

**ISSUER IDENTIFICATION DETAILS**

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Year-end date:

31/12/2022

TAX ID (CIF):

A-28060903

Company Name:

**CORPORACION FINANCIERA ALBA, S.A.**

Registered Office:

CASTELLO, 77, 5ª PLANTA MADRID

## **A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR**

**A.1.1** Explain the current director remuneration policy applicable to the year in progress. To the extent that it is relevant, certain information may be included in relation to the remuneration policy approved by the General Shareholders' Meeting, provided that these references are clear, specific and concrete.

Such specific determinations for the current year as the board may have made in accordance with the contracts signed with the executive directors and with the remuneration policy approved by the General Shareholders' Meeting must be described, as regards directors' remuneration both in their capacity as such and for executive functions carried out.

In any case, the following aspects must be reported, as a minimum:

- a) Description of the procedures and company bodies involved in determining, approving and applying the remuneration policy and its terms and conditions.
- b) Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.
- c) Information on whether any external advisors took part in this process and, if so, their identity.
- d) Procedures set forth in the current remuneration policy for directors in order to apply temporary exceptions to the policy, conditions under which those exceptions can be used and components that may be subject to exceptions according to the policy.

The current Remuneration Policy was approved by the General Meeting of 20 June 2022, in accordance with Law 5/2021, in order to adapt it to the new requirements of Article 529(r) of the Corporate Enterprises Act.

In accordance with that outlined in articles 529r and concordant provisions of the Corporate Enterprises Act, for the calculation and approval of the Remuneration Policy of the Board of Directors of the Company, the Appointments and Remuneration Committee approves the corresponding report on the Remuneration Policy and submits the Proposed Remuneration Policy to the Board of Directors, which is submitted for approval to the General Shareholders' Meeting. It is the responsibility of the Appointments and Remuneration Committee, as provided for in its Rules and Regulations, to verify the compliance with the Remuneration Policy.

To this end, the principles underpinning the Remuneration Policy are:

- Balance and moderation.
- Alignment with generally accepted remuneration practices.
- Generally monitoring the recommendations on good corporate governance relating to the remuneration of the Directors.
- Compatibility with (i) adequate and effective risk management, not providing incentives to take risks that are based on the level of risk tolerated, and (ii) the Group's long-term business strategy, goals, values and interests, avoiding potential conflicts of interest.
- Being subject to the decisions taken by the General Shareholders' Meeting.
- Non-discrimination, recognising equal pay for services of equal value.

The Remunerations Policy distinguishes the remuneration of the Directors in their capacity as such and the remuneration of the Directors for their performance of executive functions.

The remuneration of Directors as such is based on the following principles:

- Sufficiency to compensate for their dedication, skill and responsibility, but without this being so high as to compromise their independence.
- Relationship with the effective dedication.
- Connection with the responsibility and the development of their functions by the various Directors.
- Absence of variable components.
- Incentive by nature, but in measures that do not affect their independence.
- To take into account, as reference, market criteria, focusing on the remuneration foreseen for Directors of listed companies with which a comparison can be established.

In relation to the members of the Board of Directors in their position of such, the Remuneration Policy calculates their remuneration within the system put forth by statutory regulations and includes the maximum amount of annual remuneration to satisfy the group of them in their capacity of Directors.

With regard to the remuneration of executive directors, if appointed, it is based on the following principles:

- To reward the performance of their functions with a comprehensive offer of cash and non-cash elements that meet the variety of

needs and expectations in a professional environment, and that serve as a tool for the communication of organizational and business objectives.

- To align performance with the objectives of the group at different time lines, encouraging the sustainability of results.
- To recognise the capacity for creating value, as well as personal abilities and characteristics.
- To promote a culture of commitment of the group's objectives, taking into account that it is essential to have the contribution of both the individual and the team.
- To evaluate professional development and the results of activities using standardised criteria.
- To provide equitable and competitive remuneration, bearing in mind the responsibilities of the position and a flexible approach to the market, in order to attract and retain the best professionals.
- Variable remuneration may comprise two components: one with an annual vesting period and one with a multi-year vesting period.
- To review the systems and remuneration updates so that, the necessary adjustments can be introduced, where appropriate, addressing the results and the capacity for motivation.

There are currently no Directors who perform executive functions (Executive Directors). The Remuneration Policy establishes the amount of annual fixed remuneration, the parameters for setting the variable components and the main terms and conditions of their contracts, if they are appointed. Any remuneration received by the Directors for the exercise or termination of their position and for the performance of executive functions must be consistent with the applicable Remuneration Policy at each time, except for remunerations expressly approved by the General Shareholders' Meeting.

In 2022, when the current Remuneration Policy was approved, a comparison was made of the remuneration of the Directors of other listed companies, with this being one of the principles on which the Directors' remuneration in their capacity as such is based. An external advisor, J&A Garrigues, S.L.P., also assisted in the review of the Remuneration Policy.

The current Remuneration Policy provides for the possibility of the Board applying temporary exceptions to the Policy for executive Directors, subject to a report from the Appointments and Remuneration Committee, which may be assisted by an external expert. Temporary exceptions to the Remuneration Policy are limited to exceptional situations where the non-application of the Remuneration Policy is necessary to serve the long-term interests and sustainability of the Company as a whole, or to ensure its viability. The remuneration components that may be exempted are those foreseen for Executive Directors. The maximum period of application will be 24 months. No temporary exemptions are foreseen during 2023.

**A.1.2** Relative importance of variable remuneration items vis-à-vis fixed remuneration (remuneration mix) and the criteria and objectives taken into consideration in their determination and to ensure an appropriate balance between the fixed and variable components of the remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and to align it with the long-term objectives, values and interests of the company, which will include, as the case may be, mention of the measures taken to ensure that the long-term results of the company are taken into account in the remuneration policy, the measures adopted in relation to those categories of personnel whose professional activities have a material impact on the risk profile of the company and measures in place to avoid conflicts of interest.

Furthermore, indicate whether the company has established any period for the accrual or vesting of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or delivery of accrued and vested financial instruments, or whether any clause has been agreed reducing the deferred remuneration not yet vested or obliging the director to return remuneration received, when such remuneration has been based on figures that have since been clearly shown to be inaccurate.

In 2022 there were no Executive Directors, the only ones for whom variable remuneration is provided for in the Remuneration Policy of the Board of Directors, so there is no information that can be provided regarding the relative importance of variable remuneration compared to fixed remuneration.

The Remuneration Policy anticipates that the remuneration of the Directors must save a reasonable proportion with the importance of the company, the financial position it has at any time and the comparable business market standards, to be driven by promoting the long-term profitability and sustainability of the company, incorporating the necessary precautions to prevent excessive risk taking and unfavourable results.

