



## ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

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### DETAILS OF ISSUER

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Year ended:

[ 31/12/2022 ]

Tax Registration No.:

[ A47412333 ]

Name:

[ **EBRO FOODS, S.A.** ]

Registered office:

[ Paseo de la Castellana, 20. 3rd & 4th floors, 28046 MADRID ]

**A. COMPANY'S REMUNERATION POLICY FOR THIS YEAR**

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**A.1.1.** Explain the directors' remuneration policy in place for this year. To the extent that it is relevant, certain information may be included by reference to the remuneration policy approved by the general meeting of shareholders, provided the incorporation is clear, specific and precise.

Describe the specific criteria for this year in respect of both the remuneration of directors for their duties as such and their performance of any executive duties, applied by the board in accordance with the provisions of the contracts signed with the executive directors and the remuneration policy approved by the general meeting.

In any case, inform at least on the following aspects:

- a) Description of the procedures and corporate bodies involved in determining, approving and applying the remuneration policy and conditions thereof.
- b) Indicate and, where necessary, explain whether comparable companies have been taken into account to establish the company's remuneration policy.
- c) Information on whether assistance was received from an external adviser and, if so, their identity.
- d) Procedures contemplated in the prevailing directors' remuneration policy to apply temporary exceptions to the policy, conditions on which the company may have recourse to those exceptions and components that may be subject to exception, according to the policy.

The Directors' Remuneration Policy of the Company for this year (2023) is the Policy established for the years 2022-2024, approved at the Annual General Meeting of Shareholders held on 30 June 2021 and subsequently amended by virtue of a resolution adopted at the Annual General Meeting held on 29 June 2022. A motion will be tabled at the 2023 Annual General Meeting for a further amendment to that Policy in the terms indicated elsewhere in this Report, which will be put to an advisory vote at the forthcoming AGM.

The Directors' Remuneration Policy 2022-2024 gives continuity to the previous policy (for the period 2019-2021), which was in force up to 31 December 2021, in respect of the principles, structure and contents of the Directors' remuneration package (both for their duties as such and for the performance of executive duties), in view of the wide acceptance by shareholders (it was approved in 2018 with the favourable votes of 71.979% of the capital present and represented at the Annual General Meeting).

Based on that broad acceptance, comparable companies were not taken into account nor were any external advisers involved in drawing up the Directors' Remuneration Policy 2022-2024.

Although it was approved in 2021, the Directors' Remuneration Policy 2022-2024 included in its initial wording the new aspects introduced in the Corporate Enterprises Act ("LSC") by Act 5/2021 of 12 April ("Act 5/2021"). So even though the new regulations did not enter into force until 3 November 2021 (i.e. after the date of the company's Annual General Meeting 2021), the contents of the Remuneration Policy laid before (and approved at) the General Meeting held on 30 June 2021 were already adapted to the new requirements introduced by Act 5/2021.

In June 2022, a motion was tabled, and approved, at the Annual General Meeting to modify certain aspects of the Policy, particularly those indicated below:

- (i) The annual fixed remuneration of the Executive Chairman was made invariable, uncoupling it from the fixed remuneration review procedure established for other Group executives, such that it would only be reviewed if and when so decided by the Board of Directors, at the proposal of the Nomination and Remuneration Committee and in view of the circumstances prevailing from time to time.
- (ii) The amendments altered the financial targets to which 75% of the bonus contemplated in the Long-Term Incentive Scheme linked to the Strategic Plan 2022-2024 is tied, replacing the indicator consolidated "adjusted ROCE" ("ROCE") with consolidated "adjusted EBITDA less CAPEX" ("EBITDA – CAPEX"), while maintaining the consolidated EBITDA target, where "EBITDA – CAPEX" would have a weight of 20% and EBITDA the remaining 80%.
- (iii) A new cap was established on the bonus that the Executive Chairman could receive for his participation in the Long-Term Incentive Scheme linked to the Strategic Plan 2022-2024 in the event of over-achievement of targets, which would be 100% of the corresponding bonus (not 125%, as envisaged in the initial wording of the Policy).
- (iv) Within the targets to which the Executive Chairman's annual (ordinary) bonus is tied, the consolidated ROCE was included in the Policy as a target in the budget with a weight of 20%, while maintaining the consolidated EBITDA target in the budget, with a weight of 80%, as from 2023 (the only financial target set for 2022 is the consolidated EBITDA contemplated in the 2022 budget).

