



**PROPOSED RESOLUTIONS FOR THE GENERAL SHAREHOLDERS'  
MEETING OF APPLUS SERVICES, S.A. CONVENED FOR 7 AND 8 JUNE 2023  
ON FIRST AND SECOND CALL, RESPECTIVELY.**

## **RESOLUTION REGARDING ITEM FIRST OF THE AGENDA**

**Review and approval of the Individual Annual Accounts and Management Report of Applus, as well as the Consolidated Annual Accounts and the Consolidated Management Report of Applus and its subsidiaries, for the financial year ended on 31 December 2022**

To approve the Individual Financial Statements of the Company (statement of financial position, statement of profit or loss, statement of changes in equity, statement of cash-flows and notes) and Applus' Management Report for the financial year ended on 31 December 2022, as well as the Consolidated Financial Statements of the Company and of its subsidiaries (consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity, consolidated statement of comprehensive income, consolidated statement of cash-flows and consolidated notes) and Applus' Consolidated Management Report for the financial year ended on 31 December 2022, which were drawn-up by the Board of Directors at its meeting held on 23 February 2023 following the format and labelling requirements set out in Delegated Regulation (EU) 2019/815, and duly reviewed by the auditor of the Company.

**RESOLUTION REGARDING ITEM SECOND OF THE AGENDA**

**Review and approval of the consolidated non-financial information statement for the financial year ended on 31 December 2022**

To approve the consolidated non-financial information statement included in Applus' Consolidated Management Report for the financial year ended on 31 December 2022.

**RESOLUTION REGARDING ITEM THIRD OF THE AGENDA**

**Approval of the proposed allocation of Applus' profits of the financial year ended on 31 December 2022**

To approve the following allocation of the result of the financial year ended on 31 December 2022, as proposed by the Board of Directors at its meeting held on 23 February 2023:

<b>BASIS OF ALLOCATION</b>	<b>Euros (thousands)</b>
Profit for the year 2022	22,581
<b>TOTAL</b>	<b>22,581</b>
<b>DISTRIBUTION</b>	<b>Euros (thousands)</b>
To dividends (€0.16 gross per share)	21,739
To unrestricted voluntary reserves	842
<b>TOTAL</b>	<b>22,581</b>

The dividend of 21,739 thousand euros corresponds to the total amount to be paid out, resulting from multiplying the proposed amount per share (0.16 euros) by the number of shares into which the Company's share capital is divided at the closing date of the financial year. The amount to be finally paid to each shareholder will depend on the outstanding shares (excluding treasury shares) that are entitled to receive it on the date on which the corresponding payment is made.

The payment of the aforementioned dividend will be made on 6 July 2023, through the entities participating in *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear)*.

The Board of Directors is hereby empowered, with express power of substitution, to appoint the entity that shall act as paying agent and to carry out any other actions necessary or convenient for the successful distribution of this dividend.

**RESOLUTION REGARDING ITEM FOURTH OF THE AGENDA**

**Approval of the management and performance of the Board of Directors of Applus during the financial year ended on 31 December 2022**

To approve the performance and the management of the Board of Directors of Applus during the financial year ended on 31 December 2022.

**RESOLUTION REGARDING ITEM FIFTH OF THE AGENDA**

**Re-election of Deloitte, S.L. as external auditor of the Company and of its consolidated group for the financial year 2023**

At the proposal of the Audit Committee, to re-elect Deloitte, S.L., with registered offices in Madrid, Plaza Pablo Ruiz Picasso, 1, (Torre Picasso), 28020, and Spanish tax identification number (N.I.F.) B-79104469, registered with the Madrid Commercial Registry, at Volume 13,650, Sheet 188, Section 8, Page M-54414, and with the Official Register of Spanish Auditors (*Registro Oficial de Auditores de Cuentas de España - ROAC*) under number S-0692, as external auditor of the Company and of its consolidated group for the financial year ending on 31 December 2023.

**RESOLUTION REGARDING ITEM SIXTH OF THE AGENDA**

**Appointment of PricewaterhouseCoopers Auditores, S.L. as external auditor of the Company and of its consolidated group for the financial years 2024, 2025 and 2026**

At the proposal of the Audit Committee, to appoint as external auditor of the Company and of its consolidated group for the financial years ending on 31 December 2024, 2025 and 2026, the company PricewaterhouseCoopers Auditores, S.L., with registered offices in Madrid, Paseo de la Castellana 259 B (Torre PwC), 28046 and with Spanish tax identification number (N.I.F.) B-79031290, registered with the Madrid Commercial Registry, at Volume 9,267, Sheet 75, Page M-87250, and with the Official Register of Spanish Auditors (*Registro Oficial de Auditores de Cuentas de España - ROAC*) under number S-0242.