Fees for Directors in their capacity as such, as well as those established for their participation in the committees of the Board, are established in moderate amounts, especially if compared with those established for other listed companies.

Executive Directors, if appointed during the term of the current Remuneration Policy, may be beneficiaries of annual and multi-year variable remuneration plans, through the award of share options and/or delivery of shares. Once these plans have been approved by the General Meeting, the Board of Directors shall, at the recommendation of the Appointments and Remuneration Committee, establish the criteria for the award of variable remuneration, indicating the financial and non-financial performance criteria, the methods to be applied to determine to what extent the criteria will have been met and how the variable remuneration contributes to the corporate strategy and to the long-term interests and sustainability of the company.

To reduce exposure to excessive risks, the Board of Directors has agreed that investment and divestiture decisions are taken collectively, by the Board of Directors itself, if they exceed the two hundred million euros, or by the Investment Committee, when operations exceed the limits set by the Managing directors, who will make these decisions jointly only for amounts under twenty-five or ten million euros, depending on the investment concerned.

Thus, no Executive Director can take decisions that may involve a risk to the Company. There are no plans for there to be any Executive Board Members in 2023.

In order to address the company's long-term performance, the annual variable remuneration system follows an annual accrual basis, with remuneration paid in two tranches, a first payment at the beginning of the year following the year in which targets are measured, and a second payment over a period of between five and eight years. The deferred portion is linked to the performance of the Company's net asset value per share during the deferral period.

In the case of multi-year variable remuneration, the agreement establishing the multi-year variable remuneration plan shall set out the specific duration of the plan.

The current Remuneration Policy establishes a clawback clause for variable remuneration paid within the three years following the date on which the Company paid the variable remuneration, in the event of exceptional circumstances occurring that could affect the Company's results or derive from inappropriate conduct. Exceptional circumstances are considered to be, by way of example, (i) that the variable remuneration is paid on the basis of data whose inaccuracy is accredited after the time it is paid (for example, on the basis of any qualifications included in the external auditor's report that reduce the results), (ii) that the Director has acted fraudulently, or (iii) that the Director has caused serious harm to the Company through fault or gross negligence, for which the Company shall be entitled to claim the return of the corresponding components of the variable remuneration from the Director.

#### **A.1.3** Amount and nature of fixed components that are due to be accrued during the year by directors in their capacity as such.

According to the Remuneration Policy in force, the remuneration of the Directors acting as such is as follows:

- The remuneration of all members of members of the Board of Directors in their capacity as such is 100,000 euros per year. Similarly, the following additional remuneration is established.

For the Chairman, 550,000 euros per year.

For the Vice-Chairpersons, 450,000 euros per year.

For the members of the Audit and Compliance Committee, 25,000 euros per year and for its Chairman, 35,000 euros per year.

For the members of the Appointments and Remuneration Committee, 15,000 euros per year and for its Chairman, 25,000 euros per year.

For the members of the Investment Committee, 30,000 euros per year and for its Chairman, 50,000 euros per year.

There is an additional remuneration of 15,000 euros per year with the same accrual system as the annual remuneration, for the participation in any Committee other than those mentioned above, that may be established.

The amounts indicated are fixed, not depending on the number of meetings held throughout the year. In the event that any membership of the Board of Directors does not extend throughout the year, the amounts will be prorated by quarters.

The annual amount of the fixed remuneration expected to be accrued for the Directors in their capacity as such for the 2023 is 2,805,000 euros.

#### **A.1.4** Amount and nature of fixed components that are due to be accrued during the year for the performance of senior management functions of executive directors.

During this financial year, there are no executive Board Members sat on the Board of Directors, nor is it expected to appoint any during the year, therefore, no amounts will be paid under this heading

#### **A.1.5** Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favour of the director.

During this financial year, there are no executive Board Members sat on the Board of Directors, nor is it expected to appoint any during the year, therefore, no remuneration in kind will be accrued given that the Remuneration Policy only provides such for Executive Board Members.

**A.1.6** Amount and nature of variable components, differentiating between those established in the short and long terms.

Financial and non-financial, including social, environmental and climate change parameters selected to determine variable remuneration for the current year, explaining the extent to which these parameters are related to performance, both of the director and of the company, and to its risk profile, and the methodology, necessary period and techniques envisaged to be able to determine the effective degree of compliance, at the end of the year, with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

Indicate the range, in monetary terms, of the different variable components according to the degree of fulfilment of the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

In the current financial year, the Company does not have any executive directors on its Board, and there are no plans to appoint any during the year.

However, the Remuneration Policy does provide that in the event that executive Directors are appointed, they may be beneficiaries of two types of variable remuneration at the Company's discretion:

**1) Annual variable remuneration.**

This is a variable remuneration which will take into account parameters linked to the performance of the net asset value, total shareholder return and/or value creation (which could include, by way of example, the execution of the international strategy, the monitoring of existing investments, the analysis and execution of investments and divestments, and corporate governance). The annual variable remuneration for each executive Director will represent a maximum of up to 100% of their annual fixed remuneration, and will depend on the degree of the executive Director's contribution to the achievement of the objectives.

In accordance with the Remuneration Policy of the Board, the maximum amount of the Variable Remuneration for all the Directors discharging executive functions is 3,000,000 euros. If the number of executive directors exceeds three, the limit would be increased proportionally.

There are no plans to appoint executive directors in 2023 and therefore there will be no annual variable remuneration for executive directors.

Non-financial parameters are taken into account in the annual variable remuneration, considering that corporate governance, environmental and social issues are set out in Alba's Corporate Governance, Sustainability and Investment Policies, and in the Code of Ethics and Conduct, as guiding principles for its activities.

Given the characteristics of the annual variable remuneration, and the manner in which investment and divestment decisions are taken in the Company, as detailed in section A.1.2 above, it cannot be said that an executive Director has a certain risk profile or generates a particular risk.

**2) Multi-year variable remuneration.**

The multi-year variable remuneration shall refer to the difference between the "initial" ("initial NAV") and "final" ("final NAV") net asset value per share of the Company, where: the "initial NAV" of each share shall be the average net asset value per share of Corporación Financiera Alba, S.A. during a number of trading sessions prior to the "initial day" of the plan, which shall be the day that is fixed in the plan implementation agreement; and the "final NAV" shall be the average net asset value per share of Corporación Financiera Alba, S.A. during a number of trading sessions prior to the "final day" of the plan, which shall be the day on which the number of years established in the plan elapses since the "initial day" of the plan. Such plans may be realised, if the Company so chooses, by way of cash payments, the granting of stock options and/or shares.