A motion will be tabled at the General Meeting at which this Report is to be put to an advisory vote, proposing a new amendment to the Policy, to cap the Executive Chairman's short-term bonus at 100% of his fixed annual remuneration, thus lowering the cap, which had been set at 150% of the fixed remuneration in the initial wording of the Policy. This amendment is expected to be accepted and approved at the General Meeting, with effect from the beginning of the term of the Remuneration Policy 2022-2024, i.e. from 1 January 2022.

The original wording of the Directors' Remuneration Policy 2022-2024 was prepared by the Nomination and Remuneration Committee at its meeting on 24 May 2021. Once that Committee had issued the corresponding specific report (pursuant to section 529.novodicies.4 of the Corporate Enterprises Act), the proposed Policy was submitted to the Board of Directors, which resolved to table a motion for its approval at the Annual General Meeting on 30 June 2021, where it was approved.

The first amendment to the Policy, in 2022, was also prepared by the Nomination and Remuneration Committee at its meeting on 25 May 2022, which issued the corresponding specific report and the Board resolved to table a motion for its approval at the Annual General Meeting on 29 June 2022, where it was approved.

The remaining contents of this section A.1.1 continue in section D of this Report.

**A.1.2.** Relative importance of the variable remuneration items in respect of the fixed remuneration (remuneration mix) and what criteria and goals have been taken into account to determine them and to guarantee an appropriate balance between the fixed and variable components of the remuneration. In particular, describe the actions taken by the company regarding the remuneration scheme to reduce excessive risk exposure and align the scheme with the long-term goals, values and interests of the company, including where appropriate a reference to measures contemplated to ensure that the remuneration policy takes into account the company's long-term results, measures adopted with respect to certain categories of employees whose professional activities have a significant impact on the company's risk profile and measures to avoid conflicts of interest.

Indicate also whether the company has established an accrual or vesting period for certain variable remuneration items payable in cash, shares or other financial instruments, a deferred payment period or the delivery of financial instruments already accrued and vested, or whether a clause has been agreed to reduce the deferred remuneration not yet vested, or for clawback of bonuses based on data which subsequently prove to be manifestly inaccurate or misstated.

In pursuance of the Directors' Remuneration Policy 2022-2024, the Chairman of the Board, as executive Director performing executive duties, is the only Director who will receive variable remuneration on similar terms to the other senior executives of the Company and the Group, according to the criteria and targets established in the Directors' Remuneration Policy 2022-2024 and explained in the previous point.

The variable remuneration of the Chairman of the Board for the performance of his executive duties includes:

- Ordinary annual variable remuneration, established in the executive Director's contract, which is proportionate to the level of achievement of the targets established in the Directors' Remuneration Policy 2022-2024 (in 2023 the EBITDA and ROCE set in the consolidated budget for 2023).

This remuneration, as a percentage of the fixed annual remuneration, is proportionate to achievement of the targets set, establishing a floor (below which the variable remuneration is zero) and a ceiling (above which the variable remuneration is capped at 100% of the fixed annual remuneration, assuming that the proposed amendment to the Policy is approved at the same Annual General Meeting at which this Report is to be put to an advisory vote). This variable remuneration accrues and is paid on an annual basis once the financial results of the year in question have been assessed. The ordinary annual variable remuneration corresponding to the Executive Chairman for the current year (2023) will thus be determined in 2024, once the financial results of 2023 are known and it is possible, therefore, to check the extent to which the relevant targets have been met.

- Deferred annual variable remuneration, tied to fulfilment of the Strategic Plan 2022-2024, applicable to the senior management of the Ebro Foods Group. The payment of bonuses is conditional upon meeting the above-mentioned targets set each year by the Remuneration Scheme (corresponding to the targets set in the Strategic Plan 2022-2024) and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation, or (iii) any other extraordinary circumstance which may, in the Board's opinion, materially affect the Scheme.

Bonuses are paid 11 months after being determined (after checking the level of achievement of the annual targets), so by the time it is paid, more than one year has passed since the end of the year to which the bonus corresponds. Accordingly, the bonus that may be payable to the Executive Chairman, the only Director with executive duties, for 2023 (the second year of the Directors' Remuneration Policy 2022-2024) would be paid in 2025.