**RESOLUTION REGARDING ITEM SEVENTH OF THE AGENDA**

**Re-election of members of the Board of Directors.**

**1. Re-election of Mr. Joan Amigó i Casas as Executive Director**

To approve the re-election of Mr. Joan Amigó i Casas (whose personal particulars are recorded in the Commercial Registry) as Executive Director, for a term of four years, following a favourable report of the Appointments and Compensation Committee.

**2. Re-election of Mrs. Essimari Kairisto as Independent Director**

To approve the re-election of Mrs. Essimari Kairisto (whose personal particulars are recorded in the Commercial Registry) as Independent Director, for a term of four years, at the proposal of the Appointments and Compensation Committee.

**3. Re-election of Mrs. Maria José Esteruelas Aguirre as Independent Director**

To approve the re-election of Mrs. Maria José Esteruelas Aguirre (whose personal particulars are recorded in the Commercial Registry) as Independent Director, for a term of four years, at the proposal of the Appointments and Compensation Committee.



**RESOLUTION REGARDING ITEM EIGHTH OF THE AGENDA**

**Advisory vote regarding the 2022 Directors' Remuneration Annual Report**

To approve, by an advisory vote, the Directors' Remuneration Annual Report corresponding to financial year 2022, which was approved by the Board of Directors of the Company on 23 February 2023, at the proposal of the Appointments and Compensation Committee.

**RESOLUTION REGARDING ITEM NINTH OF THE AGENDA**

**Amendment of the Remuneration Policy of the Directors of the Company**

To approve, pursuant to the provisions of section 529 novodecies of the Spanish Companies Act, the amendment of the Directors' Remuneration Policy currently in force which is detailed in the mandatory report of the Appointments and Compensation Committee made available to the shareholders as from the call of this General Shareholders' Meeting.

The amended version of the aforementioned Directors' Remuneration Policy is attached to this resolution.

## **ANNEX TO RESOLUTION REGARDING ITEM NINTH OF THE AGENDA**

### **Amended version of the Directors' Remuneration Policy**

#### **1. Duration of the policy**

This Remuneration Policy shall be applicable during financial years 2022, 2023 and 2024, unless the General Shareholders' Meeting of Applus resolves to amend or replace it during such period, all in accordance with the provisions of article 529 novodecies of the Spanish Companies Act.

#### **2. Principles and grounds**

The principles and grounds of the directors' Remuneration Policy of Applus, in their capacity as Board members and for the performance of executive duties, focus on a remuneration based on market practices, capable of attracting, retaining and motivating the necessary talent in accordance with the characteristics of its industry and of the countries in which the Company operates, in order to satisfy its business strategy and to meet shareholders' expectations.

Likewise, according to article 27.2 of the Board of Directors Regulation of the Company, independent directors shall be eligible for remuneration as a reward for the dedication, qualification and responsibility that the office demands, however, this remuneration should not reach a level which compromises their independence.

In any case, the directors' remuneration provided for in this Remuneration Policy will be reasonably proportionate to the importance of the Company, the economic situation and the market standards of comparable companies.

A significant portion of the remuneration of the Executive Director is linked to the achievement of results that reflect the Group's strategic priorities. Long-term sustainability is a strategic priority for Applus Board, so this Policy links the Executive Director's annual bonus and long-term incentives to ESG targets. This Policy also links the Executive Director's annual bonus with the adjusted operating profit and adjusted operating cash flow, therefore reflecting the strategic priorities for the Company relating to its operating profitability and cash flow generation. Moreover, this Policy also links the Executive Director's regular LTI with the total shareholder return, earnings per share, return on capital employed and ESG, therefore reflecting the Company's long-term strategic priorities relative to sustainable shareholder value creation, whilst the 2022 – 2024 Strategic Plan LTI is weighted towards total shareholder return and the Earnings Per Share growth goals embedded within the Strategic Plan.

In setting the Remuneration Policy, the conditions of remuneration and employment of the Company's employees have been taken into account, specifically (i) the structure and metrics of the remuneration system and (ii) the structure of benefits and pension plans is the same as that existing for the Company's executives in Spain.

Furthermore, the remuneration system is oriented towards the promotion, in the long-term, of the profitability, interests and sustainability of the Company and it incorporates the necessary checks and balances to avoid an excessive assumption of risks and the reward of unfavorable results. In particular, recovery provisions apply to all variable remuneration, as detailed below.

This Policy has been approved by the Board of Directors after being submitted and informed by the Appointments and Compensation Committee.

### **3. Remuneration for non-executive directors, in their condition as such**

The office of director of the Company is remunerated. In general, such remuneration comprises a fixed annual amount, as follows:

The amount of the maximum annual remuneration payable by the Company to the Board of Directors as a whole, in their capacity as Board members (as fixed amount), was set by the General Shareholders' Meeting held on 30 May 2019 at EUR 1,500,000, and will remain in form until amended by the General Shareholders' Meeting.

