

# Directors' Remuneration Policy

NH Hotel Group, S.A.

## INTRODUCTION

The NH Hotel Group, S.A. Board of Directors (hereinafter, “**NH**”, the “**Company**” or the “**Group**”), on a proposal from the Appointments, Remuneration and Corporate Governance Committee, approved this Directors’ Remuneration Policy (hereinafter, the Policy, or the “**Remuneration Policy**”) at a meeting held on 12 May 2021, which will be subject to a binding vote by the General Shareholders' Meeting as a separate point on the agenda and with the content provided for in the Capital Companies Act.

The Remuneration Policy contains the following sections:

### Remuneration Policy Sections

1. Principles of the Policy.
2. Decision making process followed to determine, review and apply the remuneration policy.
3. Features of the Executive Directors’ remuneration system, including the aims and metrics of the variable remuneration, remuneration components and the main conditions.
4. Features of the Directors’ remuneration system, in their capacity as such, including the maximum annual remuneration to be paid to the Directors as a whole and the various types of remuneration to be received by the Directors.
5. Remuneration policy applicable to new directors.
6. Relation of the Policy to the conditions for the Company’s employees.
7. Actions taken to adjust the Remuneration Policy to the Company’s targets, values and long-term interests.
8. Term of the Policy.

## 1.- REMUNERATION POLICY PRINCIPLES

The aim of NH's Remuneration Policy is to compensate the entry, responsibility and talent of our employees, always taking the financial environment into consideration, the Company's results, the Group's strategy and best market practices.

The new Remuneration Policy retains the principles of the previous Remuneration Policy:

### Principles

#### Alignment with investors

The Directors' Remuneration Policy design is periodically reviewed to ensure alignment with the achievement of results and the creation of value for shareholders.

#### Proportionality

Remuneration must be suitably proportional to the Company's features and business model.

#### Balance

Directors' remuneration must retain a balance between the various components of the remuneration.

#### Suitability

The Directors' Remuneration Policy, in their capacity as such, is in line with the make up of the Board and the amounts are sufficient to remunerate their qualification, dedication and responsibility, ensuring proper loyalty and involvement with the Company, but without meaning that its members' independence is compromised.

#### Non-discrimination

NH's Remuneration Policy will respect non-discrimination on the grounds of gender, age, culture, religion and race.

#### Alignment with strategy

The Directors' Remuneration must be coherent with the Group's strategy, including such remunerative elements as may be necessary for that purpose. Furthermore, it should contribute to the company's long-term interests and sustainability.

#### Transparency

The information on remuneration is in line with Corporate Governance best practices.

The ARCGC, with support from the Sustainable Business department, will review the Directors' Remuneration Policy annually to check that it contributes to company business strategy, along with the company's long-term sustainability and interests.

The aforementioned NH Hotel Group Remuneration Policy Principles are reflected in all the actions we carry out with respect to remuneration:



WHAT WE DO	WHAT WE DO NOT DO
<p>Link remuneration payments to the Company's results ("pay for performance")</p> <p>Long-Term Incentive Plans with a minimum 3 year target measurement period</p> <p>Clawback clauses on long-term incentives</p> <p>Permanent ownership of shares equivalent to one year's fixed remuneration</p> <p>Recurring external advice</p>	<p>There is no guaranteed variable remuneration</p> <p>There are no pensions commitments to the Directors</p> <p>There are no additional compensation clauses for termination of the business relationship, without prejudice to any workers' compensation that may apply</p> <p>No loans or advance payments are given</p> <p>Non-executive Directors do not take part in remuneration formulas or systems linked to the Company's performance.</p>

## 2.- DECISION MAKING PROCESS FOLLOWED TO DETERMINE, REVIEW AND APPLY THE REMUNERATION POLICY

The main bodies in the Company taking part in determining and approving the Remuneration Policy are as follows:

- **General Shareholders' Meeting:**

In accordance with the Capital Companies Act, the General Shareholders' Meeting is competent in relation to approval of the following matters relating to directors' remuneration:

- Remuneration policy at least every three years.
- Possible amendments to the remuneration policy in force at any time.
- Maximum annual remuneration to be paid to the directors with that status as a whole.
- Remuneration system that includes handing over shares or options on shares, or remuneration linked to share value.
- Annual Remuneration Report (consultative vote).

