



## **REPORT ON THE SPECIAL ISSUES TO BE SUBMITTED TO THE GENERAL MEETING THAT REQUIRED IT**

In order to comply with the provisions of articles 286 and 518 of the Capital Companies Act, the following report is approved in relation to item 9 on the agenda of the general meeting convened at this meeting:

### **1.- REPORT OF THE BOARD OF DIRECTORS IN RELATION TO THE RESOLUTION TO AUTHORISE THE COMPANY TO ACQUIRE ITS OWN SHARES AND, IF APPROPRIATE, TO REDUCE THE SHARE CAPITAL, WHICH IS SUBMITTED AS ITEM NINE ON THE AGENDA TO THE ORDINARY AND EXTRAORDINARY GENERAL MEETING CALLED FOR 20 AND 21 JUNE 2022.**

In relation to item 9 on the Agenda of the Ordinary and Extraordinary General Meeting called for 20 and 21 June 2022, and in compliance with the provisions of article 286 of the Capital Companies Act, the Board of Directors hereby states the following:

Articles 146 et seq. of the Capital Companies Act allow Spanish public limited companies to hold shares issued by the company itself, either directly or through subsidiaries, provided they comply with the requirements established therein.

Once the derivative acquisition of own shares has been carried out, several mechanisms can be used to reduce or eliminate such own shares. In particular, it can be decided to redeem the acquired shares or to sell the treasury shares on the market. However, the decision to use one or the other procedure has to take account of market conditions, which may at a given moment be unfavourable to direct disposal on the market.

In view of the impossibility of establishing in advance the appropriateness of using a certain procedure, and given the lack of elements of judgement that would allow a decision to be taken at this stage concerning the method that will, in due course, be most suitable, it is considered appropriate to delegate to the Board of Directors the power to assess and decide these questions when they arise.

In the event of the redemption of treasury shares, this would require the adoption of a resolution by the General Meeting to reduce the share capital. However, since the appropriateness and timeliness of this operation will depend on changing circumstances influencing the stock market (the socio-economic context, the financial situation and the objectives and policies of the company itself), and it is therefore not possible to determine the specific conditions at this stage, the resolution to reduce capital must be conceived with broad criteria,

delegating to the Board of Directors a series of powers in order to make this possible, including the determination of the amount of the reduction and whether it is to be allocated to the restricted reserve provided for in Article 335. c) of the Capital Companies Act, or to a freely distributable reserve, in which case the legal requirements must be met to guarantee creditors.

Finally, it should be noted that this resolution is intended to provide the company with a suitable instrument to operate in national and international financial markets on equal terms with other entities operating in those markets.

Consequently, the following resolution is submitted for the approval of the General Meeting:

1. For the purposes of Article 146 of the Capital Companies Act, authorise derivative acquisition of shares in the Company by sale and purchase and subject to the terms required by the provisions applicable in this case, up to the maximum limit permitted by Law in each moment. The authorisation extends to any acquisitions conducted within the stated limit by subsidiary companies of Corporación Financiera Alba, S.A., and application of shares acquired by virtue of this authorisation and authorisations prior to execution of the Plans for the Remuneration of Executive Directors, Executive Managers and Employees, comprising the handover of shares, even as alternative remuneration to monetary remuneration, or otherwise share options.
2. The acquisition price will be that corresponding to the Stock Market price on the date when it is performed or, where applicable, authorised by the stock market body.
3. This authorisation will remain in place for five years from the date when this resolution is passed.
4. Reduce the share capital for the amortisation of any treasury shares that the Company might hold on its Balance Sheet, charged to the amount of share capital for the par value of the shares amortised, and charged to profits or available reserves with regard to the remainder up to the amount paid for the acquisition thereof, for the amount that would be desirable or necessary at this time, and up to a maximum of the treasury shares in existence at this moment.
5. Delegate to the Board Directors the execution of the above capital reduction resolution, said body being entitled to perform this on one or more occasions within a maximum period of eighteen months from the date when this General Meeting is held, performing all procedures, administrative acts and authorisations that might be required or imposed by the Capital Companies Act and other applicable provisions, specifically being delegated powers, within the deadline and limits indicated for the execution thereof, to establish the date or dates of the specific capital reduction or reductions, the suitability and desirability thereof, taking into account market conditions, the share price, the

economic and financial situation of the Company, its cash flow, reserves and the evolution of the enterprise, and any other aspect that might influence this decision; specify the amount of the capital reduction; establish the allocation of the amount of the reduction, either to an unavailable reserve, or otherwise to freely available reserves, with the relevant guarantees being provided, and the legally imposed requirements fulfilled; adapt Article 5 of the Corporate Bylaws to reflect the new amount of share capital; request delisting of the amortised securities, and in general pass any resolutions that might be required for the purposes of said amortisation and the corresponding capital reduction, appointing those persons entitled to act in the formalisation thereof.

6. Repeal the authorisation granted by the General Shareholders' Meeting held on 21 June 2021 for the acquisition of treasury stock within the limits and requirements established in the Capital Companies Act, and, where applicable, to reduce the share capital.

Madrid, 9 May 2022