Unless otherwise determined by the General Shareholders' Meeting, the Board of Directors will determine the exact amount payable within the limit approved by the General Shareholders' Meeting, as well as the specific remuneration for each director, in his/her condition as Board member (as fixed amount), taking into account the functions and responsibilities attributed to each director, time commitment required and with reference to appropriate market conditions.

Notwithstanding the above, proprietary and executive directors shall not receive any remuneration for sitting on the Board of Directors or any other committee of the Board of Directors.

The Board has determined that the fixed annual remuneration for the Directors for 2023, in their capacity as Board members (as fixed amount) is:

Compensation as Chairman of the Board: EUR 275,000.

Compensation as Director (with the exception of the Chairman of the Board): EUR 66,000.

Compensation as Head of a Committee: EUR 30,000.

Compensation as member of a Committee: EUR 20,000.

In addition, directors will be reimbursed for travel, accommodation and any other expenses incurred due to attendance to Board of Directors and Committees meetings, as long as they are duly justified.

The Company has entered into a civil liability insurance policy for its directors on market conditions.

#### **4. Executive Director’s remuneration for the performance of executive duties**

Mr. Joan Amigó i Casas (the “**Executive Director**”) is currently the only member of the Board of Directors performing executive functions in the Company.

The proposal of compensation (fixed remuneration, annual bonus, benefits in kind and long term incentives) for the Executive Director in this Policy has been analyzed by the Appointments and Compensation Committee and approved by the Board of Directors.

##### **4.1. Fixed remuneration**

The fixed remuneration to be paid to the Executive Director amounts to EUR 600,000.

Furthermore, the Executive Director of the Company shall receive other benefits as remuneration in kind, at a maximum cost equal to 15% of the fixed remuneration in cash. This percentage of the base salary as remuneration in kind is in line with the policy in place for Senior Managers. In addition, the Company will annually contribute to the Executive Director’s pension scheme an amount equal to the difference between the referred 15% of the fixed remuneration and the cost of the actual benefits received by the Executive Director in said year. The Executive Director will decide every year the amount to be used for each benefit, keeping always the maximum cost equal to 15% of the fixed remuneration in cash

The Executive Director can also decide every year if he wants a reduction in his fixed salary to have this same amount invested in a pension scheme, an option also available for Senior Managers.

For the sake of clarity, the policy regarding pension plans is based on the practice of each of the countries/businesses. The pension plan policy for the Executive Director is aligned with the company practice for managers in Spain, where the Executive Director is located.

During the term of this Remuneration Policy, the annual fixed remuneration amount for the Executive Director may be increased according to the level of the Consumer Price Index in Spain or any other index which may substitute it in the future, unless the Board of Directors decides not to apply this increase.

##### **4.2 Variable remuneration**

The variable remuneration for the Executive Director comprises the following: (i) a variable annual amount paid in a mix of cash and restricted stock units (“**RSUs**”), linked to achieving targets; and (ii) long term incentive plans, payable by means of the award of performance stock units (“**PSUs**”) and also linked to achieving targets.

###### **(i) Variable annual remuneration**

The Executive Director’s variable annual remuneration will be linked to achieving targets (55% based on the Group’s adjusted operating profit – AOP – and 30% based on its adjusted operating cash flow – AOCF – and 15% based on four ESG targets).

The AOP, AOCF and ESG targets and results will be disclosed ex post annually at the Annual Report on the Remuneration of the Directors to avoid sharing in advance strategic confidential information.

The amount of this remuneration item of the Executive Director will be calculated as follows:

The target base amount of the variable remuneration, which is established as 80% of the fixed remuneration, will be increased by 2% for every increment of 1% achieved in excess of the targets, up to a maximum of 150% of the variable base target (each target can achieve a 200% payout). On the other hand, the variable remuneration will be reduced by 5% for every decrease of 1% achieved on the targets. Same policy as for Senior Managers.

62.5% of the variable remuneration to be received shall be paid in cash and the remaining 37.5% through the delivery of RSUs. Same policy as for Senior Managers.

The basis for the calculation of the number of RSUs to be delivered to the Executive Director will be the average market value of Applus shares during the sixty days prior to the granting of the RSUs.

The RSUs will be delivered every year on the date of approval by the Board of Directors of Applus' annual results and the amount of the evaluation of the Executive Director's annual variable remuneration.

Each RSU will vest into one share, and 30%, 30%, and 40% of the RSUs will vest after one, two and three years from the date they were delivered, respectively, subject to continuous employment on the vesting date.