The general conditions of the Scheme include an adjustment clause whereby the Board of Directors of Ebro Foods, S.A. will adopt such resolutions as may be necessary to ensure that in any event or corporate operation or other extraordinary circumstances that might affect calculation of the deferred remuneration payable, the gross remuneration will be equivalent to the remuneration that would have been payable had that circumstance not existed.

The Scheme also includes a clawback clause whereby the Board of Directors of Ebro Foods, S.A. may require Directors to repay all or part of any deferred bonus paid under the Scheme when it considers such amounts to have been unduly paid, either because the amounts paid under the Scheme do not correspond to the level of achievement of the required targets, or because they were calculated on the basis of data subsequently proved to be misstated.

With this Deferred Annual Variable Remuneration Scheme, the remuneration of the Executive Chairman, the only Director with executive duties, is aligned with the medium and long-term results of the Company and its Group. It should also be borne in mind for this purpose that the Executive Chairman, the only Director with executive duties, is one of the principal shareholders of the Company.

**A.1.3.** Amount and nature of the fixed components expected to be accrued during the year by directors for their duties as such.

The fixed remuneration of the Directors for performance of their duties as such in the current year (2023) will be set at the Annual General Meeting to be held in 2024.

As determined in the current Directors' Remuneration Policy, in the light of the circumstances and the Group's business performance during this year (2023), the Nomination and Remuneration Committee will submit a proposal that it considers appropriate to the Board of Directors, which will in turn decide on a proposal it considers appropriate to lay before the Annual General Meeting to be held in 2024. It should be borne in mind that, according to Article 22 of the Articles of Association (and the current Remuneration Policy 2022-2024): "Both the fixed annual allocation for the board as a whole and the amount of attendance fees shall be determined by the general meeting and shall remain in force until a resolution is passed to change them." Therefore, unless otherwise decided at the Annual General Meeting 2024, the fixed remuneration of the Directors for their duties as such accrued during this year (2023) will be the same as the amount established for the reporting period (2022). In this regard, on 15 February 2023 the Nomination and Remuneration Committee resolved to propose to the Board, submitting a favourable report, that the fixed remuneration for the Board as a whole for 2022 should be the same as that established for 2021 (i.e. 2,850,000 euros). Similarly,

the Nomination and Remuneration Committee resolved to propose to the Board that the attendance fees for Board and Committee meetings be maintained at 1,600 euros gross for Board meetings and 800 euros for Committee meetings.

The criteria established in the current Remuneration Policy 2022-2024 (which are the same as those set in the previous policy) will be applicable for distribution among the different Board members of the global fixed remuneration of the Directors for their duties as such during the present year. Accordingly, distribution will be based on a points system, where points are assigned to each Director according to the following scale (established by the Board in 2006, following the proposal submitted by the Nomination and Remuneration Committee):

- Member of the Board of Directors: 1 point
- Chairman of the Board: 1 point
- Vice-Chairman of the Board: 0.5 points
- Member of the Executive Committee: 1 point
- Committees other than the Executive Committee:
  - Member of the Committee: 0.2 points
  - Committee Chairman: 0.05 points per meeting
  - Committee Members: 0.03 points per meeting

The Board of Directors will set the individual remuneration of each Director this year subject to a report by the Nomination and Remuneration Committee and based on the application of the above scale.

#### A.1.4. Amount and nature of the fixed components accrued by executive directors during the year for senior management duties.

According to the criteria for annual review of the fixed remuneration of the Executive Chairman (the only Director who performs executive duties), he will receive a fixed cash remuneration of 1,500,000 euros gross this year (2023), which is the same amount as the gross fixed cash remuneration he received in the reporting period (2022).

It should be borne in mind that although it was stated in the Remuneration Report 2021 that the Executive Chairman's remuneration for 2022 would be 1,560,000 euros (i.e. the remuneration of the previous year -2021- plus 4%, which was the percentage review of the executives' remuneration set by the Board generally for the Company's executives), after the amendment of the Remuneration Policy 2022-2024 approved at the Annual General Meeting held on 29 June 2022, the fixed remuneration of the Executive Chairman was frozen (with effect from 1 January 2022), so the 4% increase was no longer applicable under the Remuneration Policy 2022-2024 amended as above.

In addition to that monetary remuneration, the Executive Director will also receive this year (2023), as fixed remuneration in kind, the private use of a Company car (see section A.1.5 below).