- **Board of Directors:**

This is the body with competence to propose the Remuneration Policy to the General Shareholders' Meeting. At the same time, the Board is responsible for making decisions relating to Directors' remuneration, within the statutory framework and the Remuneration Policy.

On the other hand, the Board of Directors sets out the basic terms of contracts, including remuneration, for the directors who come directly under the Board, or one of its members.

The Board of Directors is informed about all actions carried out by the Appointments, Remuneration and Corporate Governance Committee which are set out below, making the relevant documentation available to it so that it may be aware of the such actions and act accordingly.



As a precautionary measure, to avoid conflicts of interest, in Board meetings dealing with proposals relating to the specific remuneration of the Executive Directors, the latter may not attend or take part in deliberations or decision making.

▪ Appointments, Remuneration and Corporate Governance Committee:

In accordance with article 26 of the Rules of the Board of Directors, the Appointments, Remuneration and Corporate Governance Committee (hereinafter, the **ARCGC**) is competent to propose the Directors' Remuneration Policy and for those in senior management positions coming directly under the Board, for Executive Committees and Executive Directors, and individual remuneration and other contractual conditions for the Executive Directors, ensuring the rules are observed.

The ARCGC may meet as many times as:

- (i) The President of the committee considers it necessary.
- (ii) It is required by the Board of Directors.
- (iii) Two or more of its members with the right to vote request it, for good performance of their duties.

Furthermore, with the aim of carrying out their obligations as Directors with the utmost excellence, they take part in information and training update sessions organised periodically by the Company on certain areas of interest and activity.

The Board of Directors is informed about all actions carried out by the ARCGC, making the relevant documentation available to it so that it may be aware of such actions and act accordingly.

Without prejudice to the competences given to the ARCGC in the Rules of the Board of Directors, the duties of the Committee in relation to determining, reviewing and applying the Remuneration Policy, and its transparency, are summarised below:

#### ARCGC's DUTIES IN RELATION TO THE REMUNERATION POLICY

##### Determining the Policy

It proposes the distribution of the various items in the maximum amount of remuneration approved by the General Shareholders' Meeting for the Directors, in their capacity as such, to the Board of Directors.

It proposes the amount and, as appropriate, updates of Executive Directors' fixed remuneration to the Board of Directors.

##### Applying the Policy

It proposes the aims of annual variable remuneration and the cycle for multi-year variable remuneration applicable to the Executive Directors to the Board of Directors on an annual basis.

It assesses compliance with the aims once the period for variable remuneration measurement, both annual and multi-year, has passed and proposes the amount or number of actions to be paid to the Executive Directors to the Board of Directors.



## ARCGC's DUTIES IN RELATION TO THE REMUNERATION POLICY

### Reviewing the Policy

It reviews the amount of the various remuneration items for Directors, in their capacity as such, taking into account market practices, and takes its conclusions to the Board of Directors.

It reviews the structure and level of Executive Directors' remuneration, taking market conditions into account to ensure that it is competitive.

### Transparency of the Policy

The ARCGC determines the content of the Annual Report on Directors' Remuneration and proposes its definitive approval to the Board of Directors.

When it comes to carrying out the duties described, the ARCGC may have support from external expert advisors on remuneration.

As set out below, NH's Remuneration Policy has a differentiated remuneration system for Directors, in their capacity as such, and for Executive Directors.

## 3. REMUNERATION POLICY FOR EXECUTIVE DIRECTORS:

### 3.1 "Pay for Performance". Executive Directors' remuneration is linked to the Company's results.

A significant part of the remuneration package for those holding the post of Executive Director is linked to NH's short- and long-term results. Therefore, the terms of the variable annual and multi-year remuneration system, including its structure, maximum levels of remuneration, targets set and the weight of each one of them, are reviewed by the ARCGC annually, taking the Company's strategy and the needs and situation of the business into account, and are submitted to the Board of Directors for approval.

In this respect, the variable annual remuneration scheme for Executive Directors at NH works in the same way as for the Company's other employees. It is set up using a Target-based Management Programme (TMP) which has the aim of:

- Recompensing performance taking achievement of the Company's quantitative targets into account.
- Linking achievement of the annual targets set by the Company to its medium and long-term strategy and long-term sustainability interests.
- Bring individual targets into line with the Company's.

In relation to long-term variable remuneration, a combination of mainly quantitative targets are set relating to the Company's strategic priorities in the medium and long-term.