If the termination of the Participant's service is due to any of the following events: (i) mortis causa, (ii) permanent disability, (iii) good leaver (understanding as such the event of (a) retirement; (b) the Participant's office or employment being with either a company which ceases to be a member of the Applus Group or relating to a business or part of a business which is transferred to a person who is not a member of the Applus Group; and (c) any whatsoever termination carried out by the Company except in the event of a disciplinary dismissal classified as fair by a court in a definitive judgement or not challenged by the Participant); or (iv) change of control (understanding as such the event of (A) a merger, consolidation, acquisition or other transaction as a result of which securities possessing more than 50% of the total combined voting power of the Company's outstanding securities are transferred to a person or persons different from the persons holding those securities immediately prior to such transaction; (B) the sale, transfer or other disposition of all or substantially all of the Company's assets in complete liquidation or dissolution of the Company; or (C) the acquisition by a third party (individual or legal entity), either individually or jointly with others which act in a coordinated way, of a control stake of the Company in accordance with what is set forth in article 4 of Royal Decree 1066/2007, 27 July, on the initial public offerings regime as amended from time to time), then all RSUs granted pursuant to the RSU plan that have not vested on the date the event takes effect shall be automatically vested on the date the event takes effect. The settlement of the vested RSUs in the event of a change of control will be made in cash on the date of the change of control event.

If accredited inaccuracies in the information upon which the cash bonus and the RSUs were granted are reported by an accredited auditor and approved by the Board of Directors, the Company shall be entitled, for a period of three years following the payment of the cash bonus and the award of the RSUs, or the vesting of the RSUs, respectively, to claim the refund of the net (of any withholding taxes or fees) amount of cash bonus, net amount of RSUs, and net amount of shares pursuant to a vesting of RSUs, as applicable, which has been effectively received by the Executive Director due to those inaccuracies.

The Board of Directors, prior a favorable proposal from the Appointments and Compensation Committee, has the discretion to increase the result of the mathematical calculation of the annual variable compensation of the Executive Director if (i) the mathematical pay-out is not considered to be a fair reflection of the underlying performance of the business (ii) the increase will be for a maximum amount of 50% of the target base (in cash and RSUs), and (iii) the final total amount of the annual variable compensation, after the increase if any, will not exceed the target base (in cash and RSUs). This decision shall be made public ex post annually at the Annual Report on the Remuneration of the Directors.

(ii) Long term incentive plans

The Remuneration Policy includes a regular long-term incentive plan (“**Regular LTI**”) and a one-off special long-term incentive plan to align with the delivery of the Strategic Plan (“**2022-2024 Strategic Plan LTI**”).

**Regular LTI**

The Regular LTI was approved in 2016, and has operated since then. It provides for the annual grant of PSUs to the Executive Director, each one exchangeable for one share of the Company in accordance with the vesting schedule referred to below.

The Executive Director will annually receive PSUs equal to 90 % of his fixed remuneration.

However, depending on the degree of achievement of the parameters set forth below, such amounts may finally fluctuate as set forth below. The number of PSUs that will be vested will have a value between 0% and 150% of the number of PSUs target, depending on the degree of compliance with the targets. Each target of the LTI can represent a value between 0% and 200% of the evaluation.

The value of each PSU will be equivalent to the average quoted value of a share in the Company during the sixty days prior to the granting of the PSUs.

The PSUs will be granted every year on the date of approval by the Board of Directors of Applus’ annual results. The number of PSUs to be delivered to the Executive Director may be adjusted over the course of the year if his fixed remuneration is modified. Notwithstanding the latter, the day of delivery of the additional PSUs shall be considered as the date of approval of the corresponding annual results.

The PSUs awarded in each year shall be vested into shares after a three-year period as from the day they were awarded provided that certain parameters, as set out below, are met. The number of PSUs that will be vested will have a value between 0% and 150% of the LTI target of the Executive Director, depending on the degree of compliance with such parameters during the three years prior to the vesting, so as to ensure that the vesting reflects the professional performance of the Executive Director during each three-year period.

In particular, the vesting of PSUs will be based on the following quantitative parameters:

- a) Total Shareholder Return, representing 30% of the PSUs under award. A target based on relative total shareholder return (“**TSR**”) over a three-year period, where the Company’s TSR will be compared with an unweighted index composed of a group of eight peer companies within the testing, inspection and certification industry (SGS, Bureau Veritas, Intertek, Eurofins Scientific, Core Laboratories, ALS, Team Industrial Services, Mistras).

The Board of Directors can modify the group of companies to be used for a LTI, if the changes are decided and disclosed before the LTI award.

The index is the result of calculating the annualized TSR of the media TSR of the eight peer companies.

Under this element, 50% of PSUs will be vested should the Applus annualized TSR performance be equal to the index and 200% of PSUs will be vested should the Applus annualized TSR performance be 5% greater on an annual cumulative basis than the index. Between the index and the TSR value that gives right to vest 200% of PSUs, there will be a straight line vesting between such two values. As a result, 100% of PSUs will be vested should the Applus annualized TSR performance be 1.67% greater than the index.