At present, the multi-year variable remuneration plans in force that affect Directors (2020 and 2021, adopted in accordance with the Remuneration Policy prior to the one currently in force) are expected to be settled in cash, although, at the Company's discretion, they may be settled by payment in shares valued at the closing price on the day prior to the day on which they are transferred to the Directors.

The multi-year variable remuneration does not take into account non-financial parameters.

In accordance with the Board's Remuneration Policy, the maximum amount of the multi-year Variable Remuneration of all Directors who, where applicable, perform executive functions shall be 3,000,000 euros.

Given the characteristics of the multi-year variable remuneration systems, and how investment and divestment decisions at the Company are made, it cannot be said that Executive Directors have a certain risk profile or that they generate a particular risk.

In the multi-year variable remuneration plans referred to in detail in Section B.7 of this Report (referred to in 2020 and 2021), the monetary ranges for the different Plans will be as follows:

- For 2020: between 0 and 3,736,000 euros
- For 2021: between 0 and 2,010,500 euros

Taking into account the evolution of the Company's NAV, as at the date of this report, it is forecast that in 2023 there will be an accrual of the multi-year variable remuneration corresponding to the 2020 plan, described in Section B.7.

Variable remuneration clawback agreement. The Board's Remuneration Policy provides for the possible recovery of variable remuneration paid in the event of exceptional circumstances that could affect the Company's performance, or arising from inappropriate behaviour.

The following are considered exceptional circumstances, for example: (i) if the variable remuneration is paid on the basis of information that is proven to be inaccurate after the variable remuneration has been paid, (ii) if the Director has acted fraudulently, or (iii) if the Director has caused serious harm to the Company through fault or gross negligence. In these cases the Company will have the right to reclaim the reimbursement of the relevant components of the variable remuneration from the Director discharging executive functions (the claim may be presented within a period of three years counted from the moment that the Company paid the variable remuneration object of the claim).

**A.1.7** Main characteristics of long-term savings schemes. Among other information, indicate the contingencies covered by the scheme, whether it is a defined contribution or a defined benefit scheme, the annual contribution that has to be made to defined contribution schemes, the benefits to which directors are entitled in the case of defined benefit schemes, the vesting conditions of the economic rights of directors and their compatibility with any other type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director.

Indicate whether the accrual or vesting of any of the long-term savings plans is linked to the attainment of certain objectives or parameters relating to the director's short- or long-term performance.

The Remuneration Policy provides that in the event that executive directors are appointed, an alternative defined contribution pension scheme will be established, the terms of which have not yet been determined.

In the current financial year, there are no Executive Board Members sitting on the Board of Directors who may be granted a pension scheme.

The maximum amount of contributions by the Company to the alternative defined contribution pension scheme to be defined would be 1,500,000 euros per annum. If the number of executive directors exceeds three, the limit would be increased proportionally.

Accrual or receipt of benefits is not linked to the achievement of certain short or long-term objectives or parameters by the Director. As there are no Executive Board Members during the current financial year, no contributions will be paid out by the Company.

**A.1.8** Any type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director, whether at the company's or the director's initiative, as well as any type of agreement reached, such as exclusivity, post-contractual non-competition, minimum contract term or loyalty, that entitles the director to any kind of remuneration.

With respect to the basic conditions of the contracts of Directors who, where applicable, perform executive functions in the Company, the current Remuneration Policy establishes the following clauses relating to indemnities or golden parachutes in the event of early termination or termination of the contractual relationship between the Company and the Director:

- If, upon ceasing to perform the executive functions assigned under contract, the Director takes on other functions that are also executive ones, the remuneration agreed upon in his contract shall be maintained, unless some other arrangement is mutually agreed on.
- If, upon termination of the Director's executive duties, there is no prior employment relationship that would resume, the Director shall be entitled to indemnification equal to the amount of one year's Fixed Remuneration, increased by one twelfth of such yearly amount for each year of service with the Group, up to a limit of two years' total annual remuneration, less the amount of the fund set up as pension supplement, which shall correspond to him in full in any case.
- If, upon the Director's termination of his executive duties, a previous employment relationship resumes and it is also decided to terminate such employment relationship, the indemnification payable in the event of termination of the relationship by the Company shall be in accordance with labour legislation, but shall not be less than the amount of the fund set up as a pension supplement, or the amount of one year's Fixed Remuneration received as Director, increased by one twelfth of such yearly amount for each year of service with the Group, whichever is greater.

- The indemnity will not be paid until the Company has been able to verify that the Director has met the performance criteria that may be established.

In addition, the following exclusivity covenants are established: The provision of services is based on the exclusive dedication of the Executive director, who may not provide services to any other entity, even if his activity is not concurrent with that of the company, unless he has the Company's prior consent. In the event that the exercise of other activities is authorised and these are paid, the amount of such remuneration may be deducted from the Director's remuneration, if the Company so decides when granting authorisation.

Post-contractual non-competition and permanence agreements may be entered into, the amount of which, together with severance pay and accrued pension rights, may not exceed two years' total annual remuneration. This limit shall not apply in the event of early termination, at the discretion of the Company, of the employment relationship between the Company and the Director who has resigned from his executive duties, in respect of the part of the severance payment that complies with the provisions of labour legislation.

As there are no Executive Board Members during the current financial year, the above provisions may not be applied.

**A.1.9** Indicate the conditions that contracts of executive directors performing senior management functions must contain. Among other things, provide information about the duration, the limits on amounts of compensation, the permanence clauses, periods of notice, as well as the payment as a substitute for the said period of notice, and any other provisions relating to contracting premiums, as well as compensation or protective payments for early termination or cancellation of the contractual relationship between the company and the executive director. Include, among other things, the pacts or agreements of non-concurrence, exclusivity, permanence or loyalty and post-contractual non-competition, unless they have been stated in the previous section.

The basic terms and conditions of the contracts of directors who, where applicable, perform executive functions at Corporación Financiera Alba are as follows:

- Contract duration: indefinite.

- Notice periods: fifteen days.

- Remuneration:

•Fixed remuneration: This consists of a fixed annual monetary remuneration. Amounts received from the Company as a director in their capacity as such or for any position or function in other companies or subsidiary, investee or related entities shall also be counted as fixed remuneration, the amount of which shall be reduced by the amount paid directly by the Company.

•Variable remuneration: Annual and multi-year variable remuneration plans approved by the General Meeting may be established, and for which the Board of Directors, at the proposal of the Appointments and Remuneration Committee, shall establish the criteria for their award. Both systems make reference to section A.1.6 above.

•Remuneration in kind: The following coverage may be established for executive directors: life, accident and disability insurance; health insurance with coverage for the director, their spouse and children; and the use of a leased vehicle.