The Chairman of the Board is the only executive Director performing executive duties. Although Heralianz Investing Group, S.L. is recognised as an executive Director, it has never performed executive duties in Ebro Foods, S.A. or any subsidiary of the Group and, therefore, has received no remuneration for such duties. See the Explanatory Note Two in section D of this Report regarding the classification of Heralianz Investing Group, S.L. as an executive Director.

#### A.1.5. Amount and nature of any remuneration in kind that will be accrued during the year, including, but not limited to, insurance premiums paid for directors.

The Chairman of the Board, as the only executive Director performing executive duties, receives remuneration in kind to the extent of private use made of the Company car allocated to him. The value of this remuneration in kind estimated to accrue for the current year (2023) is 8,000 euros gross.

In addition, the Company has a Flexible Remuneration Scheme, through which it is possible to design the composition of remuneration of the executives included in the Scheme (including the Executive Chairman), so that they may receive part of that remuneration in the form of products and services previously selected by the Company. The value of those products and services is deducted from the gross salary of the executive, who is allocated in lieu the corresponding income in kind. These products and services include group medical insurance, housing rental, nursery, vehicle hire/lease and training. Under no circumstances do those items entail any additional remuneration to that received in cash, since the amounts paid by the Company to the corresponding service providers are deducted from the cash remuneration.

Moreover, in line with common practice in other comparable companies, the Company has taken out and maintains in force (and will continue to maintain in the current year) a liability insurance policy for its directors and executives.

#### A.1.6. Amount and nature of the variable components, distinguishing between those established at short and long term. Financial and non-financial parameters -including among the latter social, environmental and climate change factors- selected to determine the variable remuneration in the current year. Explain to what extent those parameters are aligned with the performance of both the director and the company and their risk profile, and the methodology, necessary time and techniques contemplated to determine, at year-end, the effective level of achievement of the parameters used to design the variable remuneration. Explain the criteria and factors applied in respect of the time required and methods to check that the performance parameters -or any other parameters to which the accrual and vesting of each component of the variable remuneration was tied- have actually been met.

Indicate the range, in monetary terms, of the different variable components according to the level of achievement of the goals and parameters established and whether there is a maximum monetary amount in absolute terms.

As mentioned earlier, the only Director who will receive a variable remuneration this year (2023) (according to the Directors' Remuneration Policy 2022-2024) is the Chairman of the Board, as executive Director performing executive duties, and he will do so on similar terms to the other senior executives of the Company and its Group.

The variable remuneration of the Chairman of the Board for his executive duties includes:

(i) Ordinary annual variable remuneration:

According to the Directors' Remuneration Policy 2022-2024, the annual variable remuneration of the Executive Chairman is proportionate to the level of achievement of the targets for EBITDA (with a weight of 80%) and ROCE (with a weight of 20%) established in the consolidated budget for 2023.

The ordinary annual variable remuneration of the Executive Chairman for the performance of his executive duties accrues according to the following rules:

- If the targets are fully met (aggregate achievement of both targets -EBITDA and ROCE, with the weight corresponding to each one- equal to or greater than 100%), the annual variable remuneration is equivalent to 100% of the fixed remuneration, assuming that the proposed amendment to the Policy is approved at the same Annual General Meeting at which this report is to be put to an advisory vote).

- In the event of under-achievement of the targets, the ordinary annual variable remuneration will be reduced in proportion to the percentage fulfilment (under 100%) achieved, with a floor of 85%, below which no annual variable remuneration accrues. If aggregate achievement of those targets is between 100% and 85%, the annual variable remuneration will be determined proportionately.

- Strictly as an exception, considering the special dedication by the Executive Chairman to the performance of his executive duties and a temporary situation in the Company or Group, the Board may, at the proposal of the Nomination and Remuneration Committee, decide to raise the annual variable remuneration of the Executive Chairman to the maximum limit established of 100% of his fixed remuneration.

Accordingly, once the consolidated earnings of the Group in 2023 are known (in 2024, generally in February), the Nomination and Remuneration Committee will review the level of achievement and submit a proposal to the Board, for approval, regarding the annual variable remuneration to be received by the Executive Chairman for the current year (2023), based on the criteria indicated above.

In monetary terms and taking account of the above-mentioned rules of accrual, the annual variable remuneration of the Executive Chairman for 2023 may vary between 0 euros (if the aforesaid targets are met by less than 85%) and 1,500,000 euros gross (if targets are met by 100% or more).