If the TSR performance is below the index, no PSUs will vest for this parameter. The maximum number of PSUs that will be vested will be 200% of the target PSUs.

The evaluation of the TSR is done by an external firm which submits a report to the Appointments and Compensation Committee. Every year the name of this firm will be disclosed at the Annual Report on the Remuneration of Directors.

- b) Earnings Per Share, representing 50% of the PSUs. A target regarding adjusted earnings per share (“**EPS**”) cumulated within a three-year period.

Each year, the Board of Directors will set specific thresholds for this EPS target at which PSUs will be vested. The maximum number of PSUs that will be vested will be 200% of the target PSUs .



If the EPS performance is below the specific threshold that gives right to vest 50% PSUs, no PSUs will vest for this parameter.

- c) Return on Capital Employed, representing 10% of the PSUs. A target regarding the average Return on Capital Employed ("**ROCE**") of the three-year period.

The Board of Directors will set specific thresholds for this ROCE target at which PSUs will be vested. The maximum number of PSUs that will be vested will be 200% of the target PSUs.

If the ROCE performance is below the specific threshold that gives right to vest 50% PSUs, no PSUs will vest for this parameter.

- d) ESG, representing 10% of the PSUs. A target regarding four ESG targets to be achieved in the three-year period.

The maximum number of PSUs that will be vested will be 200% of the target PSUs. If the performance is below the specific threshold that gives right to vest 50% PSUs, no PSUs will vest for this parameter.

ESG targets and results are calculated considering perimeter at January 1 of the first year of each three-year period. Acquisitions will not be included. However, we are committed to implement our Group policies in the new acquisitions, so they will be included in the target/metrics for the following LTI.

The ESG targets will be disclosed ex post in the Annual Report on the Remuneration of Directors.

### **New 2022 – 2024 Strategic Plan LTI**

The new 2022-2024 Strategic Plan LTI has been designed to cover the three financial years commencing in 2022 and ending in 2024. This Plan is proposed to provide a clear and meaningful incentive to the Executive Director, directly promoting the compliance of the Strategic Plan and aligning to the delivery of strong, sustainable growth for the shareholders.

Under the new 2022-2024 Strategic Plan LTI the Executive Director will receive a target number of PSUs equal to 1,200,000 EUR divided by the value of the shares used in 2022 when the 2022-2024 Strategic Plan LTI was awarded to the rest of the senior management team. The PSUs will be granted to the Executive Director immediately after the approval by the General Shareholders' meeting of this Policy.

However, depending on the degree of achievement of the parameters set forth below, such amounts may finally fluctuate as further indicated. The number of PSUs that will

be ultimately vested will have a value between 0% and 200% of the target number of PSUs, depending on the degree of compliance with the targets during the vesting period, to ensure that the vesting reflects the professional performance of the Executive Director during each period. Each target of the LTI can also lead to a pay-out of between 0% and 200%.

The vesting of PSUs will be based on the two following performance conditions:

- a) A target based on the Group's relative Total Shareholder Return measured over the three years that comprises the vesting period of the 2022 regular LTI.

This parameter will represent 50% of the total PSUs granted under the 2022 – 2024 Strategic Plan LTI.

The same rules shall apply as those used for the evaluation of the TSR in the Regular LTI.

- b) A target based on the Group's adjusted earnings per share ("EPS<sup>1</sup>") accumulated during the three years that comprises the vesting period of the 2022 regular LTI.

This parameter will represent 50% of the total PSUs granted under the 2022 – 2024 Strategic Plan LTI.

The Board of Directors has already set specific thresholds for this EPS target at which PSUs will be vested. The maximum number of PSUs that will be vested will be 200% of the target PSUs.

If the EPS performance is below the specific threshold that gives right to vest 50% PSUs, no PSUs will vest for this parameter. The Board of Directors, acting fairly and reasonably, retains the discretion to review the formulaic pay-out under each tranche in the event that it considers that the formulaic out-turn is not a true reflection of the underlying performance of the Company. This discretion may be exercised both to increase or decrease the level of award. Any increase may only be exercised up to the target level of award for the relevant tranche.

The Executive Director shall be required to hold any shares vesting under the 2022 – 2024 Strategic Plan LTI for a period of at least two years following the vesting date, except in the case of an accelerated vesting due to change of control event.

The targets and the evaluation of these will be disclosed ex-post in the Annual Report on the Remuneration of Directors.

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<sup>1</sup> EPS: defined as earnings in the period divided by the number of shares at the end of each period (December 31st). In case that the EPS of potential divestments done in 2023 and 2024 exceed the EPS of acquisitions of the same period, the EPS target will be adjusted.

The general terms of the Regular LTI and the 2022-2024 Strategic Plan LTI are identical, which are as follows.

