



Report drafted by the Board of Directors of Applus Services, S.A. on the proposed amendment of certain articles of the Regulations of the General Shareholders Meeting included under item Seventh of the Agenda of the Annual General Shareholders' Meeting convened for 27 and 28 May 2021 on first and second call, respectively

I. Introduction and purpose of the report

This Report is drafted by the Board of Directors of Applus Services, S.A. (hereinafter, “**Applus**” or the “**Company**”), to justify and explain the proposed amendment of certain articles of the Regulations of the General Shareholders Meeting that will be submitted for the approval of the Annual General Shareholders’ Meeting of the Company convened for 27 and 28 May 2021 on first and second call, respectively, under item Seventh of the Agenda.

The complete text of the proposed amendments is included in the Annex attached hereto. For the purposes of facilitating the identification and understanding of such amendments, the aforementioned Annex includes, for information purposes only, a comparative table which contains, on the left column, the transcription of the current wording of the provisions to amend and, on the right column, the transcription of the proposed new wording identifying the changes included therein.

It is hereby acknowledged that, in accordance with the provisions of articles 287 and 518 of the Spanish Companies Act, approved by Royal Legislative Decree 1/2010 of 2 July (“*Real Decreto Legislativo 1/2010, de 2 de Julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*”) (hereinafter, the “**Spanish Companies Act**”), and article 8 of the Regulations of the General Shareholders’ Meeting of Applus, this Report will be made available to the shareholders at the Company’s registered office and published uninterruptedly in the corporate website of the Company as from the date of the announcement of the calling until the holding of the above-mentioned Annual General Shareholders’ Meeting.

II. Justification of the proposal

The proposal included in this Report intends to adapt the contents of articles 7 (Announcement of the call), 12 (Call to the General Shareholders' Meeting) and 19 (Information) of the Regulations of the General Shareholders' Meeting to the modification of the By-laws proposed by the Board of Directors in order to allow for the possibility to hold shareholders' meetings on an exclusively remote basis. These modifications of the By-laws are in turn proposed by virtue of the provisions of new article 182 bis of the Spanish Companies Act, which has been introduced therein by Act 5/2021, of 12 April, of amendment of the consolidated text of the Companies Act approved by Royal Legislative Decree 1/2010 of 2 July, and other financial rules, as regards the encouragement of long-term shareholder engagement in listed companies.

Last year, the mobility restrictions imposed by public authorities to fight the health crisis resulting from the Covid-19 pandemic, as well as the concern to preserve the health of shareholders and the other people involved in the organization and holding of the 2020 Annual General Meeting, induced the Board of Directors to advise shareholders to not physically attend the General Meeting, enabling the possibility of remote attendance in real time, even though in person attendance in the registered office was also foreseen in accordance with the law and by-laws provisions then in force. The outcome was that no shareholder showed up in the registered office to participate in the 2020 Annual General

Meeting, but an attendance quorum of 71.33% of the share capital was reached (almost three points above the average attendance quorum in the annual meetings of the five preceding years)..

Considering the positive acceptance of this method in last year Annual General Meeting and the persistence of the health crisis, the Board of Directors has decided that the General Shareholders' Meeting of this year 2021 be held on an exclusively remote basis, in accordance with the exceptional authorization granted for these purposes in article 3 of Royal Decree-law 34/2020, of 17 november, on urgent measures to support corporate solvency and the energy sector, as well as on tax matters.

In this context, the Board of Directors considers likewise appropriate to propose the modification of the By-laws in order to allow Annual General Meetings, in accordance with the provisions of the above-mentioned new article 182 bis of the Spanish Companies Act, to be held going forward on an exclusively remote basis, only to the extent that circumstances make it advisable. That modification of the By-laws entails the need to modify accordingly the Regulations of the General Shareholders' Meeting.

It is noted that the above-mentioned proposal of modification of the By-laws, which is under item Sixth of the agenda of the Annual General Shareholders' Meeting, is covered by a separate report drafted by the Board of Directors. Said report shall also be made available to the shareholders at the registered office and published continuously on the corporate website of the Company from the date of publication of the announcement of the call and until the holding of the Annual General Shareholders' Meeting.