The Company will set out the metrics set for variable annual remuneration and long-term incentive plans in the Annual Report on Directors' Remuneration.

### 3.2 Executive Directors' remuneration components:

The items making up the Executive Directors' remuneration package are as follows:

Fixed Remuneration	
<p><b>Purpose:</b> <i>Recompense taking their duties in senior management into account.</i></p> <p><i>Executive Directors' fixed remuneration is established according to: (i) Responsibility, (ii) Experience and individual contribution, (iii) internal and external equity.</i></p>	
Limits and Metrics	Functioning
<p><b>Amount</b></p> <p>Executive Director and CEO: € 700,000.</p> <p>Executive Director and COO: € 400,000.</p>	<p>Any salary adjustment during term of the Policy must be approved by the Board of Directors.</p> <p>Such adjustment must take into account the financial reality at the company, objective criteria depending on the level of responsibility taken on at any time and market comparability.</p> <p>Any update under the terms described must always be justified by the ARCGC and will be appropriately reported in the relevant Annual Report on Directors' Remuneration.</p>



### Variable Annual Remuneration

**Purpose:** *Recompensing performance taking achievement of the Company's quantitative targets into account., link achievement of annual targets set by the Company in its medium to long-term strategy, and bring individual targets into line with the Company's.*

Limits and Metrics	Functioning
<p><b>Target</b></p> <p><u>Executive Director and CEO:</u> <b>65%</b> of the Fixed Remuneration. This will be reached in the event that 100% of the pre-set targets are met.</p> <p><u>Executive Director and COO:</u> <b>45%</b> of the Fixed Remuneration. This will be reached in the event that 100% of the pre-set targets are met.</p> <p><b>Maximum</b></p> <p>93% (CEO) and 64.3% (COO) of the Fixed Remuneration (143% of the target). This will be reached in the event that the pre-set targets are exceeded.</p> <p><b>Metrics</b></p> <p>Linked to the achievement of a combination of quantitative targets (economical/financial, creation of value and operational) and specific qualitative targets associated with the job which are pre-set and quantifiable. Furthermore, using performance assessment, the Company's sustainability is promoted with an assessment of form and procedure that goes further than the results.</p> <p>For example, quantitative targets may include EBITDA, Net Recurring Profit, Income, return and/or cost efficiency metrics at NH Group level. Moreover, quantitative targets may include indicators linked to the executive director's post, amongst which Income, EBITDA, ESG (Environmental, Social and Governance) metrics, or other strategic indicators may be included.</p> <p>Qualitative targets may include individual performance assessments and/or specific targets associated with the post performed by the Executive Directors.</p> <p>.</p>	<p>The ARCGC is responsible for proposing the targets, at the start of each financial year, and proposing assessment of their performance, once the year has ended. The assessment will be carried out on the basis of the audited results, and the level of achievement of the targets. After the analysis, the ARCGC sets out a bonus proposal which is subject to approval from the Board of Directors.</p> <p>The performance scale, set at the start of each financial year, includes a minimum threshold, under which no incentives are paid, a target level, which relates to 100% target performance, and a maximum level, all of which are specific for each metric.</p> <p>To calculate the amount of variable remuneration, the level of performance and the weighting of each one of the targets will be taken into account and the internal rules and procedures for target assessment, as set out by the Company for its directors, will be followed.</p> <p>Furthermore, the Company may establish additional correction factors that limit the maximum amount to be paid by way of variable annual remuneration. If appropriate, these correction factors will be linked to economic-financial metrics.</p> <p>Any economic effects, whether positive or negative, arising from extraordinary events that may cause the assessment results to be distorted will be eliminated, and the quality of the results in the long term and any associated risk will be considered in the variable remuneration proposal.</p> <p>Variable Annual Remuneration is wholly paid in cash during the first three months of the year following accrual of the variable remuneration.</p>



