

REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF NH HOTEL GROUP, S.A., JUSTIFYING THE PROPOSAL REFERRED TO IN ITEM EIGHT OF THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING OF THE COMPANY

I. Introduction

This report is drawn up by the Board of Directors of NH Hotel Group, S.A. (hereinafter “NH” or the “**Company**”) in accordance with article 286 of the Companies Act (Consolidating Act), approved by Royal Legislative Decree 1/2010, of 2nd July, (hereinafter the “Companies Act”), to justify the proposal that will be submitted for the approval of the forthcoming General Shareholders' Meeting of the Company, in relation to the modification of certain articles of the Company's General Shareholder Regulation.

To facilitate understanding of the modifications that are submitted to the General Shareholders' Meeting's consideration, an exposition of the purpose and justification of the modifications to the Company's General Shareholder Regulation as a whole is set out firstly, and then a detail justification is provided for each article that is to be modified.

II. Justification of the amendment of the Company's General Shareholder Regulation proposed under Item Eight of the Agenda:

The proposal for amending the General Shareholder Regulation that is submitted to the General Shareholders' Meeting for consideration seeks to incorporate into the Company's Regulation the necessary adaptations arising as a result of the new Law 5/2021, of 12 April, that amends Corporate Company's Act (“**Law 5/2021**”).

Specifically, the modifications affect the following provision of the Company's General Shareholder Regulation:

Article 5 (“Competences of the General Shareholders Meeting”), article 6 (“Types of General Shareholders Meeting”), article 12 bis (“Online assistance”).

III. Detailed justification of the proposal

Having set out in the preceding section the general foundations of the modification to the Articles of Association that is submitted to the General Meeting for approval, the specific reforms proposed are explained in detail below:

- Proposed modification of article 5 of the General Shareholders' Regulation relating to the competences of General Shareholders Meeting

A new section "t" is introduced to the catalog of matters whose approval is the responsibility of the General Shareholders' Meeting, in order to collect the provisions of the new article 529 duovicies LSC that expressly provides that the competence to

approve related-party transactions whose amount or value is equal to or greater than 10% of the total asset items [...] will correspond to the general shareholders' meeting.

- Proposed modification of article 6 of the General Shareholders' Regulation relating to types of General Shareholders' Meetings

The proposed modification of the reference article is aimed at adapting its content to articles 182 and 182 bis LSC, modified, the first, and introduced, the second, by Law 5/2021, in order to cover the possibility of hold General Meetings, exclusively online.

- Proposed inclusion of a new article 12 bis of the General Shareholders' Regulation relating to online assistance

The Board of Directors submits for the approval of the General Meeting the inclusion of a new article 12 bis, in order to cover telematic assistance and thus collect the provisions of articles 182 and 182 bis LSC.

By virtue of the foregoing, the articles of the Board Regulations that are the subject of the aforementioned proposal would be drafted as follows:

“Article 5. Competence of the General Shareholders' Meeting.

The General Meeting shall be competent to deliberate and pass resolutions on all matters on which competence is attributed to it by law or by the Articles of Association and, in general, on all matters which, within its legal area of competence, are submitted to it at the request of the Board of Directors and of the shareholders in the cases and in the manner established by law and by the Articles of Association.

It is the competence of the General Meeting to deliberate and resolve, among others, on the following matters:

- a) The approval of the annual accounts, the application of the result and the approval of the corporate management.
- b) The appointment and removal of directors, and the ratification or revocation of provisional appointments of such directors by the Board by co-optation.
- c) Authorization to release the Directors from the prohibitions contained in article 229 of Royal Legislative Decree 1/2010, of 2nd July, approving the Companies Act (Consolidating Act) and in the terms established in article 230 of the same Act.
- d) The examination and approval of the management by the directors.
- e) The appointment and removal of liquidators and, as the case may be, of accounts auditors.
- f) Exercising the corporate liability action against directors and liquidators.