- Indemnification for early termination or termination of the contractual relationship between the company and the executive director: as explained in section A.1.8 above.

- Clawback agreement: as explained in section A.1.6 above.

- Benefits system applicable to Directors: as described in section A.1.7 of this report.

In the current financial year, the Board has no executive directors, nor are there any plans to appoint any, and therefore no remuneration will be paid in this respect.

**A1.10.** The nature and estimated amount of any other supplementary remuneration that will be accrued by directors in the current year in consideration for services rendered other than those inherent in their position.

N/A

**A.1.11** Other items of remuneration such as any deriving from the company's granting the director advances, loans or guarantees or any other remuneration.

N/A



**A1.12.** The nature and estimated amount of any other planned supplementary remuneration to be accrued by directors in the current year that is not included in the foregoing sections, whether paid by the company or by another group company.

The Remuneration Policy provides that the Board of Directors, subject to a report from the Appointments and Remuneration Committee, may establish, for extraordinary reasons, a supplement for one or more of these Directors that may be paid on a one-time basis and may not exceed a total aggregate sum of 1,000,000 euros per annum.

This complement, which is intended to be a reward for the efforts and special dedication made by the executive Directors, may be established for the extraordinary achievements that have contributed to the Company's results, provided that an added value is generated for the shareholders or that a significant economic benefit or increase in equity is generated that reinforces the sustainability and long-term growth of the Company.

In the current financial year, the Board has no executive directors and therefore no remuneration will be accrued in this respect.

**A.2.** Explain any significant change in the remuneration policy applicable in the current year resulting from:

- a) A new policy or an amendment to the policy already approved by the General Meeting.
- b) Significant changes in the specific determinations established by the board for the current year regarding the remuneration policy in force with respect to those applied in the previous year.
- c) Proposals that the Board of Directors has agreed to submit to the general shareholders' meeting to which this annual report will be submitted and for which it is proposed that they be applicable to the current year.

Given that the Board of Directors of the Company does not have any Directors assigned executive functions during this financial year, the updates to the fixed remuneration for this class of Director provided for in the current Remuneration Policy have not been applied.

The Board of Directors intends to submit the following proposals for remuneration before the General Shareholders' Meeting: (i) proposed approval of the Remuneration Report for 2022; (ii) proposed multi-year variable remuneration approval system referenced to the net asset value (NAV) for the year 2023 (similar to that agreed in previous years) and (iii) updating of some of the amounts included in the Remuneration Policy.

**A.3.** Identify the direct link to the document where the current company remuneration policy is posted, which must be available on the website of the company.

<https://www.corporacionalba.es/en/corporate-governance/remuneration-of-the-board-of-directors/>

**A.4.** Explain, taking into account the data provided in Section B.4, how account has been taken of the voting of shareholders at the General Shareholders' Meeting to which the annual report on remuneration for the previous year was submitted on a consultative basis.

The Annual Remuneration Report for the 2021 financial year was approved at the 2022 General Meeting with 99.92% of votes in favour, therefore no changes to the Company's current Remuneration Policy, which was also approved at the 2022 General Meeting with 97.90% of votes in favour, would be deemed necessary.

## **B. OVERALL SUMMARY OF HOW REMUNERATION POLICY WAS APPLIED DURING THE YEAR LAST ENDED**

**B.1.1** Explain the process followed to apply the remuneration policy and determine the individual remuneration contained in Section C of this report. This information will include the role played by the Remuneration Committee, the decisions taken by the Board of Directors and, as the case may be, the identity and the role of the external advisors whose services have been used in the process to apply the remuneration policy in the year ended.



The Articles of Association refer to the remuneration of the members of the Board of Directors in their article 39.

In 2022, the Remuneration Policy was amended to bring it into line with the provisions of Law 5/2021. Two remuneration policies have therefore been applied during 2022, which follow the same principles.

The Appointments and Remuneration Committee submitted the proposal on the new Remuneration Policy of the Board of Directors of Corporación Financiera Alba and issued the corresponding report on the proposed Remuneration Policy, which it submitted to the Board of Directors, which, in turn, submitted it to the General Meeting, which approved the policy on 20 June 2022.

Furthermore, the Appointments and Remuneration Committee considered that the remuneration policy established by the Company in relation to the Board of Directors has been observed during the financial year 2022.

During financial year 2022 there were no executive directors, so the only remuneration paid to directors was for the directors in their capacity as such, consisting of the remuneration referred to in section A.1.3. of this report.

The Board of Directors submitted the proposal for the multi-year variable remuneration plan for executives, which was approved by the General Meeting of 20 June 2022, and implemented by the Board of Directors before the end of the 2022 financial year, as reported by the Appointments and Remuneration Committee. The Variable Remuneration Plans for 2020 and 2021 were also favourably reported on and, after approval by the General Shareholders' Meetings for these years, were implemented by the Board of Directors.

The Appointments and Remuneration Committee has approved this ARR for the 2022 financial year, which contains in its section C the remuneration actually received by the Directors in said financial year, which has been submitted to and approved by the Board, which will in turn submit it to the consultative vote of the General Meeting.

In 2022, the Company did not have external advisors for matters related to the application of the remuneration policy.

**B.1.2** Explain any deviation from the procedure established for the application of the remuneration policy that has occurred during the year.

In 2022, there were no deviations in the application of the remuneration policy during the financial year.

**B.1.3** Indicate whether any temporary exception has been applied to the remuneration policy and, if so, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity believes that these exceptions have been necessary to serve the long-term interests and sustainability of the society as a whole or ensure its viability. Similarly, quantify the impact that the application of these exceptions has had on the remuneration of each director over the year.

Until the approval of the current Remuneration Policy, no procedure for temporary exceptions to the application of this Policy had been established. Since the General Meeting approved the current Remuneration Policy on 20 June 2022, which does provide for temporary exceptions to the Remuneration Policy, no temporary exceptions to the Remuneration Policy have been applied.

**B.2.** Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks, aligning it with the long-term objectives, values and interests of the company, including a reference to the measures adopted to ensure that the long-term results of the company have been taken into consideration in the remuneration accrued. Ensure that an appropriate balance has been attained between the fixed and variable components of the remuneration, the measures adopted in relation to those categories of personnel whose professional activities have a material effect on the company's risk profile and the measures in place to avoid any possible conflicts of interest.

In the 2022 financial year, the Company followed the principles of the Remuneration Policies that have been in force; firstly, the one approved in 2019, and amended in 2020, applied until the approval by the General Meeting on 20 June 2022 of the current Policy. Both Policies contain the principles followed, which have been set out in section A.1.1 of this Report, with the current Policy expressly mentioning the principle of non-discrimination and recognising equal remuneration for services of equal value, although it was already being followed in practice.

