
IDENTIFICATION DETAILS OF THE ISSUER

End date of 12-month period of reference:

31/12/2020

CIF:

A28027944

Company Name:

NH HOTEL GROUP, S.A.

Registered Office:

SANTA ENGRACIA, 120 - 7ª PLANTA MADRID

A. OWNERSHIP STRUCTURE

A.1. Fill in the following table regarding the share capital of the Company:

Date of last change	Share capital (€)	Number of shares	Number of voting rights
09/05/2018	784,360,486.00	392,180,243	392,180,243

Indicate whether there are different classes of shares with different associated rights:

[] Yes
[v] No

A.2. Please provide details of the company's significant direct and indirect shareholders at year end, excluding any directors.

Name or company name of shareholder	% of voting rights attached to the shares		% of voting rights through financial instruments		% of total voting rights
	Direct	Indirect	Direct	Indirect	
MINOR INTERNATIONAL PUBLIC COMPANY LTD	0.00	94.13	0.00	0.00	94.13

Breakdown of the indirect holding:

Name or company name of the indirect owner	Name or company name of the direct owner	% of voting rights attached to the shares	% of voting rights through financial instruments	% of total voting rights
MINOR INTERNATIONAL PUBLIC COMPANY LTD	MHG CONTINENTAL HOLDING (SINGAPORE) PTE. LTD.	94.13	0.00	94.13

Indicate the most significant movements in the shareholding structure of the company during the year:

Most significant movements

There were no significant movements in the shareholding structure of NH Hotel Group, S.A. in 2020.

A.3. In the following tables, list the members of the Board of Directors (hereinafter "directors") with voting rights in the company:

Name or company name of director	% of voting rights attached to the shares		% of voting rights through financial instruments		% of total voting rights	% of voting rights that <u>can be transmitted</u> through financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
MR ALFREDO FERNÁNDEZ AGRAS	0.04	0.00	0.00	0.00	0.04	0.00	0.00
MR RAMÓN ARAGONÉS MARÍN	0.02	0.00	0.00	0.00	0.02	0.03	0.00
MR RUFINO PÉREZ FERNANDEZ	0.01	0.00	0.00	0.00	0.01	0.02	0.00
% of total voting rights held by the Board of Directors						0.07	

Breakdown of the indirect holding:

Name or company name of director	Name or company name of the direct owner	% of voting rights attached to the shares	% of voting rights through financial instruments	% of total voting rights	% of voting rights that <u>can be transmitted</u> through financial instruments
No data					

A.4. If applicable, state any family, commercial, contractual or corporate relationships that exist among significant shareholders to the extent that they are known to the company, unless they are significant or arise in the ordinary course of business, except those that are reported in Section A.6:

Name or company name of related party	Nature of relationship	Brief description
No data		

A.5. Indicate, where applicable, the commercial, contractual or corporate relationships existing between major shareholders, and the company and/or its group, unless they have little relevance or arise from normal trading activities:

Name or company name of related party	Nature of relationship	Brief description
No data		

A.6. Describe the relationships, unless significant for the two parties, that exist between significant shareholders or shareholders represented on the Board and directors, or their representatives in the case of proprietary directors.

Explain, as the case may be, how the significant shareholders are represented. Explain, as the case may be, how the significant shareholders are appointed. Specifically, state those directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders and/or companies in its group, specifying the nature of such relationships or ties. In particular, mention the existence, identity and post of directors, or their representatives, as the case may be, of the listed company, who are, in turn, members of the Board of Directors or their representatives of companies that hold significant shareholdings in the listed company or in group companies of these significant shareholders.

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/post
MR KOSIN CHANTIKUL	MINOR INTERNATIONAL PUBLIC COMPANY LTD	MINOR INTERNATIONAL PUBLIC COMPANY LTD	Minor International Public Company Ltd is the significant indirect shareholder (94.132%) in NH and has proposed the aforesaid Director. Mr Chantikul is also a director of the Minor group companies as listed in section H of this report.
MR STEPHEN ANDREW CHOJNACKI	MINOR INTERNATIONAL PUBLIC COMPANY LTD	MHG CONTINENTAL HOLDING (SINGAPORE) PTE. LTD.	Minor International Public Company Ltd. is an indirect shareholder of NH Hotel Group, S.A. and holds 94.132% of NH Hotel Group via MHG Continental Holding (Singapore) Pte. Ltd. MHG Continental Holding

