



## **PROPOSAL**

### **REPORT ON RELATED-PARTY OPERATIONS OF CORPORACIÓN FINANCIERA ALBA, S.A. 2021**

#### **I. Introduction**

The Good Governance Code of Listed Companies, approved on 2015 and amended by resolution of the National Securities Market Commission on 26 June 2020, refers in Recommendation 6 to the desirability for listed companies to draw up and publish certain reports on their website, including a report by the Audit Committee on related-party operations. Therefore, and in accordance with said recommendation, the Audit and Compliance Committee of Corporación Financiera Alba, S.A. has produced this report.

At its meeting held on 13 May 2021, the Board of Directors modified the Regulations of the Board Directors and of the Audit and Compliance Committee, to adapt them in line with the modifications made to the Capital Companies Act by Act 5/2021, of 12 April 2021.

In accordance with the regulations in force regarding related-party operations, a distinction must be made between related-party operations subject to approval by the General Shareholders' Meeting, those that are the responsibility of the Board of Directors and cannot be delegated, and lastly those the approval of which may be delegated by the Board.

Regarding related-party operations for which approval the Board is competent, the Regulation of the Board of Directors of Corporación Financiera Alba (Articles 5.2.2(h), 22(g)3 and 26(e)), and the Regulation of the Audit and Compliance Committee (Articles 3(g)3 and 9(e)) refer to related-party operations, establishing, in line with the terms of Article 529.22 of the Capital Companies Act, that any operations that the company undertakes with Directors, significant shareholders or persons related to them ("related-party operations") must be approved by a plenary session of the Board, following a favourable report by the Audit and Compliance Committee, and with the Directors affected abstaining and absenting themselves from the meeting while the Board debates and votes on the operations in question.

With regard to information related to these operations, and without prejudice to the obligations regarding the publication of related-party operations as set out in the Capital Companies Act, the Regulation of the Board of Directors enshrines a principle of transparency (Article 44), in establishing that, aside from the information that must be sent every half-year to the National Securities Market Committee regarding operations by the Company with related parties, the annual public information must include a summary of the transactions performed by it with its Board Members and significant shareholders, referring to the overall volume of the operations and the nature of those which are of greatest significance.



The Capital Companies Act, meanwhile, likewise refers to related-party operations and conflicts of interest that could affect Directors, in addressing the duty of loyalty of Directors (Articles 228 and following), establishing the duty on their part to serve notice of any situations of conflict and to refrain from participation in any debates and votes connected therewith. From the perspective of transparency, Article 260.7(c) of the Capital Companies Act provides that the Explanatory Notes must refer to "significant transactions between the company and third parties related to it, indicating the nature of the relationship, the amount, and any other information as to the transactions, as required in order to determine the financial position of the company".

## **II. Related-party operations agreed in 2021**

No related-party operation requiring approval by the General Shareholders' Meeting took place during the 2021 financial year.

With regard to related-party operations subject to the Board's authorisation, over the course of 2021 three related party operations were authorised, by following the stated procedure (favourable report by the Audit and Compliance Committee and approval of the Board Directors, with abstention by the Board Member affected by the relationship), with an account of the operation performed having been included both in the corresponding half-yearly information and in the annual information.

As in previous years, one of the operations comprised authorisation for sponsorship by Corporación Financiera Alba of the activities of the Juan March Studies and Research Institute Foundation for an amount of up to 300,000 euros, as part of the actions that have been considered as part of the company's corporate social responsibility.

The second related-party operation authorised was the provision of services by the significant shareholder Banca March, S.A. to Corporación Financiera Alba, S.A. for an amount of 590,000 euros.

Finally, a related-party operation consisting in the provision of services by the significant shareholder Banca March, S.A. to the Alba Europe, S.á.r.l., which is a wholly-owned subsidiary of Corporación Financiera Alba, S.A., for an amount of 500,000 euros has been also approved.

The Board of Directors did not delegate approval of any related item party operation.

## **III. Other related-party operations**

Aside from the related-party operations authorised during 2021, information is also given as to other related-party operations derived from relationships originating prior to said financial year.



Banca March, S.A., was, as a consequence of being a significant shareholder of Alba, paid 8,748,688.00 euros by way of dividends.

Artá Capital, SGEIC, S.A., a subsidiary of Alba engaged in the management of venture capital undertakings, paid Banca March, S.A. a commission amounting to 326,136 euros for its actions in connection with investors to which the managed venture capital undertakings were marketed.

Madrid, 24 March 2022