III. Detailed explanation of the proposed amendments

A detailed explanation of each of the proposed amendments is included below:

(i) Proposed amendment of sections 3, 4 and 5 of article 7 of the Regulations of the General Shareholders' Meeting (Announcement of the call)

It is proposed to modify the wording of section 3 to remove from paragraph (a) the mandatory mention of the place of the meeting in the notice of call of the General Shareholders' Meeting, because if that Meeting is held on an exclusively remote basis such place would not exist and, accordingly, to add a new paragraph (b) that provides for the obligation to mention the way to hold the General Shareholder Meeting (in person or on a remote basis) and, in case of in person meeting, the place for it. These amendments are correlative to those proposed by the Board of Directors in section 3 of article 12 of the By-laws.

On a separate note, it is proposed to add in section 4 of article 7 of the Regulations of the General Shareholders' Meeting a new second paragraph providing for the possibility that the Board of Directors decides to hold the General Shareholders' Meeting on an

exclusively remote basis, with no shareholders or proxyholders attending in person. This amendment is correlative to the one proposed by the Board of Directors in section 1 of article 17 of the By-laws.

Finally, it is proposed to correct a mistake detected in section 5 of article 7 of the Regulations of the General Shareholders' Meeting, including therein a reference to the cases in which the presence of the Notary at the General Shareholders' Meeting is mandatory.

(ii) Proposed amendment of article 12 of the Regulations of the General Shareholders' Meeting (Place of the meeting)

It is proposed to add a last sentence stating that if the General Shareholders' Meeting is held on an exclusively remote basis, it shall be deemed to have been held at the registered office in accordance with section 6 of article 182 bis of the Spanish Companies Act. This modification is correlative to the one proposed by the Board of Directors in section 5 of article 12 of the By-laws.

(iii) Proposed amendment of section 1 of article 19 of the Regulations of the General Shareholders' Meeting (Information)

It is proposed to remove the reference to "verbally" requested information by shareholders, to the extent that said requests cannot be verbal in case that the General Shareholders' Meeting is held on an exclusively remote basis.

In Madrid, on 21 April 2021

Annex

Full text of the proposed amendments

CURRENT TEXT	PROPOSED AMENDMENT
[...]	[...]
Article 7°.- Announcement of the call	Article 7°.- Announcement of the call
<p>7.3. The announcement of the call will contain:</p> <p>(a)The name of the Company, the venue, date and time of the meeting in its first and, where appropriate, second call (between which a period of at least twenty-four (24) hours should elapse), and the office of the person or persons making the announcement.</p> <p>Shareholders may also be notified about the likelihood of holding the General Shareholders Meeting in its first or second call.</p> <p>(b)The Agenda for the General Shareholders Meeting, drafted clearly and precisely, will contain the matters to be dealt in the meeting.</p> <p>(c)Clear and precise information on the steps that shareholders should observe in order to participate and cast their votes at the General Shareholders Meeting, and means of accrediting these before the Company. It will in all cases specify the date on which the shareholder should have the shares registered in his/her name in order to be able to attend and vote at the General Shareholders Meeting.</p>	<p>7.3. The announcement of the call will contain:</p> <p>(a)The name of the Company, the venue, date and time of the meeting in its first <u>call</u> and, where appropriate, <u>in</u> second call (between which a period of at least twenty-four (24) hours should elapse), and the office of the person or persons making the announcement.</p> <p>Shareholders may also be notified about the likelihood of holding the General Shareholders Meeting in its first or second call.</p> <p>(b) <u>The way to hold the General Shareholders' Meeting (in person or on a remote basis) and, where appropriate, the place of the meeting.</u></p> <p>(c)(b)The Agenda for the General Shareholders Meeting, drafted clearly and precisely, will contain the matters to be dealt in the meeting.</p>