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/post
			(Singapore) Pte Ltd, exercising its right to proportional representation, has appointed Stephen Andrew Cojnacki as Proprietary director of NH Hotel Group, S.A. Mr Chojnacki is also a Director of MHG Continental Holding (Singapore) Pte Ltd.
MR STEPHEN ANDREW CHOJNACKI	MINOR INTERNATIONAL PUBLIC COMPANY LTD	MINOR INTERNATIONAL PUBLIC COMPANY LTD	Stephen Andrew Chojnacki is Chief Commercial Officer and General Counsel of Minor International Public Company Ltd. Mr Chojnacki is also a director of the Minor group companies as listed in section H of this report.
MR EMMANUEL JUDE DILLIPRAJ RAJAKARIER	MINOR INTERNATIONAL PUBLIC COMPANY LTD	MHG CONTINENTAL HOLDING (SINGAPORE) PTE. LTD.	Minor International Public Company Ltd. is an indirect shareholder in NH Hotel Group, S.A. and, through MHG Continental Holding (Singapore) Pte Ltd, holds 94.132% in NH Hotel Group, S.A. MHG Continental Holding (Singapore) Pte Ltd, in exercising its right of proportional representation, has appointed Mr Rajakarier as a proprietary director of NH Hotel Group, S.A.
MR EMMANUEL JUDE DILLIPRAJ RAJAKARIER	MINOR INTERNATIONAL PUBLIC COMPANY LTD	MINOR INTERNATIONAL PUBLIC COMPANY LTD	Mr Rajakarier was appointed Group Chief Executive Officer of Minor International

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/post
			Public Company Ltd. with effect from 1 January 2020. He is also a director of the Minor group companies as broken down in section H of this report.
MR WILLIAM ELLWOOD HEINECKE	MINOR INTERNATIONAL PUBLIC COMPANY LTD	MHG CONTINENTAL HOLDING (SINGAPORE) PTE. LTD.	Minor International Public Company Ltd. is an indirect shareholder in NH Hotel Group, S.A. and, through MHG Continental Holding (Singapore) Pte Ltd, holds 94.132% in NH Hotel Group, S.A. MHG Continental Holding (Singapore) Pte Ltd, in exercising its right of proportional representation, has appointed Mr William Ellwood Heinecke as a proprietary director of NH Hotel Group, S.A.
MR WILLIAM ELLWOOD HEINECKE	MINOR INTERNATIONAL PUBLIC COMPANY LTD	MINOR INTERNATIONAL PUBLIC COMPANY LTD	Mr William Ellwood Heinecke is Chairman of the Board of Directors of Minor International Public Company Ltd. as well as Chairman of the Executive Management Committee. Finally, note that Mr Heinecke holds the positions in the Minor group companies as broken down in section H of this report.

A.7. Indicate whether the company has been informed of shareholders' agreements which affect it, as established in Articles 530 and 531 of the Capital Companies Act. If so, describe them briefly and list the shareholders bound by the agreement:

☐ Yes
☒ No

Indicate whether the company is aware of any concerted actions among its shareholders. If so, provide a brief description:

☐ Yes
☒ No

In the event of any modification or termination of these pacts, agreements or agreed actions during the year, please specify it:

A.8. Indicate whether any individual person or legal entity exercises, or could exercise, control over the Company in accordance with Article 5 of the Stock Market Act. If so, identify them:

☒ Yes
☐ No

Name or company name
MINOR INTERNATIONAL PUBLIC COMPANY LTD

A.9. Fill in the following tables regarding the Company's treasury stock:

At the close of the year:

Number of direct shares	Number of indirect shares (*)	Total percentage of share capital
103,947		0.02

(*) Through:

Name or company name of direct shareholder	Number of direct shares
No data	

Explain any significant changes during the year:

Explain the significant changes

At 31 December 2020, the Group had 103,947 own shares compared to 374,464 own shares at 31 December 2019. This reduction during the aforementioned period is explained by the following movements:

- At 31 December 2019 the number of shares allotted to the liquidity contract entered into with Santander on 10 April 2019 was 83,176 shares. The effect recorded in reserves for the transactions carried out in the 2020 financial year was -€245,000.
- In the second half of the 2020 financial year a purchase of 110,350 own shares was made.
- Settlement of the first cycle of the second long term incentives plan. Settlement of the first cycle was made by delivery of 401,638 shares, valued at €1,525,000.