(ii) Deferred annual variable remuneration:

According to the current Remuneration Policy 2022-2024, the Chairman of the Board is entitled to participate in the Deferred Annual Variable Remuneration Scheme (deferred annual bonus scheme) established for senior executives of the Ebro Foods Group, linked to fulfilment of the Strategic Plan 2022-2024. On the terms of that Policy, the deferred annual bonus that would be received by the Executive Chairman under the Scheme would be proportional to the degree of achievement of the targets set in the Policy (tied to the targets identified in the Strategic Plan 2022-2024), on the terms described in the Remunerations Policy.

The beneficiaries of the Scheme (including the Chairman of the Board as executive Director) are only entitled to receive the deferred remuneration if they are still working in the Ebro Group at the date of payment. As an exception, the Scheme is expected to contemplate (as its precursor did) early payment in the event of: (i) termination of the employment relationship with the Company during the period of the Scheme owing to death or a final declaration of total, absolute or major disability; or (ii) takeover of the Group or any similar corporate operation.

The outlines of the future Scheme, established in the Directors' Remuneration Policy 2022-2024, are as follows:

- The targets of the Scheme for the first two years (2022, payable in 2024, and 2023, payable in 2025) are the consolidated annual EBITDA and EBITDA – CAPEX for those years established in the Strategic Plan 2022-2024, and accrual of 25% of the deferred bonus will be subject to achievement of those targets.

- The level of achievement of the consolidated Adjusted EBITDA will represent 80% of the deferred bonus for each year and the degree of achievement of the consolidated EBITDA – CAPEX will account for the remaining 20%.

- The targets of the Scheme for the final year (2024, payable in 2026) are: (i) the consolidated annual EBITDA and EBITDA – CAPEX for that year established in the Strategic Plan 2022-2024 (weighted at 80% and 20%, respectively), to which the accrual of 25% of the deferred bonus is tied; (ii) the aggregate sum of EBITDA of the years included in the Scheme (2022-2024) in comparison with the sum of those contemplated in the Strategic Plan 2022-2024, 12.5% of the deferred variable remuneration of the three-year period being subject to the outcome of that comparison; and (iii) the global qualitative assessment by the Strategy and Investment Committee of the development of the Strategic Plan 2022-2024 and assessment by the Audit, Control and Sustainability Committee of achievement of the non-financial targets set by the Scheme from among those identified in the Strategic Plan 2022-2024. Both committees will submit their respective proposals to the Nomination and Remuneration Committee, the remaining 12.5% of the deferred variable remuneration of the three-year period being subject to the outcome of those assessments: 6.25% for each of the two aspects.

- In the first two years of the Scheme (2022 and 2023):

a) In the event of aggregate achievement of 100% or over of the consolidated EBITDA and EBITDA – CAPEX targets established for those years in the Strategic Plan 2022-2024, the deferred annual bonus that would accrue for the executive Director for the performance of those duties each year will be 100% of 25% (i.e. 25%) of the fixed remuneration established for the three-year period.

b) In the event of aggregate under-achievement of the aforesaid consolidated EBITDA and EBITDA – CAPEX targets established in the Strategic Plan 2022-2024 in either of the first two years of the three-year period, the deferred annual bonus that would accrue for the executive Director for the performance of those duties in each of those two years will be reduced in proportion to the percentage of achievement (below 100%), floored at 85%, such that if the aggregate achievement of the targets is below 85%, the deferred bonus for that year will be zero.

In the third and final year of the Scheme (2024):

a) 25% of the fixed remuneration established for the three-year period will be determined according to the degree of aggregate achievement of the aforesaid consolidated EBITDA and EBITDA – CAPEX targets established in the Strategic Plan 2022-2024 for that year. The provisions set out above for over-achievement and under-achievement will be applicable.

b) The final 25% of the fixed remuneration corresponding to the three-year period will be determined as follows, if appropriate:

- 50% (12.5% of the total fixed remuneration for the three-year period) according to the degree of achievement of the accumulated consolidated EBITDA target for the entire three-year period according to the Strategic Plan 2022-2024.

- 25% (6.25% of the total fixed remuneration for the three-year period), in the percentage determined by the Board at the proposal of and subject to a report by the Nomination and Remuneration Committee, according to the assessment of the achievement of non-financial targets included in the Strategic Plan 2022-2024 and identified in the Scheme.

- And the remaining 25% (6.25% of the total fixed remuneration for the three-year period), in the percentage determined by the Board at the proposal of and subject to a report by the Nomination and Remuneration Committee, according to the global qualitative assessment of the development of the Strategic Plan 2022-2024.

