

**PROPOSAL SUBMITTED BY THE NOMINATIONS, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE OF NH HOTEL GROUP, S.A. IN RELATION TO THE RATIFICATION OF DIRECTOR APPOINTMENT AND CHANGE IN CATEGORY TO INDEPENDENT**

This Report is drawn up in compliance with the provisions of article 529 *decies*, paragraph four of Royal Legislative Decree 1/2010, of July 2<sup>nd</sup>, approving the Companies Act (Consolidating Act) for the purpose of justifying the proposal to ratify the appointment by co-optation of Mr. Alfredo Fernandez Agras in the category of “Independent”.

In this regard, the following point is raised:

- On August 13<sup>th</sup>, 2018, this Committee issued a Report favorable to the appointment by co-optation of Mr. Alfredo Fernández Agras in the category of “Other External”, by virtue of the provisions of article 529 *duodecies* of the Companies Act, article 35 of the Company’s Bylaws, and article 9 of the NH Board of Directors Regulations, as the funds managed by Oceanwood held at that date a non-significant stake in the Company. The favorable Report issued by the Nominations, Remunerations and Corporate Governance Committee dated August 13<sup>th</sup>, 2018 is reproduced literally following this Proposal.
- Bearing in mind that, at the date of issuing this Proposal, following conformation by Mr. Fernández Agras that the funds managed by Oceanwood do not have any shareholding whatsoever in NH, the Committee has carried out the pertinent checks based on the public records of the CNMV and the Register of Shareholders of NH Hotel Group, S.A., this Committee proposes to reclassify Mr. Fernández Agras’ directorship category from “Other External” to “Independent”, following the evaluations detailed below:

**Mr. Alfredo Fernández Agras**

**(a) Profile:**

Bachelor in Economic and Business Sciences, as well as in Law from Universidad Pontificia Comillas (ICADE) in 1993. Experienced investment banker currently dedicated to private equity as Founding Partner and Chairman of Everwood Capital. Additionally, he is a member of the boards of directors of several companies. During the last 20+ years, he has worked in several investment banks, having been Managing Director and cohead at 360 Corporate and Managing Director at UBS Investment Bank in Spain. Previously, he worked at Merrill Lynch and Morgan Stanley in London. He has participated in numerous M & A and capital markets operations in southern Europe, especially in relation to listed companies. He previously worked as a mercantilist and tax attorney at Arthur Andersen.

**(b) Evaluation:**

The Nominations, Remuneration and Corporate Governance Committee considers that the qualifications and experience of Mr. Alfredo Fernández Agras show that he has the suitable skills, experience and merits to discharge the post of Director, and therefore complies with the requisites established by article 529 *duodecies* of the Companies Act to be considered Independent, valuing positively the ratification of his appointment as an Independent Director.

April 9<sup>th</sup>, 2019

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**REPORT SUBMITTED BY THE NOMINATIONS, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE OF NH HOTEL GROUP, S.A. IN RELATION TO APPOINTMENT PER COOPTATION OF NON INDEPENDENT DIRECTOR OF THE BOARD OF DIRECTORS OF THE COMPANY**

*This Report is drawn up in compliance with the provisions of article 529 decies, paragraph six of Royal Legislative Decree 1/2010, of 2 July, approving the Companies Act (Consolidating Act) with the purpose of justifying the appointment of Mr Alfredo Fernández Agras as "Other External" Director of the Company. Accordingly, the evaluation by the Nominations, Remuneration and Corporate Governance Committee of Mr Alfredo Fernández Agras as non Independent Director for the purpose of submitting the report to the Board of Directors and whose appointment will need to be ratified by the next Shareholders meeting.*

**MR ALFREDO FERNÁNDEZ AGRAS**

**(a) Description of his profile:**

*Mr Alfredo Fernández Agras obtained a degree in Economics and Business Studies and in Law from the Universidad Pontificia Comillas (ICADE) in 1993.*

*Alfredo Fernández Agras is an experienced investment banker, currently dedicated to investment in private companies and consultancy in corporate finance. He is also a member of the Boards of Directors of several companies, both private and listed. Over the last 20 years, he has worked in several investment banks, having been Managing Director and co-head of 360 Corporate and Managing Director of UBS Investment Bank in Spain. Previously he worked for Merrill Lynch and Morgan Stanley in London. He has participated in numerous M&A and capital market transactions in southern Europe, many of which have been related to listed companies. He previously worked as a commercial and tax lawyer for Arthur Andersen.*

**(b) Evaluation:**

*The Nominations, Remuneration and Corporate Governance Committee considers that the curriculum and business history of Mr. Alfredo Fernández Agras certify that it offers the competencies, experience and merits to perform the position of Director under the qualification of Other External under the provisions of articles 529 Duodecies Law of Companies of Capital, 35 of the Articles of Association and 9 of the Regulations for the Administration of NH, and which, according to Mr. Fernández Agras himself, has expressed in the Security Council of the CNMV, the funds managed by Oceanwood maintains a non-significant participation in the Society.*

*Therefore, the proposal of the Board of Directors is favorably reported.*

13rd August 2018