A.10. Describe the conditions and the term of the current mandate of the Board of Directors to issue, repurchase or transmit treasury stock, as conferred by the General Shareholders' Meeting.

The General Shareholders' Meeting held on 29 June 2017 authorised the Board of Directors of the Company to repurchase treasury stock under the terms indicated below:

- The acquisition can be made by any title accepted in Law, once or more times, provided that the acquired shares, added to those the Company already owns, do not exceed 10% of the Company's share capital, together with those owned by other companies in the group, if applicable.
 - The acquisition, including the shares which the Company, or a person acting in their own name but on behalf of the Company, may have acquired beforehand and have in its portfolio, can be made as long as this does not lead to net equity being below the amount of share capital plus the reserves made unavailable by law or the Company's articles of association. For these purposes, net assets shall be considered to be the amount identified as such in accordance with the criteria for preparing annual accounts, less the profits directly attributable to it, and plus the uncalled share capital, as well as the amount of the principal and the share premium that are registered in the accounts as liabilities.
 - The shares must be fully paid up.
 - The authorisation will be valid for 5 years from the day this agreement comes into force.
 - The minimum purchase price will be 95% and the maximum price will be 105% of the listed market value at the close of Spain's continuous market the day before the transaction, and the purchase transactions will adhere to security market regulations and customs.
- The shares acquired due to the authorisation can be disposed of or amortised, or used in the payment systems set out in Article 146.a) 3 of the Capital Companies Act.

A.11. Estimated free float:

	%
Estimated free float	5.87

A.12. State whether there are any restrictions (article of associations, legislative or of any other nature) placed on the transfer of shares and/or any restrictions on voting rights. In particular, state the existence of any type of restriction that may inhibit a takeover attempt of the company through acquisition of its shares on the market, and those regimes for the prior authorisation or notification that may be applicable, under sector regulations, to acquisitions or transfers of the company's financial instruments.

☐ Yes
☒ No

A.13. State whether the General Shareholders' Meeting has agreed to adopt neutralisation measures against take-over bids, pursuant to Law 6/2007.

☐ Yes
☒ No

If so, please explain the measures approved and the terms under which such limitations would cease to apply.

A.14. State if the company has issued shares that are not traded on a regulated EU market.

☐ Yes
☒ No

If so, please list each type of share and the rights and obligations conferred on each.

B. GENERAL SHAREHOLDERS' MEETING

B.1. Indicate whether differences exist between the minimum quorum established in the Spanish Capital Companies Act (LSC) and the quorum of the General Shareholder's Meeting. If so, explain these differences.

☐ Yes
☒ No

B.2. Indicate, and if applicable, specify any differences from the system established in the Capital Companies Act (LSC) for adopting company agreements:

☐ Yes
☒ No

- B.3.** Indicate the regulations applicable to modification of the company articles of association. In particular, note the majorities required for changes to the articles of association and, if any, the regulations governing the protection of shareholders' rights when making changes to the articles of association.

Title VIII, covering Articles 285 - 345, of Royal Decree-Law 1/2010 of 2 July, approving the Revised Text of the Capital Companies Act (hereunder, LSC), and Articles 158 - 164 of Royal Decree 1784/1996, of 19 July, approving the Regulation of the Companies Register (hereunder, RRM), establish the legal system applicable to the modification of articles of association. The text of the articles of association of NH Hotel Group faithfully reflects these legal regulations, with no higher quorum or majority required than is set out therein.

- B.4.** Give details of attendance at General Shareholders' Meetings held during the year of this report and the previous year:

Date of general meeting	Attendance data				
	% physically present	% present by proxy	% distance voting		Total
			Electronic voting	Other	
21/06/2018	8.28	62.77	0.00	0.31	71.36
Of which, free float:	0.00	24.40	0.00	0.31	24.71
13/05/2019	94.21	0.90	0.00	0.00	95.11
Of which, free float:	0.08	0.90	0.00	0.00	0.98
16/07/2020	94.20	0.64	0.00	0.00	94.84
Of which, free float:	0.07	0.64	0.00	0.00	0.71

- B.5.** State whether any point on the agenda of the General Shareholders' Meetings during the year has not been approved by the shareholders for any reason.