If the Participant ceases in his contractual link with the Group by reason of any of the following events: (i) mortis causa; (ii) permanent disability; (iii) retirement; (iv) the Participant's office or employment being with either a company which ceases to be a member of the Applus Group or relating to a business or part of a business which is transferred to a person who is not a member of the Applus Group; (v) any whatsoever termination carried out by the Company except in the event of a disciplinary dismissal classified as fair by a court in a definitive judgement or not challenged by the Participant; then the Appointments and Compensation Committee shall determine the number of vested shares through the following steps: (a) the performance conditions will be considered to have been achieved at 100%; and (b) applying a pro rata reduction to the number of shares determined based on the period of time after the grant date and ending on the date of cessation relative to the period of 3 years.

Moreover, in the event of a change of control (understanding as such the event of (i) a merger, consolidation, acquisition or other transaction as a result of which securities possessing more than 50% of the total combined voting power of the Company's outstanding securities are transferred to a person or persons different from the persons holding those securities immediately prior to such transaction; (ii) the sale, transfer or other disposition of all or substantially all of the Company's assets in complete liquidation or dissolution of the Company; or (iii) the acquisition by a third party (individual or legal entity), either individually or jointly with others which act in a coordinated way, of a control stake of the Company in accordance with what is set forth in article 4 of Royal Decree 1066/2007, 27 July, on the initial public offerings regime as amended from time to time), then the Appointments and Compensation Committee shall notify the Participant as soon as practicable from becoming aware of that event or a proposed event that all PSUs will be automatically vested on the date of such event, if they had not been vested yet. The settlement of the vested PSUs in the event of a change of control will be made in cash on the date of the change of control event.

PSUs to be vested will not be reduced in any proportion to the time elapsed since the grant date, and the performance conditions will be considered to have been achieved at 100%. If the Participant ceases to be a director or employee of the Group concurrently with a change of control event, then the change of control rule shall prevail.

If accredited inaccuracies in the information upon which the PSUs or the shares pursuant to a vesting of PSUs were granted are reported by an accredited auditor and approved by the Board of Directors, the Company shall be entitled, for a period of three years following the award of the PSUs or the vesting of the PSUs, respectively, to claim the refund of the net (of any withholding taxes or fees) amount of PSUs and net amount of shares pursuant to a vesting of PSUs, as applicable, which has been effectively received by the Executive Director because of those inaccuracies.

### 4.3. Main terms and conditions of the Executive Director's contract

The essential terms and conditions of the Executive Director's contracts are, apart from those relating to their remuneration, the following:

- (i) Duration: the Executive Director's contracts is of indefinite term, but it can be terminated by any reason at any moment without any severance payment. The reason for this is that the legal amount to be paid for termination, if any, will be discounted from the non-compete payment keeping this agreement fully enforceable. This clause has been agreed in the non-compete provisions between the company and the Executive Director.
- (ii) Exclusivity: while he performs executive duties, the Executive Director may not hold any direct or indirect interest in any other business or activity which may represent a conflict of interests in relation to the Company's obligations and liabilities or in relation to its activity and that of the Applus Group.
- (iii) Termination: the Executive Director's contract may be terminated, at any moment, at the request of the Executive Director or the Company, provided that it is notified in writing to the other party. Six months' advance notice must be provided. If the Executive Director or the Company fully or partially breaches the advance notice obligation, the other party would be entitled to an indemnity equal to the fixed remuneration of the Executive Director relating to the duration of the breached advance notice period.

If the contract is terminated, the Executive Director will only be entitled, as appropriate, to the severance payments set out in the Spanish applicable Law. Any amounts paid will be deducted from the compensation for the post-contractual non-competition agreement explained below.

- (iv) Post-contractual non-competition agreement: the Executive Director shall not compete against the Company or any Applus Group company.

The non-competition commitment assumed by the Executive Director shall have a duration of two years following the termination of his contract. Competition shall be understood as the provision of any kind of services, on his own behalf or on behalf of a third party, whether it entails executive duties or mere advisory duties, or the direct or indirect promotion of the incorporation of companies and entities that will develop a competing business, as well as equity stake in these companies or entities. For these purposes, a competing business shall be deemed as any activity that, at the time of termination of the executive director's contract, is being developed by any company belonging to the Applus Group in a certain territory or it is scheduled to start being developed in a certain territory within the 12 months following the termination of the Executive Director's contract. Likewise, the Executive Director will not recruit or participate in the recruitment (for himself or for the entity which he represents or in which he performs his activities) of employees who, at the date of termination of his

contract or in the preceding twelve months, form part or have formed part of the Applus Group's workforce.

As consideration, upon such termination (whether at the request of the Executive Director's or the Company), the Executive Director's shall be entitled to receive an amount equal to the double of the fixed annual remuneration received in cash in the last year prior to the termination of the contract, that will be paid for the 24-month period following such termination by means of 24 equal installments. The referred amount shall be reduced by the sum that, as the case may be, the Company would have to grant the Executive Director as legal compensation—which might result from the enforcement of the applicable law—for the termination of the contract, so that the total amount to be received by the Executive Director once the contract has been terminated does not exceed, in any case, the double of the fixed remuneration that he received in the last year prior to the termination of the contract.

