the promotion of sound and effective risk management, and that addresses the appropriate management of conflicts of interest.

h) Decision-making process with the participation of the different competent bodies:

Under the terms set forth in the Law and in the Good Corporate Governance Recommendations, the role of the Company's governing bodies (General Shareholders' Meeting, Board of Directors and Committees thereof) must be fundamental in the decision-making process regarding directors' remuneration.

In the event of a review of the Remuneration Policy, the views of shareholders on the

Remuneration Policy or on the Annual Remuneration Report since the date of the most recent vote on the Remuneration Policy at the Annual General Meeting shall be taken into account.

3. CONSIDERATION OF EMPLOYEES' PAY AND EMPLOYMENT CONDITIONS

In determining the remuneration conditions of the executive chairman, the common application of the Securities Market regulations to the Alantra Group's staff is taken into consideration, as well as the fact that the variable remuneration is not guaranteed, but is applied as a percentage of the operating profit of the different companies or units of the Alantra Group. Likewise, the remuneration of the Alantra Group's staff, in general, also incorporates fixed elements, variable components, as well as the possibility of remuneration in kind or social benefits.

In setting the remuneration of directors and staff in general, the Alantra Group gives special consideration to (i) non-discrimination for any reason (gender, age, race or beliefs), (ii) the professional category and, consequently, the level of responsibility, and (iii) the application of schemes that favour the attraction and retention of talent.

4. DECISION-MAKING PROCESS FOR SETTING REMUNERATION POLICY

The decision-making process for the Remuneration Policy is carried out through the application of the principles and rules established in the applicable legislation (mainly the Spanish Companies Act and the Securities Market Act) and in the Company's internal regulations (Board of Directors' Regulations and General Meeting Regulations).

5. MANAGEMENT OF CONFLICTS OF INTEREST

By virtue of the basic obligations deriving from the duty of loyalty, and in particular the duty to avoid situations of conflict of interest, provided for in articles 228 and 229 of the Spanish Companies Act, directors shall be obliged to adopt the necessary measures to avoid incurring in situations in which their interests may conflict with the corporate interest and their duties to the Company. These duties are further developed in articles 25 to 27 of the Board of Directors' Regulations. Furthermore, the director shall be obliged to report the existence of such conflicts, if any, to the Board of Directors, which shall decide on their resolution.

6. REMUNERATION OF DIRECTORS IN THEIR CAPACITY AS DIRECTORS

Pursuant to article 20 of the Company's Articles of Association, the remuneration system for directors in their capacity as such shall consist of a fixed annual allowance payable quarterly and attendance fees for each meeting of the Board of Directors or its Committees.

The fixed annual allowance of each of the directors shall be determined by the Board of Directors on the basis of their membership of Committees and the individual duties and responsibilities assigned to them respectively in relation to the Board and, as the case may be, its Committees.

Directors shall receive an attendance fee for each meeting of the Board in plenary session or of its Committees in which they participate, the amount of which shall be determined by the Board of Directors.

The maximum total amount that the Company may pay to the directors for both items, fixed allowance and attendance allowance, in their capacity as such, may not exceed 800,000 euros. Within the

maximum limit, the Board may agree on additional remuneration, in the form of an increase in the fixed remuneration of the directors in their capacity as such, which shall consist of a fixed amount that shall be approved on a special basis for each financial year in consideration of the special contribution of the directors to the achievement of the strategic objectives of the Alantra Group in accordance with the principles of the Remuneration Policy.

7. REMUNERATION OF THE EXECUTIVE DIRECTORS

The executive chairman, who is the chief executive officer, is expected to be the sole executive director.

The remuneration for the performance of the executive duties inherent to his status as chief executive officer, independently of his remuneration as a director in his capacity as such, shall consist of a fixed remuneration of 1,400,000 euros per annum plus an annual variable remuneration that shall have two components:

- a quantitative component for an amount equivalent to 3.2% of the Company's profit before tax, excluding the result arising from transactions or accounting adjustments not materialised in cash or cash equivalents, the calculation of the amount of this quantitative component being verified by the Company's Audit and Risk Control Committee;
- and a qualitative component, whose criteria, indicators and/or parameters to be achieved shall be established or assessed annually by the Appointments and Remuneration Committee, and which shall address, among others and mainly, the following objectives: (i) the development of the skills of the team of professionals integrated in the Company's group, (ii) the sustainability of revenues, (iii) the promotion of sound and effective risk management, (iv) the design and execution of corporate operations that contribute to the generation of value for the Company and (v) the maximisation of shareholder value. The degree of compliance with these objectives will modulate the amount resulting from the above paragraph, either upwards or downwards, by up to 90% of the same.

Once the variable remuneration has been determined as per the above, the amount of 1,100,000 euros shall be deducted from the variable remuneration of the executive chairman, unless the variable remuneration is less than this amount, in which case no variable remuneration shall accrue to the executive chairman.

In the event that during the term of this Remuneration Policy (i) Directive (EU) 2019/2034 of 27 November 2019 on the prudential supervision of investment firms is transposed into Spanish law, and (ii) the financial supervisor, based on the activities and risks of the Alantra Group, removes the current restrictions limiting the ratios between the variable component and the fixed component of the total remuneration of key executives, the fixed remuneration of the executive chairman will return to the initial amount of 300,000 euros and the percentage adjustment, upwards or downwards, of the variable remuneration will return to 60%. This reversal of conditions shall occur, if applicable, with economic effect as of 1 January of the financial year in which the circumstances described under (i) and (ii) of this paragraph are met.

Other matters relating to the contract with the CEO will be as follows:

- The executive chairman's contract shall be for an indefinite term and shall include an exclusivity agreement. It shall not provide for indemnities for termination by decision of the

Company, although it shall include a six-month notice period applicable in the event of termination without cause by decision of the Company or the executive chairman.

- The contract of the executive chairman (a very significant shareholder of the Company) shall not include a post-contractual non-competition covenant.
- The executive chairman's contract shall include a clawback clause allowing the Company to claim reimbursement of variable components of remuneration where these have been paid on the basis of data subsequently proven to be inaccurate.

8. DURATION

This Policy is an amendment to the Policy approved by the General Meeting on 20 October 2020 for the period 2021-2023 and will therefore apply to directors' remuneration for the financial years 2022 and 2023, unless the General Meeting of Shareholders adopts a resolution amending or replacing it during its period of validity.

Madrid, 27 April 2022