☐ Yes
☒ No

- B.6.** State if the Articles of Association contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or on distance voting:

☐ Yes
☒ No

- B.7.** State whether it has been established that certain decisions other than those established by law exist that entail an acquisition, disposal or contribution to another company of essential assets or other similar corporate transactions that must be subject to the approval of the General Shareholders' Meeting.

☐ Yes
☒ No

B.8. Indicate the address and access on the Company website to information on corporate governance and other information on general shareholders' meetings which must be available to shareholders on the Company website.

All information of relevance to shareholders, including information on corporate governance and other information on general shareholders' meetings is available at all times on the NH Hotel Group website, www.nh-hotels.es, in the section "Shareholders and Investors".

C. COMPANY MANAGEMENT STRUCTURE

C.1. Board of Directors

C.1.1 Maximum and minimum number of directors established in the Articles of Association and the number set by the general meeting:

Maximum number of directors	20
Minimum number of directors	5
Number of directors set by the general meeting	9

C.1.2 Complete the following table with the members of the Board:

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure
MR ALFREDO FERNÁNDEZ AGRAS		Independent	CHAIRMAN	19/06/2015	13/05/2019	AGREEMENT BY GENERAL SHAREHOLDERS' MEETING
MR RAMÓN ARAGONÉS MARÍN		Executive	CHIEF EXECUTIVE OFFICER	29/06/2017	16/07/2020	AGREEMENT BY GENERAL SHAREHOLDERS' MEETING
MR JOSÉ MARÍA CANTERO MONTES-JOVELLAR		Independent	DIRECTOR	21/06/2016	21/06/2018	AGREEMENT BY GENERAL SHAREHOLDERS' MEETING
MR KOSIN CHANTIKUL		Proprietary	DIRECTOR	10/04/2019	13/05/2019	AGREEMENT BY GENERAL SHAREHOLDERS' MEETING
MR STEPHEN ANDREW CHOJNACKI		Proprietary	DIRECTOR	21/06/2018	21/06/2018	AGREEMENT BY GENERAL SHAREHOLDERS' MEETING
MR WILLIAM ELLWOOD HEINECKE		Proprietary	DIRECTOR	21/06/2018	21/06/2018	AGREEMENT BY GENERAL SHAREHOLDERS' MEETING

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure
MR FERNANDO LACADENA AZPEITIA		Independent	DIRECTOR	21/06/2016	21/06/2018	AGREEMENT BY GENERAL SHAREHOLDERS' MEETING
MR RUFINO PÉREZ FERNANDEZ		Executive	DIRECTOR	28/09/2020	28/09/2020	CO-OPTED
MR EMMANUEL JUDE DILLIPRAJ RAJAKARIER		Proprietary	DIRECTOR	21/06/2018	21/06/2018	AGREEMENT BY GENERAL SHAREHOLDERS' MEETING

Total number of directors	9
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Indicate any cessations, whether through resignation or by resolution of the general meeting, that have taken place in the Board of Directors during the reporting period:

Name or company name of director	Director type at time of leaving	Date of last appointment	Date of cessation	Specialised committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
MS BEATRIZ PUENTE FERRERAS	Executive	13/05/2019	28/09/2020		YES

C.1.3 Fill in the following tables about the Board members and their corresponding categories:

EXECUTIVE DIRECTORS		
Name or company name of director	Post in organisation chart of the company	Profile
MR RAMÓN ARAGONÉS MARÍN	CHIEF EXECUTIVE OFFICER	Tourism diploma from the University of Palma de Mallorca. Master's in International Hotel Management from the International Business School, Hotel and Tourism Management. His professional career, for more than twenty years, has been in positions of management and responsibility, in companies in the tourism sector, such as Hesperia (General Manager) and NH Hotel Group, S.A. (Chief Operations Officer). He is currently Chief Executive of NH Hotel Group, S.A.

EXECUTIVE DIRECTORS

Name or company name of director	Post in organisation chart of the company	Profile
MR RUFINO PÉREZ FERNANDEZ	EXECUTIVE DIRECTOR	Rufino Pérez Fernández has a degree in economics and business studies from the University of Vigo and studied an Executive MBA in tourism corporate management at the Business Institute. He has spent the greater part of his career in the hotel industry, and has held management positions a the head of Internal Audit, and Organisation and systems areas, and has held the position of General Manager, Operations, in various hotel chains. He is currently General Manager, Operations and Transformation, at NH Hotel Group, S.A.