In the event of aggregate over-achievement or under-achievement of the aforesaid targets, the indications set out above for these situations will be applicable, including the 100% cap in the event of over-achievement.

- Each year (once the earnings of the preceding year are known), the Nomination and Remuneration Committee will review the level of achievement of the economic variables to which this deferred bonus is tied (EBITDA and EBITDA – CAPEX). The Nomination and Remuneration Committee will also review and validate, during the final year of the Scheme, the proposed qualitative assessment of the development of the Strategic Plan 2022-2024 submitted by the Strategy and Investment Committee and the proposed assessment of the degree of achievement of the non-financial targets made by the Audit, Control and Sustainability Committee. After these verifications, the Nomination and Remuneration Committee will submit a proposal to the Board of Directors and the latter will determine the final amounts corresponding to the Executive Chairman (and the other executives included in the Scheme).

Based on the foregoing, the following should be taken into account with regard to the variable remuneration that might correspond to the Executive Chairman in 2023 within the Deferred Annual Remuneration Scheme tied to fulfilment of the Strategic Plan 2022-2024:

- The review by the Nomination and Remuneration Committee of the degree of achievement of the targets set for that year and submission to the Board, for approval, of the annual bonus for 2023 to be received by the Executive Chairman (in 2025) will be made in 2024, once the consolidated earnings of the Group for 2023 have been determined (normally in February).

- In monetary terms and taking account of the above-mentioned rules, the deferred annual variable remuneration of the Executive Chairman for 2023 may vary between 0 euros (if aggregate achievement of the targets is below 85%) and 1,125,000 euros gross (if aggregate achievement of the targets is 100% or more). The fixed remuneration for the three-year period is calculated based on the annual monetary fixed remuneration of the Executive Chairman in each of the years of the Scheme (which, as indicated above, is not subject to review, except in the event of extraordinary circumstances).

- This year (2023), the Executive Chairman has received the sum of 1,897,670.85 euros gross as his deferred annual remuneration for 2021, the last year of the previous Deferred Annual Remuneration Scheme tied to fulfilment of the Strategic Plan 2019-2021. It should be noted that since this sum corresponds to the final year of the previous Scheme, the deferred variable remuneration subject thereto was 50% of the variable remuneration of the three-year period.

The Scheme described above is not indexed to the value of the Company's share and the beneficiaries do not receive shares or any other rights thereover.

**A.1.7.** Main features of the long-term saving schemes. This information should include, inter alia, the contingencies covered by the scheme, whether it is defined-contribution or defined-benefit, the annual contribution to be made to defined-contribution schemes, the benefit to which beneficiaries are entitled under defined-benefit schemes, the conditions for the vesting of economic rights in favour of the directors and compatibility with any kind of termination benefit payable for or in connection with interruption or expiry of the contractual relationship between the company and the director.

State whether accrual or vesting of rights under any of the long-term savings schemes is subject to the achievement of certain targets or parameters related with the short and long-term performance of the director.

No contributions have been made in previous years, nor are any expected to be made this year (2023), to any pension funds or schemes for former or existing members of the Board (neither the Directors for their duties as such nor the executive Directors for the performance of executive duties) and no obligations have been contracted in this respect.

Nor have any contributions been made or obligations contracted for Directorships in other group companies (for the Directors for their duties as such or the executive Directors for the performance of executive duties).

**A.1.8.** Any kind of payment or compensation for termination, early or otherwise, of the contractual relationship between the company and the director, at the initiative of the company or the director, and any arrangements agreed, such as exclusive dedication, minimum employment commitment, loyalty and no competition during and after employment.

No compensations have been arranged or paid for termination of Directors' duties (neither the Directors for their duties as such nor the executive Directors for the performance of executive duties).

**A.1.9.** State the terms and conditions to be respected in the contracts of executive directors performing senior management duties. Include information, inter alia, on the term, limits on severance pay and other compensations, continued service clauses, required notice, payment in lieu of notice and any other clauses relating to golden hellos, golden handshakes, golden parachutes or any other compensation payable on termination, early or otherwise, of the contractual relationship between the company and the executive director. Include, inter alia, details of any clauses or agreements on restraint of trade, exclusive dedication, minimum employment commitment, loyalty and no competition during and after employment, save as explained in the previous section.