Long-term incentive plan	
<b>Purpose:</b> <i>Recompensing performance of NH's strategic targets in the long-term and creating sustainable value for shareholders.</i>	
Limits and Metrics	Functioning
<p><b>Annual Target Incentive</b></p> <p><u>Executive Director and CEO:</u> <b>65%</b> of the Fixed Remuneration.</p> <p><u>Executive Director and COO:</u> <b>45%</b> of the Fixed Remuneration.</p> <p><b>Maximum Annual Incentive</b></p> <p>97.5% (CEO) and 67.5% (COO) of the Fixed Remuneration (150% of the target amount).</p> <p><b>Metrics</b></p> <p>Internal metrics based on economic/financial targets (for example, EBITDA and Recurring Net Profit, etc). The ARCGC may, at the start of each plan, propose adding other types of metrics, such as external metrics for creating value for stakeholders (for example, Total Return for Shareholders) or qualitative metrics.</p>	<p>The minimum period for measuring metrics will, in general, be three years.</p> <p>The Plan may be paid in cash and/or include shares, options over shares or remuneration rights linked to their value, as long as the targets set out for that purpose are met. Where shares are handed over, they will be subject to a non-disposal period of at least one year.</p> <p>In order to calculate the payment coefficient achieved for each target achievement level, an achievement scale will be set for each one of the metrics, which will include a minimum threshold, below which no incentive is paid, and a maximum level, in the event that targets are exceeded.</p> <p>The ARCGC will monitor targets periodically and, once the Plan ends, propose the level of achievement. To do this assessment, the Committee has support from the Finance Department and the Audit and Control Committee which provide information about the audited results. In setting targets and assessing their achievement, the Committee will also take any associated risk into account.</p> <p>When determining the target achievement level any economic effects, whether positive or negative, arising from extraordinary events that may distort the results of the assessment are eliminated.</p> <p>The features of each Long-Term Incentive Plan are shown in the Annual Remuneration Report.</p>

Remuneration in kind
<b>Purpose:</b> <i>Offering a competitive remuneration package in line with the market.</i>
Functioning
<p>The Executive Directors may be beneficiaries of certain payments in kind that include the following, amongst others:</p> <ul style="list-style-type: none"> <li>– Company vehicle.</li> <li>– Payment of life and accident insurance premiums.</li> <li>– Healthcare policy, where the beneficiaries may be the Executive Directors as well as the members of the family unit living with them.</li> </ul> <p>The Directors' Remuneration Policy does not provide for granting other benefits, loans, advance payments and guarantees taken out by the Company.</p>

### 3.3 Executive Directors' remuneration mix:

In a scenario where target objectives are met, the percentage of remuneration at risk compared to total remuneration (considered for these purposes to be fixed remuneration, variable annual remuneration and long-term yearly incentive) would be 56.52%, in the case of the CEO, and 47.37% in that of the COO.

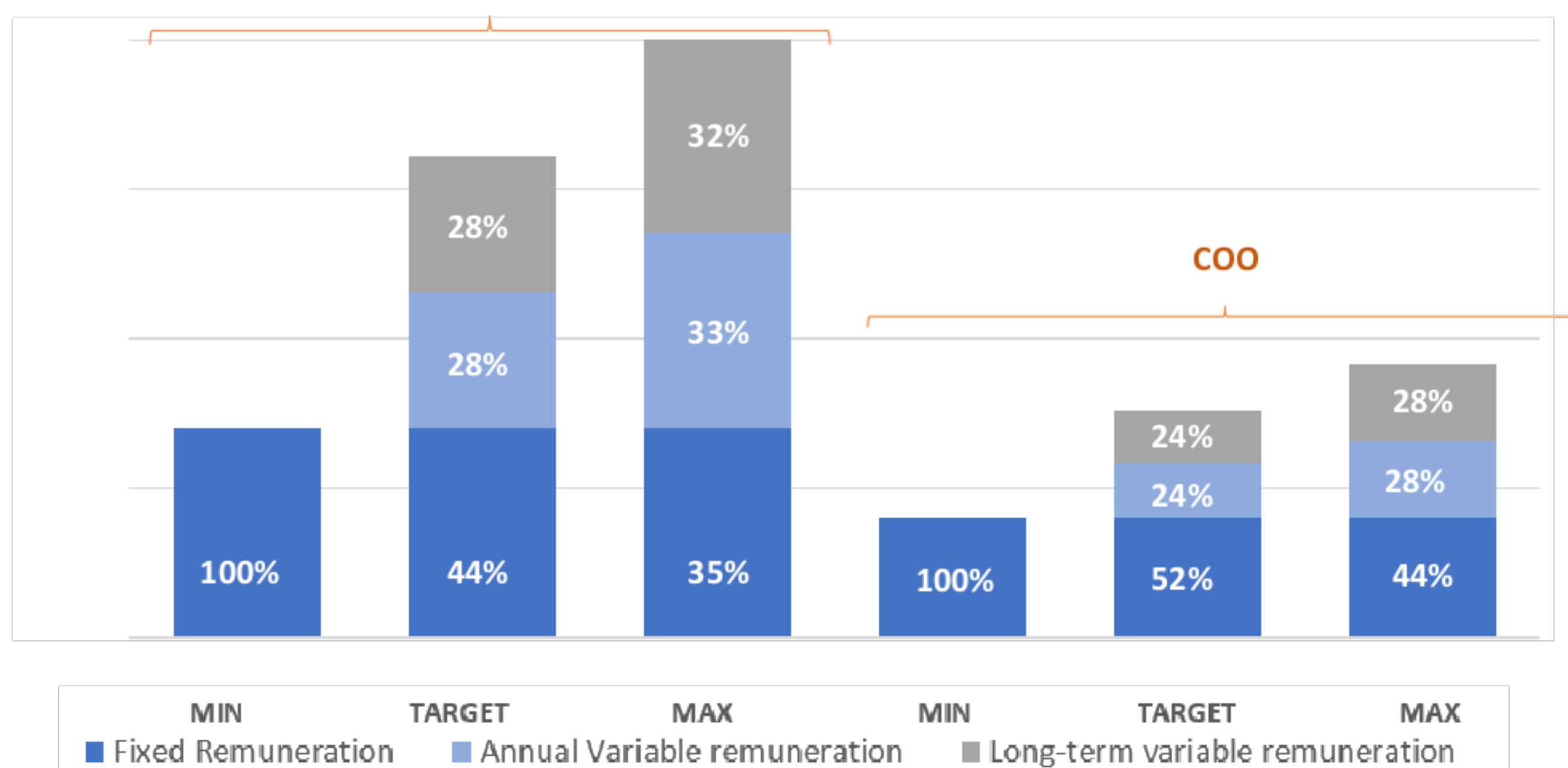
In a scenario where maximum target achievement is obtained, the percentage of remuneration at risk compared to the CEO and COO's total remuneration would be 64.98% and 56.23%, respectively.