Total number of executive directors	2
Percentage of Board	22.22

EXTERNAL PROPRIETARY DIRECTORS

Name or company name of director	Name or company name of the significant shareholder represented or that has proposed their appointment	Profile
MR KOSIN CHANTIKUL	MINOR INTERNATIONAL PUBLIC COMPANY LTD	Holds a degree in Economics from Wesleyan University, USA (2000-2004) and studied the Director Certification Program (DCP), he was a member of the Thai Institute of Directors (IOD) (2014). He began his career at Lehman Brothers, was an associate at Lehman Brothers Principal Transactions Group (until 2008) and subsequently at Nomura Asia Asset Finance (until 2010). In 2012 he was appointed Investments Director at Boutique Asset Management and between 2013 and 2015 he was Group Acquisitions Director for Minor International PCL. Since 2015, he has been responsible for the Minor Group's investments and acquisitions. He has led investments, strategic partnerships and mergers and acquisitions activities in the hospitality sectors on behalf of Minor International PCL and led transactions in Thailand, Indonesia, Malaysia, Vietnam, Cambodia, Australia, United Kingdom, Portugal, Spain, Brazil, Maldives, Seychelles, South Africa, Zambia, Botswana, Lesotho and Mozambique.
MR STEPHEN ANDREW CHOJNACKI	MINOR INTERNATIONAL PUBLIC COMPANY LTD	Degree in Law (juris Doctor) and Foreign Relations and Economics from the University of Virginia, obtaining a Doctorate from the University of Virginia/School of Law. Mr Chojnacki has spent his professional career in the law firm Linklaters in their New York, Hong Kong and Bangkok offices. He is currently the Chief Commercial Officer and the General Counsel of Minor International PLC., Director of MHG Continental

Total number of independent directors	3
Percentage of Board	33.33

State whether any independent director receives from the company or any company in the group any amount or benefit other than compensation as a director, or has or has had a business relationship with the company or any company in the group during the past year, whether in his or her own name or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

Name or company name of director	Description of the relationship	Reasoned statement
No data		

OTHER EXTERNAL DIRECTORS

Identify the other external directors and state the reasons why these directors are considered neither proprietary nor independent, and detail their ties with the company or its management or shareholders:

Name or company name of director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile
No data			

Total number of other external directors	N.A.
% of total Board	N.A.

State any changes in status that has occurred during the period for each director:

Name or company name of director	Date of change	Previous category	Current status
No data			

C.1.4 Complete the following table with information relating to the number of female directors at the close of the past 4 years, as well as the category of each.

	Number of female directors				% of total directors for each category			
	2020	2019	2018	2017	2020	2019	2018	2017
Executive		1			0.00	50.00	0.00	0.00

	Number of female directors				% of total directors for each category			
	2020	2019	2018	2017	2020	2019	2018	2017
Proprietary					0.00	0.00	0.00	0.00
Independent			1	1	0.00	0.00	25.00	16.67
Other External					0.00	0.00	0.00	0.00
Total		1	1	1	0.00	11.11	10.00	10.00

C.1.5 Indicate whether the company has diversity policies in relation to the Board of Directors of the company with regard to issues such as age, gender, disability, or professional training and experience. Small and medium-sized companies, in accordance with the definition established in the Accounts Auditing Law, will at least have to report the policy they have established in relation to gender diversity.

- ☐ Yes
☐ No
☒ Partial policies

Should this be the case, describe these diversity policies, their objectives, the measures and way in which they have been applied and their results over the year. Also indicate the specific measures adopted by the Board of Directors and the nomination and remuneration committee to achieve a balanced and diverse presence of directors.

If the company does not apply a diversity policy, explain the reasons why.

Description of policies, objectives, measures and how they have been applied, and results achieved

On 25 February 2016, following a favourable report from the Appointments, Remuneration and Corporate Governance Committee, the Board of Directors approved a Selection Policy for Directors. Said policy seeks to prevent discrimination, with meritocracy as the criterion guiding the selection process to identify the best candidates for the Company. However, and notwithstanding the foregoing, each time that there is a vacancy on the Board of Directors, and the corresponding selection process begins, at least one woman must be considered as a candidate until the 30% target is met.