<p>(d) The right of shareholders to be represented at the General Shareholders Meeting by another person, shareholder or otherwise, and the requirements to exercise this right. In particular, the announcement will indicate the system for voting by proxy, specifying the requirements that should be observed to delegate votes, and the means to be used so that the Company may accept electronic proxy notices.</p> <p>(e) The shareholder right of information and the form of exercising it. Specifically, the place and means to obtain the complete text of the documents and proposed resolutions will be indicated, as well as the address of the Company's corporate website, where such information will be available.</p> <p>(f) The right of shareholders to include additional items on the Agenda and to present new proposals, and details regarding when and how to exercise said right. The announcement may only indicate the period during which this right can be exercised, when express reference is made to the Company's corporate website where more detailed information on such rights may be obtained.</p> <p>(g) The rules for distance voting, and any other requirements by the applicable legislation.</p>	<p>(d) (e) Clear and precise information on the steps that shareholders should observe in order to participate and cast their votes at the General Shareholders Meeting, and means of accrediting these before the Company. It will in all cases specify the date on which the shareholder should have the shares registered in his/her name in order to be able to attend and vote at the General Shareholders Meeting.</p> <p>(e) (d) The right of shareholders to be represented at the General Shareholders Meeting by another person, shareholder or otherwise, and the requirements to exercise this right. In particular, the announcement will indicate the system for voting by proxy, specifying the requirements that should be observed to delegate votes, and the means to be used so that the Company may accept electronic proxy notices.</p> <p>(f) (e) The shareholder right of information and the form of exercising it. Specifically, the place and means to obtain the complete text of the documents and proposed resolutions will be indicated, as well as the address of the Company's corporate website, where such information will be available.</p> <p>(g) (f) The right of shareholders to include additional items on the Agenda and to present new proposals, and details regarding</p>
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<p>[...]</p>	<p>when and how to exercise said right. The announcement may only indicate the period during which this right can be exercised, when express reference is made to the Company's corporate website where more detailed information on such rights may be obtained.</p> <p>(h)(g)The rules for distance voting, and any other requirements by the applicable legislation.</p> <p>[...]</p>
<p>7.4 The Board of Directors will determine, upon the call of each General Shareholders Meeting, the means of remote communication (including, as appropriate, telematics) to enable shareholders to participate in the Meeting, cast their vote, or delegate a proxy. Such means should duly ensure the identity of the shareholder and, in the case of delegation, the identity of the proxy as well. In that case, the announcement of the call should mention the specific means of remote communication that shareholders may utilize, where appropriate, to participate in the Meeting or to cast or delegate their vote, as well as the procedures that enable them to do so.</p>	<p>7.4 . The Board of Directors will determine, upon the call of each General Shareholders Meeting, the means of remote communication (including, as appropriate, telematics) to enable shareholders to participate in the Meeting, cast their vote, or delegate a proxy. Such means should duly ensure the identity of the shareholder and, in the case of delegation, the identity of the proxy as well. In that case, the announcement of the call should mention the specific means of remote communication that shareholders may utilize, where appropriate, to participate in the Meeting or to cast or delegate their vote, as well as the procedures that enable them to do so.</p> <p><u>The Board of Directors may also decide to hold the General Shareholders' Meeting on an exclusively remote basis, with no shareholders or proxyholders attending in person.</u></p>
<p>7.5 The Board of Directors may require the presence of a Notary in the General Shareholders Meeting the draw up the minutes of the meeting, without prejudice when the presence of the Notary to the General Shareholders Meeting is mandatorily required when the circumstances</p>	<p>7.5 The Board of Directors may require the presence of a Notary in the General Shareholders Meeting the draw up the minutes of the meeting, without prejudice <u>to those cases where</u>when the presence of the Notary <u>in</u>to the General Shareholders Meeting is mandatorily required when under the</p>

provided by law. [...]	circumstances provided by law. [...]
Article 12°.- Place of the meeting	Article 12°.- Place of the meeting
The General Shareholders Meeting will be held at the place indicated in the call to meeting, within the municipal district of the Company's registered office or, when the Chairman deems it advisable for reasons of logistics or need, anywhere in the province of Barcelona. If the place is not indicated in the call to meeting, it shall be deemed that the meeting will take place at the Company's registered office. [...]	The General Shareholders Meeting will be held at the place indicated in the call to meeting, within the municipal district of the Company's registered office or, when the Chairman deems it advisable for reasons of logistics or need, anywhere in the province of Barcelona. If the place is not indicated in the call to meeting, it shall be deemed that the meeting will take place at the Company's registered office. <u>The General Shareholders' Meeting carried out on an exclusively remote basis shall be deemed to have been held at the registered office.</u> [...]
Article 19°.- Information	Article 19°.- Information
19. 1. During the course of the Meeting, members of the Board of Directors shall be required to provide the information requested verbally by shareholders, under the terms of Article 9.1. of these Regulations, except in any of the circumstances referred to in Article 9.6, or if the requested information is not available at the time of the General Shareholders Meeting. In the event of the latter, the information shall be provided in writing to a mailing address indicated by the shareholder within seven (7) days of the adjournment of the General Shareholders Meeting.	19. 1. During the course of the Meeting, members of the Board of Directors shall be required to provide the information requested verbally by shareholders, under the terms of Article 9.1. of these Regulations, except in any of the circumstances referred to in Article 9.6, or if the requested information is not available at the time of the General Shareholders Meeting. In the event of the latter, the information shall be provided in writing to a mailing address indicated by the shareholder within seven (7) days of the adjournment of the General Shareholders Meeting.