#### Remuneration Mix - Executive Directors

(% of Total Remuneration)

CEO

COO



### 3.4 Ex-post adjustments to Executive Directors' remuneration

In the event that certain circumstances occur that demonstrate non-performance of the targets, even if a posteriori, the Board, on a proposal from the ARCGC, may reclaim all or part of the incentive already paid. These clauses will apply to all Beneficiaries and will be applicable for two years from the date the Measurement Period for each Cycle ends. Specifically, and amongst others, repayment of the incentive paid may be required in the following cases:

- A redraft of the Company's financial statements which is not due to the amendment of the applicable accounting rules or interpretations.



- ii. A fine on the Beneficiary due to serious breach of the code of conduct and other applicable internal regulations.
- iii. Where settlement and payment of the incentive was wholly or partially based on information that is shown to be manifestly false or seriously inaccurate a posteriori.

In addition, the ARCGC may propose carrying out adjustments to annual or multi-year variable remuneration elements, criteria, thresholds and limits to the Board of Directors given exceptional circumstances caused by extraordinary factors or events, whether internal or external. The details and justification for such adjustments will be included in the relevant Annual Report on Directors' Remuneration.

### 3.5 Commitment to holding shares permanently

The Executive Directors will be under the obligation to hold the shares from the Multi-year Variable Remuneration for at least the equivalent of one year of fixed remuneration. The price determined when this obligation has been fulfilled will be the share price on the date the shares were handed over.

### 3.6 Executive Directors' contractual terms

The contract currently regulating the performance of the functions and responsibilities the person(s) carrying out the post of Executive Director is corporate by nature and includes clauses that, in practice, are commonly included in these kinds of contract in order to attract and retain the best professionals.

The contracts for both executive directors were proposed by the ARCGC and approved by the Company's Board of Directors.