On 22 December 2020, in compliance with the contents of Recommendations 14 and 15 of the Unified Good Governance Code, in their respective new wordings after the reform agreed by the CNMV on 26 June 2020, the Board of Directors approved a new Recruitment Policy for Directors and Management Positions that includes the aim that the number of female directors is, at least, 40% of the members of the board of directors before the end of 2022 and, from now, 30%.

In order to fulfil the aforementioned goal, the Appointments, Remuneration and Corporate Governance Committee shall ensure that the selection procedure does not suffer from any implicit bias that may hamper the selection of female directors and that women that fulfil the professional profile sought are included among the potential candidates.

- C.1.6 Explain the measures agreed, if any, by the Appointments Committee to ensure that the selection process is not implicitly biased against selecting female Directors, and so that the company deliberately seeks to include women who meet the desired professional profile among potential candidates. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

Explanation of measures

The Appointments, Remuneration and Corporate Governance Committee ensures that each time a vacancy occurs in the Board of Directors and the corresponding selection process begins, at least one woman is a candidate.

If in spite of any measures adopted there are few or no female directors or senior managers, explain the reasons for this:

Explanation of reasons

So far, women have been found who fit the professional profile sought.

- C.1.7 Explain the conclusions of the nomination committee regarding verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

The Appointments, Remuneration and Corporate Governance Committee has concluded that, despite women having taken part in the selection process for Directors women, to date none have meet the required profile.

- C.1.8 Explain, if applicable, the reasons why proprietary directors have been appointed at the request of shareholders whose holdings are below 3% of share capital:

Name or company name of shareholder	Justification
No data	

Indicate whether the Board has declined any formal requests for presence on the Board from shareholders whose equity interest is equal to or greater than that of others at whose request proprietary directors have been appointed. If so, explain why the requests were not granted:

☐ Yes
☒ No

- C.1.9 State the powers delegated by the Board of Directors, as the case may be, to directors or Board committees.

Name or company name of director or committee	Brief description
MR RAMÓN ARAGONÉS MARÍN	All the powers that correspond to the board of directors, except those that cannot be delegated by law or the company's articles of association.

Amount of pension rights accumulated by directors currently in office (thousands of euros)	
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C.1.19 Indicate cases in which Directors are compelled to resign.

Directors shall step down when the period for which they were appointed comes to an end or when agreed by the General Shareholders' Meeting based on the powers legally attributed to it.

Article 14.2 of the Regulations of the Board of Directors also stipulates that Directors shall place their office at the disposal of the Board of Directors and tender their resignation in any of the following circumstances:

- a) When they cease the executive positions to which their appointment as Director was associated or when the reasons for which they were appointed disappear, it being understood that said circumstance occurs to a Proprietary Director when the Entity or Business Group they represent ceases to hold a shareholding significant in the Company's share capital or when, for an Independent Director, they are integrated into the executive line of the Company or any of its subsidiaries.
- b) Where they are subject to any incapacity, disqualification, prohibition or conflict of interests established in current legal provisions.
- c) Where they are seriously reprimanded by the Appointments, Remuneration and Corporate Governance Committee for failing to comply with any of their obligations as Directors.
- d) When their continued presence on the Board may affect the good standing or reputation that the Company enjoys in the market, or put its interests at risk in any other way. In this case, the Director must immediately inform the Board of the facts or procedural difficulties that affect said reputation or risk. In the event that the Board is informed or becomes aware in another manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the Nomination and Remuneration Committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed.

C.1.20 Are reinforced majorities other than those applicable by law required for any type of decision?:

- ☒ Yes
☐ No

If so, describe the differences.

Description of differences

For the appointment of Directors with direct or indirect interests of any type in, or an employment, professional, commercial or any other relationship with competitor companies, a vote in favour by 70% of the Board members is required (Article 11.3 of the Board regulations).

C.1.21 Explain if there are any specific requirements, other than those relating to Directors, to be appointed Chairman of the Board of Directors.

- ☐ Yes
☒ No

C.1.22 Indicate whether the Articles of Association or the Board Regulations establish any age limit for Directors:

- ☐ Yes
☒ No

C.1.23 State whether the Articles of Association or the Board Rules establish any term limits for independent directors other than those required by law.

- ☐ Yes
☒ No

C.1.24 State whether the Articles of Association or Board Rules establish specific proxy rules for votes at Board meetings, how they are to be delegated and, in particular, the maximum number of delegations that a director may have, as well as if any limit regarding the category of director to whom votes may be delegated and whether a director is required to delegate to a director of the same category. If so, briefly describe these rules.