The remuneration paid to the Directors in their capacity as such, both for membership of the Board and the various Committees, if compared to those of comparable companies, must be of moderate quality.

The multi-year variable remuneration agreed in previous years has been granted on the basis of the net asset value of the Company's shares, meaning that it has only been received if there has been a positive performance. The 2019 Plan that matured in 2022 had a positive result of €18.30/unit.

In addition, in connection with multi-year variable remuneration, this is not paid until three years have elapsed from the date the Board of Directors agrees to implement the variable remuneration system approved by the General Shareholders' Meeting, thereby verifying compliance at all times with the established conditions.

All stated circumstances ensure that the remuneration accrued are based on long-term results, which includes the Company's right to reclaim from a Director any variable remuneration received (clawback) based on the assumptions and during the period referred to in section A.1.2 of this report.

As indicated in the sections A.1.2 and A.1.6, of this report, the method of application of investment and divestiture decisions does not permit individuals whose activity could individually impact the Company's risk profile.

**B.3.** Explain how the remuneration accrued and consolidated over the financial year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term and sustainable performance.

Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, as the case may be, how the variations in the performance of the company have influenced changes in the remuneration of directors, including those accrued whose payment would have been deferred, and how the latter contribute to the short and long-term results of the company.

The remuneration accrued by the Directors in the 2022 financial year fully complies with the Company's Remuneration Policies, which have been in force during the financial year, having applied the items provided for therein and no others.

Furthermore, the remuneration follows the principles of the Remuneration Policy referred to in section A.1.1 of this Report, which contributes to the sustainable and long-term performance of the Company, and which, as indicated, are the same as those contained in the 2019 Remuneration Policy, which was amended in 2020.

The breakdown of the individual remuneration set out in section C below includes the amounts of the items mentioned in the corresponding points of section A above, and takes into account what is indicated in section B.5. below.

The performance of the entity's results does not affect the fixed remuneration of the Directors as such, the only ones who receive it, as there were no executive Directors in 2022.

The annual variable remuneration depends on the parameters described in section A.1.6 of this report and on the performance of each recipient of such remuneration, although it did not accrue in 2022, as there were no executive directors in that year.

The multi-year variable remuneration paid in 2022, corresponding to the 2019 Plan, was dependent not so much on the Company's performance as on the performance of its net asset value (NAV).

**B.4.** Report on the result of the consultative vote at the General Shareholders' Meeting on remuneration in the previous year, indicating the number of votes in favour, votes against, abstentions and blank ballots:

	Number	% of total
Votes cast	54,889,868	94.25
	Number	% of votes cast
Votes against	42,589	0.08
Votes in favour	54,847,279	99.92

	Number	% of votes cast
Blank ballots		0.00
Abstentions		0.00

Observations

**B.5.** Explain how the fixed components accrued and vested during the year by the directors in their capacity as such were determined, their relative proportion with regard to each director and how they changed with respect to the previous year.

In order to determine the fixed components accrued during the 2022 financial year by the Directors in their capacity as such, both the Remuneration Policy approved in 2019, and amended in 2021, and that approved on 20 June 2022, have been taken into account. There are amounts and nature are indicated in section A.1.3 of this report. With respect to the remuneration of the previous year, the remuneration of the Chairman and Deputy Chairmen has changed and been increased, given that since the approval of the current Remuneration Policy they will not be eligible for new multi-year variable remuneration in the event that they represent the Company on the boards of directors of subsidiary or investee companies.

Each Director receives their remuneration in accordance with the position held both on the Board of Directors and the Committees on which they sit.

**B.6.** Explain how the salaries accrued and vested by each of the executive directors over the past financial year for the performance of management duties were determined, and how they changed with respect to the previous year.

In 2022 there were no executive directors and therefore no accruals were made for the items indicated above.

**B.7.** Explain the nature and the main characteristics of the variable components of the remuneration systems accrued and vested in the year last ended.

In particular:

- Identify each of the remuneration plans that determined the different types of variable remuneration accrued by each of the directors in the year last ended, including information on their scope, date of approval, date of implementation, any vesting conditions that apply, periods of accrual and validity, criteria used to evaluate performance and how this affected the establishment of the variable amount accrued, as well as the measurement criteria used and the time needed to be able to adequately measure all the conditions and criteria stipulated, explaining the criteria and factors applied in regard to the time required and the methods of verifying that the performance or any other kind of conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.
- In the case of share options and other financial instruments, the general characteristics of each plan will include information on both the conditions to acquire unconditional ownership (consolidation) and to exercise these options or financial instruments, including the price and term to exercise them.

- c) Each director that is a beneficiary of remunerations systems or plans that include variable remuneration, and his or her category (executive director, external proprietary director, external independent director or other external director).
- d) Information is to be provided on any periods for accrual, vesting or deferment of payment of vested amounts applied and/or the periods for retention/unavailability of shares or other financial instruments, if any.

Explain the short-term variable components of the remuneration systems:

**A- Annual variable remuneration**

During 2022, there were no executive Directors, only the Directors for whom the Board of Directors is expected to approve the annual variable remuneration, on the recommendation of the Appointments and Remuneration Committee.

**B- Remuneration in respect of participation in benefits or premiums.**

There is no provision for remuneration in the form of profit-sharing.

**C- Classes of directors who are beneficiaries of the annual variable remuneration.**

Variable remuneration is only foreseen to be approved for executive directors. In 2022, there were no executive directors.

Explain the long-term variable components of the remuneration systems

**A- Multi-year variable remuneration plans of which the Directors are beneficiaries.**

**A.1. Plan 2019**

The 2019 Plan matured on 16/6/2022, which had been approved by the General Shareholders' Meeting held on 17/6/2019, and which consisted of a variable remuneration system referenced to the net asset value of the Company, in which each beneficiary would have been allocated a determined number of units, which in the case of Executive directors totalled 100,000 units. The multi-year variable remuneration took into account the difference between the final net asset value and the initial net asset value of the company's shares, in which, the "initial net asset value" was the mean net asset value of the shares in Alba during the 10 days prior to the "initial date" of the plan (17/6/2019), on which there was a stock exchange trading session, and the "final net asset value" was the mean net asset value of the shares in Alba during the 10 days prior to the "final date" of the plan (16/6/2022).

The characteristics detailed in the 2019 Plan can be found in Relevant Fact no. 279244, published on 17 June 2019. The Directors benefiting from this Plan were allocated the following "Units": Mr Juan March de la Lastra, 30,000 units; Mr Juan March Juan, 20,000 units; and Mr Santos Martínez-Conde Gutiérrez-Barquín, 50,000 units.