A summary of the main terms of both contracts is shown below:

	Description
<b>Term</b>	The Executive Directors' contract is permanent.
<b>Notice</b>	The Executive Directors must give notice of their decision to end their corporate relationship with NH at least two months beforehand, and may choose to take up their ordinary employment relationship again.
<b>Exclusive employment and non-competition</b>	<p>During the period of provision of services covered by the current contract, they may not do the following without prior consent from the company:</p> <p>CEO:</p> <ul style="list-style-type: none"> <li>• Provide services, initiate a provision of services relationship of any kind, act as a Director, provide consultancy services and/or be a Director of any other company.</li> <li>• Have a direct or indirect interest of any kind in companies with activities that compete with, or are similar, or are related to the Company's activities, or which are NH suppliers or clients. This condition will remain until twelve months have passed from termination of the contract, whether corporate or employment, between them and NH, whatever the reason it was terminated for. The gross fixed annual salary of the First Executive already includes compensation arising from the non-competition agreement.</li> </ul> <p>COO:</p>



	Description
	<ul style="list-style-type: none"> <li>Do work or acquire holdings, of any nature, directly or indirectly, in another business, profession or occupation that is in direct competition with the Company's activity. Part-time teaching activities are excluded from this agreement.</li> </ul>
<b>Compensation</b>	There will be no right to receive any compensation from leaving their post and extinction of the corporate relationship. Nevertheless, the terms regulating overriding their employment relationship provide that the period of time that the Executive Directors maintain their corporate relationship will be recognised as length of service for the purposes of possible compensation arising from termination of the employment relationship.
<b>Confidentiality</b>	During the term of the corporate contact, and also when it is terminated for any reason, the Executive Directors will not disclose or circulate, either directly or indirectly, any secret, procedure, method, information or commercial or industrial data relating to NH's activities, business or finances or any company in its Group to third parties who are unrelated to NH.

#### 4. DIRECTORS' REMUNERATION POLICY, IN THEIR CAPACITY AS SUCH

In accordance with article 42 of the Articles of Association, the remuneration of directors will consist of an annual fixed allocation as well as expenses for attending the meetings of the Board of Directors and its committees, and that the amounts of this remuneration will be determined by the General Shareholders' Meeting.

Additionally, and independent of the remuneration described in the above paragraph, in accordance with the Articles of Association share-based remuneration systems, or those involving assigning shares or stock options, may be put in place for directors. The application of these remuneration systems must be expressly agreed by the General Shareholders' Meeting.

The amount of the remuneration to be paid by the Company annually to its Directors as a whole for the aforementioned items will be that decided for that purpose by the General Shareholders' Meeting and will remain current until the latter agrees to amend it.

In this respect, the Ordinary General Shareholders' Meeting set the maximum gross amount of annual remuneration to be received by the Directors in their capacity as members of the Board of Directors at €800,000. This limit will continue to be applicable while this Policy is in force, unless the General Shareholders' Meeting decides to amend it in the future.

Setting the exact amount to be paid within that limit and its distribution amongst the various Directors falls to the Board of Directors, on the proposal of the ARCGC, taking into account the functions and responsibilities of each Director, membership of Committees within the Board of Directors, and other objective circumstances considered to be relevant.



The current elements of the Directors' Remuneration Policy, in their capacity as such, are broken down below:

	Fixed Annual Allocation	Remarks
<b>President of the Board of Directors</b>	€200,000	Does not receive allowances for attending the Board or the Committees
<b>President of the Audit Committee or ARCGC</b>	€90,000	Does not receive allowances for attending the Committees they are president of
<b>Remaining members</b>	€50,000	Executive Directors do not receive a Fixed Annual Allocation

	Allowances per meeting and Director	Remarks
<b>Audit and Control Committee</b>	€1,000	The President of this Committee does not receive any amount by way of allowances
<b>Appointments, Remuneration and Corporate Governance Committee</b>	€1,000	The President of this Committee does not receive any amount by way of allowances

\* *Executive Directors do not receive any amount by way of allowances for attending the Board or the Committees*

Notwithstanding the foregoing, the Proprietary Directors representing the shareholder Minor International PLC waived receiving the above-mentioned remuneration.

These amounts may be amended each year within the maximums approved by the General Shareholders' Meeting and with prior approval from the Board of Directors. If this occurs, it will be duly reported in the Annual Report on Directors' Remuneration which will be submitted for the consideration of the General Shareholders' Meeting each year.

## 5. REMUNERATION POLICY APPLICABLE TO NEW DIRECTORS

The remuneration systems for Executive Directors described above will be applicable to any director who may join the Board of Directors to perform executive functions during the term of this Policy. For this purpose, the ARCGC and the Board of Directors will, in particular, take into account the functions allotted, the responsibilities taken on, professional experience, market remuneration for the position and anything else that is considered to be appropriate to take into account to determine the elements and amounts of the remuneration system that are, as appropriate, applicable to the new executive director. This will be duly set out in the relevant contract to be entered into between the Company and the new executive director.