Should the Executive Director breach this commitment and compete with the Company or any company within the Applus Group, he shall return the amounts paid by the Company as compensation for this non-compete agreement.

For the sake of clarity, Applus non-compete policies and strategy depends on the practice and legal regulations of the country where the Group operates and wish to enforce the non-compete. Spanish law allows an enforceable two year non-compete if there is a fair and enough compensation for the manager, so the Board has decided and the executives managers accepted to agree on the previous terms and conditions.

This non-compete agreement is binding, so neither the company can waive the commitments to pay nor the Executive Director can compete and renounce to his right to be paid.

According to the terms of the previous agreements, the termination payments for Executive Director comply with the Good Governance Code of Listed Companies in Spain and protect the Group through an enforceable 2-years non-compete.

- (v) Shareholding retention: the Executive Director will keep 1/3 of the net shares he receives per year, as the vesting of all RSUs and PSUs, until he achieves a number of shares which value (calculated with the share value at the date of the vesting) is equal to two times the net fixed salary. Thereafter, the Executive Director shall be required to maintain a minimum holding of at least two times the net fixed salary. That commitment will end in case of termination of his service to the Group or in case of change of control.
- (vi) Supplementary pension or early retirement systems: the Executive Director shall not have supplementary pension or early retirement systems in place, but will be entitled to pension scheme contributions by the Company in the terms described in section 4.1.

## RESOLUTION REGARDING ITEM TENTH OF THE AGENDA

**Share capital reduction through the acquisition of a maximum of 6,793,375 treasury shares, representing 5% of the share capital, for their subsequent redemption.**

1. Share capital reduction through the redemption of own shares to be acquired under a share buyback programme

To reduce the share capital by the maximum amount of €679,337.50, through the redemption of up to 6,793,375 own shares with a par value of €0.10 each, representing 5% of the share capital (the "**Share Capital Reduction**"), that the Company has acquired or will acquire in execution of the share buyback programme approved by the Board of Directors on 7 November 2022, pursuant to the authorisation granted in its favour by the General Shareholders' Meeting held on 28 June 2022, and within the limits provided for in articles 146 and 509 of the Spanish Companies Act (the "**Buyback Programme**" or the "**Programme**").

As set out below, the final amount of the Share Capital Reduction will be determined by the Board of Directors (with express power of substitution) on the basis of the final number of shares to be acquired by the Company under the Buyback Programme.

2. Purpose of the Share Capital Reduction

The purpose of the Share Capital Reduction is to redeem the treasury shares acquired by the Company in execution of the Buyback Programme, contributing to the shareholder remuneration policy by increasing the earnings per share. This operation is configured as a nominal or accounting reduction, as its execution will not entail neither a return of contributions to shareholders nor a modification of the system of availability of the Company's equity.

3. Characteristics of the Buyback Programme

Pursuant to the resolution adopted by the Board of Directors of the Company on 7 November 2022, which is hereby ratified to the extent necessary, the main characteristics of the Programme are as follows:

1. The Company shall acquire, for redemption, treasury shares for a maximum net investment of €50,000,000. For the purposes of calculating this amount, only the acquisition price of the shares shall be taken into account, thus excluding any expenses or fees that, where applicable, may be charged on the acquisition transactions.
2. The maximum number of shares to be acquired under the Programme is 6,793,375, representing 5% of the Company's share capital.
3. The acquisition of the shares shall be carried out in accordance with the price and volume conditions set forth in article 3 of the Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016.

4. The Buyback Programme will remain in force until 30 September 2023 (inclusive), notwithstanding that the Company may terminate it earlier if, prior to its expiry date, it has acquired shares under the Programme for an acquisition price reaching the amount of the maximum investment or the maximum number of shares indicated above, or if any other circumstance makes it advisable to do so.

It is noted that full details of the Buyback Programme were duly communicated to the market by means of an inside information communication published on 8 November 2022.

#### 4. Procedure for the Share Capital Reduction

The Share Capital Reduction will not imply the return of contributions to the shareholders, as the Company itself is the owner of the shares to be redeemed. Consequently, the Share Capital Reduction will be charged to voluntary or unrestricted reserves, through the allocation of a reserve for the redeemed share capital, for an amount equal to the par value of the redeemed shares, which may only be drawn down subject to the same requirements as for the share capital reduction, in accordance with the provisions of article 335 c) of the Spanish Companies Act.

Likewise, in accordance with the aforementioned article, the Company's creditors will not be entitled to exercise the right of opposition referred to in article 334 of the Spanish Companies Act in relation to the Share Capital Reduction.