Article 40 of the Articles of Association sets the rules around delegating votes, stating that "Directors shall personally attend Board meetings and, when they are unable to do so in exceptional circumstances, shall ensure that the proxy granted to another member of the Board shall include the relevant instructions insofar as possible."

Similarly, Article 22 of the Board Regulations in implementing said article adds that "Non-executive directors can only delegate their vote to another non-executive director."

The Board of Directors has not governed the maximum number of times a Director may delegate their vote.

C.1.25 Indicate the number of meetings that the Board of Directors has held over the year. Also indicate, if applicable, the number of times the Board met without the chairman being present. Meetings where the chairman sent specific proxy instructions are to be counted as attended.

Number of board meetings	13
Number of board meetings held without the chairman's presence	0

Indicate the number of meetings held by the coordinating director with the other directors, where there was neither attendance nor representation of any executive director:

Number of meetings	0
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Indicate the number of meetings held by each Board committee during the year:

Number of Meetings held by the APPOINTMENTS AND REMUNERATION COMMITTEE	4
Number of meetings of the APPOINTMENTS, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE	5

C.1.26 State the number of meetings held by the Board of Directors during the year in which all of its directors were present. For the purposes of this section, proxies given with specific instructions should be considered as attendance

Number of meetings where at least 80% of the directors attended	13
Attendance in person as a % of total votes during the year	89.00
Number of meetings in situ or representations made with specific instructions of all directors	13

C.2.2 Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

	Number of female directors							
	2020		2019		2018		2017	
	Number	%	Number	%	Number	%	Number	%
AUDIT AND CONTROL COMMITTEE	0	0.00	0	0.00	1	33.00	1	33.00
APPOINTMENTS, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE	0	0.00	0	0.00	0	0.00	0	0.00

C.2.3 Indicate, as applicable, the existence of regulations governing the committees attached to the Board, where they are available for consultation and any amendments that have been made to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

The Company Articles of Association (Articles 45 - 48), and the Regulations of the Board of Directors (Articles 23 - 26) comprehensively cover all regulations relating to the Board's Committees. The aforementioned internal regulations of the Company are available on the company website (www.nh-hotels.es), in the section "Shareholders and Investors" - "Corporate Governance". Said website also includes all information regarding the composition of each Committee. The Audit and Control Committee and the Appointments, Remuneration and Corporate Governance Committee annually issue a report on the activities they have carried out during the financial year.

Below highlights the emerging risks that the Company has already detected and on which monitoring and analysis, impact assessment and mitigation work is being carried out:

- Technological risks (cyber-attacks, information security, technological innovation)
- Risks related to social behaviour patterns (collaborative economy, changing customer preferences, demographic changes)
- Risks related to climate change (natural disasters, extreme weather events)
- Regulatory risks (data privacy/GDPR, new environmental legislation)
- The dependence on intermediaries and specifically online travel agencies (OTAs) and distributors and the sophistication of technological reservation tools are also considered emerging risks.
- Some geopolitical risks that affect the tourism sector such as terrorism, the change in the economic cycle, political instability and, to a lesser extent, Brexit.
- Some risks arising from external factors such as pandemics or strikes, both internal (hotel staff) and external (e.g. air traffic controllers)

The external auditor notifies the Audit and Control Committee of the conclusions of its audit procedures, and any other matters which may be considered important. The external auditor also has access to the Audit and Control Committee in order to share, comment on or report any aspects they consider necessary or pertinent, including without the presence of the Company's Management. The external auditor, without breaching his/her independence, will participate in the dialogue with Management.

F.6. Other relevant information

None.

F.7. Report by the external auditor

Report:

- F.7.1 Whether the SCIF reports sent to the markets have been reviewed by the external auditor, in which case the company must include the corresponding report as an appendix. If not, reasons why should be given.

The scope of the auditor's review procedures has been carried out in accordance with Circular E14/2013 of 19 July 2013 from the Spanish Institute of Chartered Accountants, whereby the published Guidelines for Action and auditor's report model referred to the information related to the internal control system of the financial information of the listed companies which is attached as an annex.

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the Board or of the audit committee.
- Complies ☒ Partially complies ☐ Explain ☐
41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.
- Complies ☒ Partially complies ☐ Explain ☐ Not applicable ☐