The "initial net asset value" of the 2019 Plan was 73.66€/share and the "final net asset value" was 91.96 €/share, therefore, for the 2022 financial year, a multi-year variable remuneration of 18.30 €/unit corresponding to the 2019 Plan was accrued.

**A2. Plan 2020**

The system was approved by the General Assembly held on 18-06-2020 and was implemented by agreement of the Board on the same date. Its characteristics are:

- The plan consists of a variable remuneration system linked to the performance of the Net Asset value (NAV) of the Company.
- The Beneficiaries of the Plan are the Executive Directors and Directors that represent Alba on the Board of Directors of subsidiaries, investees or associated companies and any directors or personnel as determined by the Board. Each beneficiary is assigned a certain number of units, totalling 100,000 units for all the Directors.
- Value of the units. Each unit will grant the right to receive the difference between the "final NAV" and the "initial NAV" of Alba. In order to establish the initial NAV and the final NAV of Alba, the valuation of the Company's assets shall be in accordance with the following criteria:
  - The scope of consolidation will comprise Corporación Financiera Alba, S.A. and the companies in which it has a state of more than 50%.
  - Listed companies: the closing share price on the day of the calculation
  - Non-listed companies: the value determined in the report as at 30 June carried out by the independent expert.
  - Real estate: the appraisal value as at 30 June determined by the independent expert.
  - Other assets and liabilities: at book value, less the provision for the multi-year variable remuneration recognised in the company's accounts, and those of a tax nature relating to Corporation Tax.

The calculation of the initial NAV of each share will take into account the mean net asset value per share of Corporación Financiera Alba, S.A. during the ten stock exchange trading sessions prior to the "initial date" of the Plan. The calculation of the final NAV will take into account the mean net asset value per share of Alba during the ten stock market sessions prior to the "final date" of the Plan.

Therefore, the "initial" NAV is 64.97 euros, equivalent to the mean net value of the assets of Alba during the ten trading sessions prior to

the “initial day” of the Plan (01/07/2020) and the “final” NAV will be the mean net asset value per share of Alba during the ten stock market sessions prior to the “final date” of the Plan, which will be the date on which the number of years established in the plan counted from the “initial date” have elapsed (30/06/2023).

The maximum difference between the “final” NAV and the “initial” NAV may not be more than 50% of the “initial” NAV.

- In the event of a dilution effect caused by a capital increase, the “initial NAV” shall be adjusted downward by the theoretical value of the preferential subscription right. A similar adjustment will occur in the event that a resolution is passed to distribute any extraordinary dividend or any other circumstance having a similar economic effect.
  - Plan maturity. The Plan will mature after three years counted from 1/7/2020, which is the “initial date” agreed by the Board of Directors. On the “final date”, the Company will perform the corresponding calculation and pay the remuneration along with the corresponding salary. This notwithstanding, the Company may also choose to settle the Plan through payment in shares valued at the quoted price at the close of the day before the date when they are transferred to the beneficiaries of the 2020 Plan.
  - The rights arising from the application of the Plan are not transferable, except when due to death.
  - It is a basic condition of the Plan that the beneficiary is still on the workforce or on the Board of Alba or its subsidiaries at the time the Plan matures.
  - The amounts resulting from the application are considered to be “gross” and the fiscal regime currently in force shall apply to them, with the beneficiaries paying the corresponding amounts due.
  - In the event that (i) the variable remuneration is paid based on data whose inaccuracies are demonstrated after it has been paid (e.g., based on any reservations in the external auditor’s report that undermine the results), (ii) a fraudulent action is committed by the Director, or (iii) the Director causes serious harm to the Company due to fault or gross negligence, the Company shall have the right to claim the reimbursement of the relevant components of the variable remuneration from the Director. This claim may be executed within a period of three years of the moment when the Company made payment of the variable remuneration claimed.
- The characteristics detailed in the 2020 Plan can be found in Relevant Fact no. 2.860, communicated to the CNMV and published on 18 June 2020. The Directors benefiting from this Plan were allocated the following “Units”: Mr Juan March de la Lastra, 30,000 units; Mr Juan March Juan, 20,000 units; and Mr Santos Martínez-Conde Gutiérrez-Barquín, 50,000 units.

### A3. Plan 2021

The system was approved by the General Assembly held on 21-06-2021 and was implemented by agreement of the Board on the same date. Its characteristics are:

- The plan consists of a variable remuneration system linked to the performance of the Net Asset value (NAV) of the Company.
  - The Beneficiaries of the Plan are the Executive Directors and Directors that represent Alba on the Board of Directors of subsidiaries, investees or associated companies and any directors or personnel as determined by the Board. Each beneficiary is assigned a certain number of units, totalling 50,000 units for all the Directors.
  - Value of the units. Each unit will grant the right to receive the difference between the “final NAV” and the “initial NAV” of Alba. The calculation of these is the same as that foreseen for the 2020 Plan, referred to in the previous point. Therefore, the “initial” NAV is 80.42 euros, equivalent to the mean net value of the assets of Alba during the ten trading sessions prior to the “initial day” of the Plan (01/07/2021) and the “final” NAV will be the mean net asset value per share of Alba during the ten stock market sessions prior to the “final date” of the Plan, which will be the date on which the number of years established in the plan counted from the “initial date” have elapsed (30/06/2024).
- The maximum difference between the “final” NAV and the “initial” NAV may not be more than 50% of the “initial” NAV.
- In the event of a dilution effect caused by a capital increase, the “initial NAV” shall be adjusted downward by the theoretical value of the preferential subscription right. A similar adjustment will occur in the event that a resolution is passed to distribute any extraordinary dividend or any other circumstance having a similar economic effect.
  - Plan maturity. The Plan will mature after three years counted from 1/7/2021, which is the “initial date” agreed by the Board of Directors. On the “final date”, the Company will perform the corresponding calculation and pay the remuneration along with the corresponding salary. This notwithstanding, the Company may also choose to settle the Plan through payment in shares valued at the quoted price at the close of the day before the date when they are transferred to the beneficiaries of the 2021 Plan.
  - The rights arising from the application of the Plan are not transferable, except when due to death.
  - It is a basic condition of the Plan that the beneficiary is still on the workforce or on the Board of Alba or its subsidiaries at the time the Plan matures.
  - The amounts resulting from the application are considered to be “gross” and the fiscal regime currently in force shall apply to them, with the beneficiaries paying the corresponding amounts due.
  - In the event that (i) the variable remuneration is paid based on data whose inaccuracies are demonstrated after it has been paid (e.g., based on any reservations in the external auditor’s report that undermine the results), (ii) a fraudulent action is committed by the Director, or (iii) the Director causes serious harm to the Company due to fault or gross negligence, the Company shall have the right to claim the reimbursement of the relevant components of the variable remuneration from the Director. This claim may be executed within a period of three years of the moment when the Company made payment of the variable remuneration claimed.
- The characteristics detailed in the 2021 Plan can be found in Relevant Fact no. 0115, communicated to the CNMV and published on 21 June 2021. The Directors benefiting from this Plan were allocated the following “Units”: Mr Juan March de la Lastra, 30,000 units; and Mr Juan March Juan, 20,000 units.