In accordance with the provisions of article 342 of the Spanish Companies Act, the Share Capital Reduction shall be executed within a period not exceeding one month from the end of the Buyback Programme.

#### 5. Delegation of powers

To delegate to the Board of Directors, with express power of substitution, the necessary powers to execute the Share Capital Reduction, being able to determine the points that have not been expressly provided for in this resolution or that are a consequence of it, and to adopt the resolutions, publish the announcements, perform the actions and execute the public or private documents that may be necessary or convenient for the most complete execution of the Share Capital Reduction.

In particular, and for illustrative purposes only, the following powers are delegated to the Board of Directors, with express power of substitution:

- (a). To set the final number of shares to be redeemed and, therefore, the amount by which the Company's share capital is to be reduced, depending on the final number of shares to be acquired by the Company under the Buyback Programme.
- (b). To amend article 5 of the By-laws, in relation to the share capital, to reflect the amount of share capital and the number of outstanding shares after the execution of the Share Capital Reduction.
- (c). To declare the Share Capital Reduction closed and executed, and to appear before a Notary Public to grant the relevant public deed of share capital reduction.

- (d). To perform the formalities and actions that may be necessary and to submit the relevant documents to the competent bodies so that, once the redemption of the Company's own shares, the execution of the public deed corresponding to the Share Capital Reduction and its registration with the Commercial Registry have been completed, the redeemed shares may be delisted from trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Stock Market Interconnection System (Continuous Market), and the corresponding accounting records may be cancelled.
- (e). To perform as many actions as may be necessary or convenient to execute and formalise the Share Capital Reduction before any public or private entities and bodies, whether Spanish or foreign, including those corresponding to obtaining any authorisations and consents from third parties to which the Company may be obliged, as well as those of declaration, supplementation or rectification of defects or omissions that may prevent or hinder the full effectiveness of the foregoing resolutions, as well as the publication of announcements, inside information, relevant information and communications that may be necessary for such purpose.



## **RESOLUTION REGARDING ITEM ELEVENTH OF THE AGENDA**

### **Authorisation to the Board of Directors for the potential acquisition of Company's own shares, in accordance with article 146 of the Spanish Companies Act**

To authorise and empower the Board of Directors, with powers of substitution, to undertake the derivative acquisition of the Company's own shares in accordance with article 146 of the Spanish Companies Act, in the following terms:

1. The acquisitions may be carried directly by Applus or indirectly by its subsidiaries on the same terms as those set out herein.
2. The acquisitions may be carried out in one or several transactions through a purchase, barter, dation in payment (*dación en pago*), share exchange or any other transaction permitted by Law.
3. The acquired shares, plus the already held by the Company, shall not exceed ten percent (10%) of the issued share capital.
4. The acquisition price or consideration shall range between the par value of the shares and one hundred and ten per cent (110%) of the listed price.
5. The present authorisation is granted for a maximum period of 5 years from the approval of this resolution.

For the appropriate purposes, it is hereby expressly stated that shares acquired pursuant to this authorisation may, in whole or in part, be directly sold, cancelled or awarded to employees or directors of the Company or the companies of its group, or awarded as a result of the exercise of options held by the latter or pursuant to any other similar remuneration system.

In so far as it may be necessary, this resolution repeals and renders without force or effect, in the amount that has not been used, the authorisation granted by the Annual General Shareholders' Meeting held on 28 June 2022 in favour of the Board of Directors for the derivative acquisition of treasury shares.

## RESOLUTION REGARDING ITEM TWELFTH OF THE AGENDA

### **Delegation of powers to formalise and implement the resolutions adopted by the General Shareholders' Meeting**

**First.**- To delegate to the Board of Directors the broadest possible powers, including the power to delegate all or part of the powers received to a supervisory committee or to one or more managing directors (*consejeros delegados*), that may be necessary to supplement, construe, develop, clarify, specify, perform and remedy any of the resolutions approved by the General Shareholders' Meeting, and for the purpose of meeting any legal requirements necessary for the enforceability thereof. The power to remedy shall encompass the power to make any modifications, amendments and additions as may be necessary or convenient as a result of any objections or observations made by the regulatory authorities of the securities markets, Stock Exchanges, the Commercial Registry and any other competent public authority in connection with the resolutions approved herein.

**Second.**- To delegate jointly and severally to each member of the Board of Directors, the Secretary Non-Director and the Vice Secretary Non-Director the necessary powers to raise to public deed the above corporate resolutions, to appear before a Notary Public and to execute on behalf of the Company any public deeds as may be necessary or convenient in connection with the resolutions approved by the General Shareholders' Meeting, and to register any resolutions subject to registration, in full or in part, including powers relating to the deposit of the financial statements and other documentation, with the ability to execute for these purposes all kinds of public or private documents, or rectify the resolutions.