



## **JUSTIFYING REPORT PREPARED BY THE BOARD OF DIRECTORS OF ALANTRA PARTNERS, S.A., REGARDING THE PROPOSAL TO AMEND THE BYLAWS, REFERRED TO IN ITEM FOUR OF THE AGENDA OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING CALLED FOR APRIL 25, 2024, AT FIRST CALL, OR APRIL 26, AT SECOND CALL.**

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### **1. Purpose of the report**

This report is prepared by the Board of Directors of Alantra Partners, S.A. (the "**Company**" or "**Alantra**"), in order to justify the proposal to the General Shareholders' Meeting of the Company, called for April 25, 2024, on first call, or April 26, 2024, on second call, the amendment of the Company's By-laws proposed under point Four of the Agenda.

The Board of Directors of the Company prepares this report in compliance with the provisions of Article 286 of the Spanish Companies Act, approved by Royal Legislative Decree 1/2010, of July 2, 2010 (the "**LSC**"), which requires the directors of corporations, for the amendment of the By-laws, to draft the full text of the amendment they propose and also to draft a written report with the justification thereof. In compliance with this provision and in order to make it easier for shareholders to understand the amendments submitted for consideration by the General Shareholders' Meeting, the purpose and justification of the amendments to the By-laws are set forth below, together with the proposed resolution submitted for approval by the General Shareholders' Meeting.

In accordance with the provisions of Article 518 of the LSC, this Report will be published uninterruptedly on the Company's website, from the publication of the announcement of the call until the Ordinary General Shareholders' Meeting of the Company is held.

### **2. Description of the proposal**

The proposed amendment to the By-laws formulated by the Board of Directors consists of the following:

- a) Reduce the term of office of Directors from four to three years.
- b) In relation to the above, incorporate a transitory provision, according to which the reduction of the term of office will only affect appointments and re-elections as of the date of the General Shareholders' Meeting that approves the amendment to the By-laws.
- c) Remove the requirement that remuneration in Alantra shares in favor of senior management personnel (who are not members of the Board of Directors) must be previously approved by the Company's General Shareholders' Meeting.

These modifications will be materialized through the amendment of Article 14 ("Composition and Term of Office"), through the introduction of a Transitional Provision and through the amendment of Article 20 ("Remuneration of Directors").

### **3. Purpose and justification for the proposed amendment**

The amendment of the Company's By-laws proposed for approval by the Ordinary General Shareholders' Meeting is part of the objective of constantly updating and reviewing the Company's corporate governance system and internal regulations, in order to align them with the best



corporate governance practices and to adapt it to the best interests of the Company at any given time.

a) Reduction of the term of office from four to three years:

The reduction of the term of office of the Directors (in the case of Alantra, from four-year term to three years) is in line with international recommendations on good corporate governance that advocate a shorter term of office for directors, without prejudice to the right of renewal. With this measure, that is becoming increasingly widespread among listed companies, greater involvement of shareholders in the Company's corporate governance is sought, allowing them to assess the continuity in office or renewal of directors more frequently.

b) Introduction of Transitional Provision:

The introduction of the Transitional Provision is intended to ensure an orderly transition to the new term of office of the Board Members, by maintaining the four-year term of office of the Directors in effect as of the date hereof. Thus, all new appointments and re-elections of Directors that are agreed upon as from the date of the General Meeting that approves this amendment to the By-laws, including the appointments that take place at such General Meeting, shall be subject to a term of office whose duration shall be three years.

c) Elimination of the requirement of approval by the General Shareholders' Meeting of the remuneration in Alantra shares for senior management personnel:

The amendment is part of the Alantra's objective to have a compensation scheme for the company's senior management adapted to its activities, which is competitive within the sectors in which it operates and effective in attracting and retaining talent, while at the same time promoting responsible behavior that promotes prudent risk-taking consistent, and seeks to align the interests of senior management with the achievement of the Company's objectives.

Given that, in accordance with the applicable regulations, the share-based compensation schemes in favor of senior management employees (other than executive directors) do not need to be approved by the General Shareholders' Meeting, it has been considered appropriate to remove this statutory restriction in order to provide executive remuneration systems with greater flexibility which, in the interests of greater competitiveness, would enable them to adapt quickly to the needs of the company and to the situation of the labour market at any given time.

#### **4. Proposed wording of the articles of Alantra's By-laws that are subject to amendment**

The Board of Directors of the Company proposes to the General Meeting of Shareholders of the Company the amendments to the By-laws in accordance with the following wording (texts with marked changes):

**New wording of Article 14 ("Composition and Term of Office"):**

***"Article 14. Composition and Term of Office***



*The Board of Directors shall be composed of a minimum of five and a maximum of twelve Directors, who shall be appointed by the General Meeting of Shareholders. It shall not be necessary to be a shareholder of the Company to be a Director. Directors shall hold office for a term of ~~three~~ ~~four~~ years, and may be re-elected once or several times for periods of the same duration, notwithstanding the sovereign power of the General Meeting to resolve to remove several or all of them at any time."*

**Transitory Provision:**

***"Transitional provision.***

*In connection with Article 14 of these By-laws, the term of office of the Directors in effect on the date of approval by the general meeting of the corresponding amendment to the By-laws shall maintain its four-year term, with only the three-year term applying to appointments and re-elections approved after that date."*

**New wording of Article 20 ("Remuneration of Directors"):**

***"Article 20. Remuneration of Directors***

*The system of remuneration of the Directors in their capacity as such shall consist of a fixed allowance payable quarterly and attendance fees for each meeting of the Board of Directors or its Committees.*

*The remuneration of each Director in his capacity as such shall be determined by the Board of Directors, which shall take into account his duties and responsibilities, membership of Board Committees and such other objective circumstances as it deems relevant.*

*The maximum amount of annual remuneration for all directors in their capacity as such shall be approved by the General Meeting in the remuneration policy and shall remain in force until such time as a change is approved.*

*The remuneration of Directors who have been attributed executive functions for the performance thereof, including compensation for early termination or termination of the contractual relationship, exclusivity agreements, post-contractual non-competition, permanence, loyalty and any amounts to be paid by the company for insurance premiums or contributions to savings systems, must be in accordance with the remuneration policy approved by the General Meeting and shall be included, with details of all items, in the contract to be signed by each of the executive Directors with the Company. This contract must be previously approved by the Board of Directors with the favourable vote of two thirds of its members and with the abstention of the director concerned, and must be in accordance with the remuneration policy approved, if appropriate, by the General Meeting.*

*It is expressly authorised that the remuneration of the Directors, ~~as well as that of the management personnel of both the Company and the companies in its group~~, may consist of the delivery of shares in the Company or of options on the same or be indexed to the value of said shares, if so decided by the General Meeting, determining the maximum number of shares that may be assigned in each year, the price or system for calculating the exercise price of the options or the value of the shares that, where appropriate, is taken as a reference and the term of duration of the plan. The General Meeting may delegate to the Board of Directors the determination of any other aspects of this type of remuneration.*

# ALANTRA



*The Board of Directors shall submit to the General Meeting the remuneration policy and the annual report on directors' remuneration under the terms and conditions provided for by law from time to time."*

Madrid, March 20, 2024