Exceptionally, and to facilitate recruitment of an external candidate, the ARCGC may propose creating a special incentive, to be decided on by the Board, compensating the loss of unearned incentives in their previous company due to resigning and subsequent acceptance of NH's offer.

For internal promotions, the Committee may cancel and/or offset pre-existing incentives and other obligations that may be current at the time of appointment.

In the event that the new appointment involves international assignment, the Group's general policy for international assignments will be applicable. This covers (but is not limited to) moving and tax advice.

In the event that new non-executive members join the Board of Directors during the term of this Policy, the remuneration system described in section 4 above will apply to them.

## **6. RELATION OF THE POLICY TO THE CONDITIONS FOR THE COMPANY'S EMPLOYEES**

The Company's Remuneration Policy for employees was taken into account when establishing the remuneration terms for Executive Directors contained in this Policy.

Therefore, the Executive Directors' Remuneration Policy is in line with the one for other employees and shares the following principles:

- The remuneration policies and practices ensure non-discrimination on the grounds of gender, age, culture, religion and race. In this respect, the NH professional is remunerated depending on their professional merit, experience, dedication and the amount of responsibility taken on.
- In the same way as for the rest of the members of the Company's senior management, a significant part of the Executive Directors' total remuneration is variable by nature and its receipt is linked to achieving financial, business, value creation and individual targets, all of which are pre-determined, specific, quantifiable and in line with NH's company interests.
- Variable remuneration is not guaranteed and, under certain circumstances, may completely disappear.
- Remuneration practices are adapted to the various local markets where NH operates.

In this respect, the elements making up Executive Directors' remuneration are identical to the elements included in the remuneration package for the senior management group at NH.

## **7. Actions taken to adjust the Remuneration Policy to the Company's targets, values and long-term interests.**

The actions taken by the Company relating to the remuneration system to reduce exposure to excessive risks and adjust it to the Company's long-term targets, values and interests are as follows:

a) Balanced total remuneration:



The Executive Directors' remuneration package includes a short and long-term variable part, with both parts being balanced. In this respect, in annual terms, the relative weight of the long-term variable remuneration is very similar to the short-term variable remuneration.

b) Formulating the variable remuneration targets:

Variable remuneration should take the quantitative financial and strategic targets included in the Long-Term Plan into account, and contribute to developing a business model that promotes balanced, sustainable development.

Each year the ARCGC analyses the short-term variable remuneration components and gives the analysis to the Board of Directors for final approval. The variable remuneration components are designed to have sufficient flexibility so that the amount of the payment is nil in the event of not managing to achieve the minimum target.

In relation to multi-year variable remuneration, it is ensured that the assessment process is based on the Company's sustainable long-term results, permitting it to be modulated in line with the Company's economic cycle.

**Actions taken by the Company to reduce exposure to excessive risks and prevent conflicts of interest.**

As stated throughout this document, the Remuneration Policy includes certain measures that allow the Company to reduce exposure to excessive risks, including the following:

- Ex-post adjustments to the Executive Directors' variable remuneration, as described in section 3.4, including the possibility that the Executive Directors' multi-year variable remuneration payment is cancelled or required to be repaid. In addition, the ARCGC may propose carrying out adjustments to annual or multi-year variable remuneration elements, criteria, thresholds and limits to the Board of Directors given exceptional circumstances caused by extraordinary factors or events, whether internal or external.
- Minimum time for holding shares, as explained in multi-year Variable Remuneration under point 3.2 of this Policy.
- Permanent holding of shares in accordance with the provisions of section 3.5.

In relation to measures to prevent conflicts of interest, in Board meetings dealing with proposals relating to the specific remuneration of the Executive Directors, the latter may not attend or take part in deliberations or decision making. Furthermore, in line with the provisions of the Capital Companies Act, articles 29-33 of the Board Regulations provide for obligations on the Directors concerning diligence, fidelity, secrecy, loyalty and non-competition.

## **8. VALIDITY**

Without prejudice to the provisions of the Capital Companies Act regarding the remuneration policy for board members, the policies and procedures contained in this document will be valid for 2021, 2022 and 2023, except for any amendments, adaptations, updates or substitutions that may be agreed at any time, which will be submitted to NH's General Shareholders' Meeting for approval.

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