B- Remuneration in respect of participation in benefits or premiums.

Remuneration consisting of profit sharing is not established, but there is a multi-year variable remuneration for the Directors as established in letter A above.

D - Classes of directors who are beneficiaries of remuneration systems that include a variable remuneration. Multi-year variable remunerations will apply only to Executive Directors.

E – Basis of the systems of variable remuneration, criteria for evaluation of performance, methods of evaluation and estimation of the absolute amount of the variable remunerations according to the current remunerations plan.

Variable remuneration is based on the management carried out by the management team and the results obtained with it and the value created for the shareholders will be taken into consideration when quantified.

At this time it is not possible to estimate the absolute amount of Directors' variable remuneration under the Plans mentioned in letters A.2 and A.3. of this section.

F- Periods of deferral of payment or retention of shares.

The multi-year variable remuneration system provided for in letters A.2. and A.3. of this section implies a three-year deferral in its receipt.

G- Share option plans.

Share option plans are not approved.

H- Accounting.

The amount accrued in accounting terms by the Directors receiving multi-year variable remuneration in 2022 represented 2,232,166.67 euros, which are recognised in the Financial Statements under “Staff costs”.

The amounts effectively received in 2022 in accordance with the multi-year variable remunerations are detailed in the tables in Section C.1.a.i.

**B.8.** Indicate whether certain variable components have been reduced or clawed back when, in the former case, payment of non-vested amounts has been deferred or, in the latter case, they have vested and been paid, on the basis of data that have subsequently been clearly shown to be inaccurate. Describe the amounts reduced or clawed back through the application of the "malus" (reduction) or clawback clauses, why they were implemented and the years to which they refer.

No assumptions have occurred during the year 2022 which would have resulted in the reduction or claim referred, although in the Remuneration Policy and in the Contracts of the Directors the corresponding reduction or return clauses are foreseen.

**B.9.** Explain the main characteristics of the long-term savings systems where the amount or equivalent annual cost appears in the tables in Section C, including retirement and any other survivor benefits that are financed, totally or partially, by the company, whether through internal or external contributions, indicating the type of plan, whether it is a defined contribution or benefit, the contingencies covered, the conditions to consolidate economic rights for directors and their compatibility with any type of severance pay for early termination or termination of the contractual relationship between the company and the director.

Section A1.7 of this Annual Report on Remuneration mentions the provision in the Remuneration Policy for an alternative defined contribution pension scheme.

During 2022 there have been no contributions to long-term savings schemes as there are no executive Directors, who are the only ones for whom such schemes can be established.

**B.10.** Explain, where appropriate, the severance pay or any other type of payment deriving from early dismissal or early resignation, or from the termination of the contract in the terms provided for therein, accrued and/or received by directors during the year ended.

There were no removals of Directors during the financial year 2022.

**B.11.** Indicate whether there have been any significant changes in the contracts of persons exercising senior management functions, such as executive directors, and, if so, explain them. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.

There were no executive directors during the 2022 financial year.

**B.12.** Explain any supplementary remuneration accrued by directors as consideration for services rendered outside of their post.

During the 2022 financial year, no Member of the Board has provided the Company services other than those inherent in their position, therefore accruing no supplementary remuneration.

**B.13.** Explain any remuneration deriving from advance payments, loans or guarantees granted, indicating the interest rate, their key characteristics and the amounts eventually returned, as well as the obligations taken on by way of guarantee or collateral.

There are no remunerations arising from the provision of advances, credits and guarantees.

**B.14.** Itemise the remuneration in kind accrued by the directors over the year, briefly explaining the nature of the different salary components.

There were no executive directors in 2022, the only ones for whom remuneration in kind can be provided.

**B.15.** Explain the remuneration accrued by directors by virtue of payments settled by the listed company to a third company at which the director renders services when these payments seek to remunerate the director's services to the company.

There are no remunerations of this type.

**B.16.** Explain and detail the amounts accrued in the year in relation to any other remuneration concept other than that set forth above, whatever its nature or the group entity that pays it, including all benefits in any form, such as when it is considered a related-party transaction or, especially, when it significantly affects the true image of the total remuneration accrued by the director. Explain the amount granted or pending payment, the nature of the consideration received and the reasons for those that would have been considered, if applicable, that do not constitute remuneration to the director or in consideration for the performance of their executive functions and whether or not has been considered appropriate to be included among the amounts accrued under the "Other concepts" heading in Section C.

There are no other remuneration items that meet the characteristics mentioned above of a related operation or which may affect the true image of the total remuneration accrued by the Directors.



**C. ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR**

Name	Type	Period of accrual in year 2022
CARLOS MARCH DELGADO	Proprietary Chairperson	From 01/01/2022 to 31/12/2022
JUAN MARCH DE LA LASTRA	Proprietary Vice-Chairperson	From 01/01/2022 to 31/12/2022
JUAN MARCH JUAN	Proprietary Vice-Chairperson	From 01/01/2022 to 31/12/2022
ANTONIO MARÍA PRADERA JÁUREGUI	Lead Director	From 01/01/2022 to 31/12/2022
ANA MARÍA PLAZA ARREGUI	Independent Director	From 01/01/2022 to 31/12/2022
CLAUDIA MAGALI PICKHOLZ	Independent Director	From 01/01/2022 to 31/12/2022
IGNACIO DE COLMENARES BRUNET	Independent Director	From 01/01/2022 to 31/12/2022
MARÍA EUGENIA GIRÓN DÁVILA	Independent Director	From 01/01/2022 to 31/12/2022
MARÍA LUISA GUIBERT UCIN	Independent Director	From 01/01/2022 to 31/12/2022
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	Other External Director	From 01/01/2022 to 31/12/2022

**C.1.** Complete the following tables regarding the individual remuneration of each director (including remuneration received for performing executive duties) accrued during the year.

a) Remuneration from the reporting company:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total year 2022	Total year 2021
CARLOS MARCH DELGADO	525		15						540	415

## ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total year 2022	Total year 2021
JUAN MARCH DE LA LASTRA	425		30			549			1,004	505
JUAN MARCH JUAN	425		30			366			821	447
ANTONIO MARÍA PRADERA JÁUREGUI	100		50						150	140
ANA MARÍA PLAZA ARREGUI	100		35						135	135
CLAUDIA MAGALI PICKHOLZ	100		40						140	133
IGNACIO DE COLMENARES BRUNET	100		30						130	65
MARÍA EUGENIA GIRÓN DÁVILA	100		50						150	150
MARÍA LUISA GUIBERT UCIN	100		30						130	130
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	100		45			915			1,060	1,020

### Observations

#### ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of Plan	Financial instruments start of year 2022		Financial Instruments granted during year 2022		Financial instruments vested during the year				Financial instruments consolidated during the year	Financial instruments at end of year 2022	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/ vested shares	Price of vested shares	Gross profit of vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
JUAN MARCH DE LA LASTRA	Plan 2020	30,000						0.00			30,000	
JUAN MARCH DE LA LASTRA	Plan 2021			30,000				0.00			30,000	

## ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

Name	Name of Plan	Financial instruments start of year 2022		Financial Instruments granted during year 2022		Financial instruments vested during the year				Financial instruments consolidated during the year	Financial instruments at end of year 2022	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/ vested shares	Price of vested shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares
JUAN MARCH JUAN	Plan 2020	20,000						0.00			20,000	
JUAN MARCH JUAN	Plan 2021			20,000				0.00			20,000	
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	Plan 2020	50.000						0.00			50.000	

### Observations

iii) Long-term saving schemes.

Name	Remuneration from vesting of rights to saving schemes
No data	

## ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

Name	Contributions for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Saving schemes with vested economic rights		Saving schemes with non-vested economic rights		Saving schemes with vested economic rights		Saving schemes with non-vested economic rights	
	Year 2022	Year 2021	Year 2022	Year 2021	Year 2022	Year 2021	Year 2022	Year 2021
No data								

### Observations

[

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#### iv) Details of other items

Name	Concept	Amount of remuneration
No data		

### Remarks

[

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## ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

b) Remuneration of directors of the listed company for seats on the boards of other subsidiary companies:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total year 2022	Total year 2021
No data										

Observations

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Name of Plan	Financial instruments start of year 2022		Financial Instruments granted during year 2022		Financial instruments vested during the year				Financial instruments consolidated during the year	Financial instruments at end of year 2022	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/ vested shares	Price of vested shares	Gross profit of vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
No data												

Observations

iii) Long-term saving schemes.

Name	Remuneration from vesting of rights to saving schemes
No data	

Name	Contributions for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Saving schemes with vested economic rights		Saving schemes with non-vested economic rights		Saving schemes with vested economic rights		Saving schemes with non-vested economic rights	
	Year 2022	Year 2021	Year 2022	Year 2021	Year 2022	Year 2021	Year 2022	Year 2021
No data								

Remarks

iv) Details of other items

Name	Concept	Amount of remuneration
No data		

Remarks

c) Summary of remuneration (thousands of euros):

This summary must include the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

Name	Remuneration accruing in the Company					Remuneration accruing in group companies					Total in year 2022, company + group
	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of saving schemes	Other items of remuneration	Total in year 2022, company	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of saving schemes	Other items of remuneration	Total in year 2022, group	
CARLOS MARCH DELGADO	540				540						540
JUAN MARCH DE LA LASTRA	1,004				1,004						1,004
JUAN MARCH JUAN	821				821						821
ANTONIO MARÍA PRADERA JÁUREGUI	150				150						150
ANA MARÍA PLAZA ARREGUI	135				135						135
CLAUDIA MAGALI PICKHOLZ	140				140						140



## ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

Name	Remuneration accruing in the Company					Remuneration accruing in group companies					Total in year 2022, company + group
	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of saving schemes	Other items of remuneration	Total in year 2022, company	Total cash remuneration	Gross profit from vested shares or financial instruments	Remuneration by way of saving schemes	Other items of remuneration	Total in year 2022, group	
IGNACIO DE COLMENARES BRUNET	130				130						130
MARÍA EUGENIA GIRÓN DÁVILA	150				150						150
MARÍA LUISA GUIBERT UCIN	130				130						130
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	1,060				1,060						1,060
TOTAL	4,260				4,260						4,260

Observations

[ ]

## ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

**C.2.** Indicate the evolution in the last five years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have held this position during the year, the consolidated results of the company and the average remuneration on an equivalent basis with regard to full-time employees of the company and its subsidiaries that are not directors of the listed company.

	Total amounts accrued and % annual variation								
	Year 2022	% variation 2022/2021	Year 2021	% variation 2021/2020	Year 2020	% variation 2020/2019	Year 2019	% variation 2019/2018	Year 2018
<b>External directors</b>									
SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	1,060	91.34	554	-59.94	1,383	-6.87	1,485	35.00	1,100
MARÍA EUGENIA GIRÓN DÁVILA	150	0.00	150	0.00	150	17.19	128	17.43	109
CLAUDIA MAGALI PICKHOLZ	140	0.00	140	12.00	125	15.74	108	20.00	90
ANTONIO MARÍA PRADERA JÁUREGUI	150	0.00	150	15.38	130	23.81	105	31.25	80
ANA MARÍA PLAZA ARREGUI	135	0.00	135	0.00	135	101.49	67	-	0
MARÍA LUISA GUIBERT UCIN	130	0.00	130	0.00	130	100.00	65	-	0
IGNACIO DE COLMENARES BRUNET	130	100.00	65	-	0	-	0	-	0
CARLOS MARCH DELGADO	540	30.12	415	0.00	415	46.13	284	85.62	153
JUAN MARCH DE LA LASTRA	1,004	98.81	505	53.03	330	-44.54	595	-28.23	829
JUAN MARCH JUAN	821	83.67	447	35.45	330	-14.51	386	88.29	205
<b>Consolidated results of the company</b>									
	436,000	43.89	303,000	-	-102,000	-	179,000	16.23	154,000

## ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

Total amounts accrued and % annual variation									
	Year 2022	% variation 2022/2021	Year 2021	% variation 2021/2020	Year 2020	% variation 2020/2019	Year 2019	% variation 2019/2018	Year 2018
Average employee remuneration									
	154	3.36	149	-5.70	158	-11.24	178	13.38	157

Observations
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**D. OTHER INFORMATION OF INTEREST**

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If there is any relevant aspect regarding the remuneration of directors that has not been included in the rest of the sections of this report, but which must be included in order to collect more complete and reasoned information on the remuneration structure and practices of the company in question. relationship with your directors, describe them briefly.

[ - ]

This annual remuneration report has been approved by the Board of Directors of the company on:

[ 27/03/2023 ]

State whether any board member has voted against or abstained from approving this report.

[ ] Yes

[ ☒ ] No