- g) Modification of the Articles of Association.
- h) Capital increase and decrease, and the granting of authorization to the Board of Directors to increase share capital in accordance with the provisions of law and these Articles of Association.
- i) The suppression or limitation of the preferential and pre-emption right.
- j) The transformation, merger, de-merger or global assignment of assets and liabilities and the transfer of the registered office to a foreign country.
- k) The dissolution of the company.
- l) The approval of the final liquidation balance sheet.
- m) The approval of operations the effect of which is equivalent to the liquidation of the company.
- n) The issue of convertible debentures or debentures that grant the debenture-holders a share in the corporate profits and the delegation on the Board of Directors of the faculty to issue them.
- o) The authorization of the acquisition of own shares.
- p) The approval and modification of the General Shareholders' Meeting Regulations.
- q) The acquisition, disposal or contribution to another company of essential assets. Assets are presumed to be essential when the amount of the operation exceeds 25% of the values of the assets stated on the last approved balance sheet.
- r) The transfer to subsidiaries of essential activities carried on until that time by the company, even though it retains full ownership of the subsidiaries.
- s) The directors' remuneration policy in the terms established in these Articles of Association and applicable legal provisions.
- t) The approval of related transaction with an amount equally or exceeding 10% of the assets of the Company.
- u) The decision on any matters submitted to it by the Board of Directors or by shareholders representing at least three per cent of the share capital.
- v) Any other matters determined by law or the Articles of Association."

"Article 6. Types of General Meetings.

1. General Shareholders' Meetings may be ordinary or extraordinary.

2. The Ordinary General Meeting is that which must be held within the first six months of each year in order to approve the corporate management, approve, as the case may be, the accounts for the previous year and resolve on the application of the result for the year. It may also pass resolutions on any other matter that is the competence of the General Meeting, provided that it is included in the agenda and that shareholders representing the percentage of capital required by law or by the Company's Articles of Association are in attendance.

3. An Extraordinary General Meeting is any meeting that that is not as provided for in the preceding paragraph.

4. Ordinary General Meetings shall be valid even if convened or held outside the established term.

5. The General Meetings, both ordinary and extraordinary, may be held partially or exclusively electronically, as long as the requirements set forth in the legal and statutory provisions, these Regulations of the Meeting and the text of the corresponding call are met.”

“Article 12 bis. Online assistance

1. Following the authorization expressly provided for in the Company Bylaws, shareholders with the right to attend may attend the Meeting by telematic means, which duly guarantee the identity of the subject, describing in the call the terms, forms and modes of exercise of the rights of the shareholders foreseen by the Directors to allow the orderly development of the Meeting. In particular, the Directors may determine that the interventions and proposals for resolutions that those who will attend by telematic means intend to formulate, be sent to the company prior to the time the meeting is constituted. Responses to shareholders who exercise their right to information during the Meeting will be produced in writing during the seven days following the end of the Meeting.

2. In addition to the provisions of the preceding paragraph, and in accordance with the provisions of the Company Bylaws, the calling of meetings without physical attendance of the shareholders or their representatives is authorized. The exclusively telematic meetings will be subject to the general rules applicable to face-to-face meetings, adapted where appropriate to the specialties that derive from their nature.

3. The holding of the meeting exclusively telematic will be subject in any case to the identity and legitimacy of the shareholders and their representatives being duly guaranteed and that all attendees can effectively participate in the meeting through appropriate remote means of communication, as audio or video, complemented with the possibility of written messages during the course of the meeting, both to exercise in real time the rights of speech, information, proposal and vote that correspond to them, as well as to follow the interventions of the other attendees by the indicated means. To this end, the Directors must implement the necessary measures in accordance with the state of the art and the circumstances of the company.

4. The announcement of the call will inform about the procedures and procedures to be followed for the registration and formation of the list of attendees, for the exercise by these of their rights and for the adequate reflection in the minutes of the development of the meeting. Attendance may not be subject in any case to the completion of the registration more than one hour before the scheduled start of the meeting.

5. Responses to shareholders or their representatives who exercise their right to information during the meeting will be governed by the provisions of the first paragraph.

6. The exclusively telematic meeting will be considered held at the registered office regardless of where the Chairman of the Meeting is.”