Pursuant to sections 249, 529 octodecies and 529 quidecies of the Corporate Enterprise Act and Article 22 of the Articles of Association, the Board is competent to establish the terms of contracts to be signed by the Company with its executive Directors having executive duties, at the proposal of the Nomination and Remuneration Committee and within the confines of Directors' Remuneration Policy approved by the General Meeting.

According to the Directors' Remuneration Policy 2022-2024, the principal terms of contract of the Executive Chairman (the only Director with executive duties) for his executive duties (apart from his remuneration, which is explained in other sections of this Report) are as follows:

- Term: indefinite
- Notice: three months
- Termination benefits: none
- Continued service or post-contract no competition clauses: none

See the Explanatory Note Two in section D of this Report for the reasons why Herculanz Investing Group, S.L. is classified as an executive Director.

As regards the possible incorporation in the future of other executive Directors, the Directors' Remuneration Policy 2022-2024 provides that the current remuneration scheme for executive Directors for the performance of executive duties and other aspects relating to their contractual relationship with the Company take into account that the only executive Director who performs those duties is a reference shareholder of the Company.

For this reason, if new executive Directors with executive duties join the Board during the effective term of the Directors' Remuneration Policy 2022-2024, it might be necessary to revise some of those aspects, such as: (i) establishment of the continued service and/or no competition clauses (and the corresponding remuneration) or (ii) inclusion in the remuneration of aspects indexed to the value of the Company's share or that entail the receipt of shares or rights thereover. In this case, the Policy would be amended and the corresponding amendment would be tabled before the General Meeting for approval on the terms stipulated in law.

**A.1.10.** The nature and estimated amount of any other supplementary remuneration that will accrue by directors this year for services rendered in addition to those inherent in their directorship.

No supplemental remuneration is expected to be earned by Directors (Directors for their duties as such or executive Directors for the performance of executive duties) for services rendered in addition to those inherent in their directorship and/or the performance of executive duties.

**A.1.11.** Any other remuneration, such as advances, loans and guarantees granted to directors by the company, and other remuneration.

The Company has not granted and does not foresee granting this year (2023) any loans, advances or guarantees to members of the board (the Directors for their duties as such or the executive Directors for the performance of executive duties), nor has it contracted any obligations on their behalf through guarantees or bonds.

**A.1.12.** The nature and estimated amount of any other supplementary remuneration not included in the preceding paragraphs, paid by the company or another company in the group, that will accrue in directors' favour this year.

There is no remuneration other than as explained in this Report, apart from the attendance fees that received by the Executive Chairman each year as Director of Pastificio Lucio Garofalo, S.p.A (a subsidiary of the Ebro Foods Group). This year (2023), the Executive Chairman is expected to receive a similar amount in attendance fees to that received in 2022 (5,000 euros p.a. gross).

The Executive Chairman also receives attendance fees each year as a Director of Riso Scotti, S.p.A., an associate and not part of the Group, in which Ebro Foods, S.A. has a 40% interest (it is an associate consolidated by the equity method). This year (2023), the Executive Chairman is expected to receive a similar amount in attendance fees to that received in 2022 (5,200 euros p.a. gross).

**A.2.** Explain any significant change in the remuneration policy applicable this year, deriving from:

- a) A new policy or modification of the policy already approved by the general meeting.
- b) Significant changes in the specific criteria established by the board for this year within the current remuneration policy in respect of those applied in the previous year.
- c) Proposals that the board has agreed to submit to the general meeting at which this annual report will be presented, for application to this year.

This year (2023) is the second year of application of the Directors' Remuneration Policy 2022-2024.

As explained earlier, the only change expected this year (with effect from 1 January 2022) is the lowering of the cap on the Executive Chairman's annual variable remuneration from 150% to 100% of his annual fixed remuneration.

As indicated, that modification, proposed by the Executive Chairman, received a favourable assessment by the Nomination and Remuneration Committee and was approved by the Board. As also mentioned earlier, the consequent amendment of the Directors' Remuneration Policy 2022-2024 on this point will be laid before the General Meeting of Shareholders to be held in 2023, at which this Report will be put to an advisory vote and is expected to be approved.

At the date of writing this Report, no further amendments to the current Remuneration Policy 2022-2024 are expected in subsequent years.

**A.3.** Indicate the direct link to the document containing the current remuneration policy of the company, which must be available on the company's website.

<https://www.ebrofoods.es/wp-content/uploads/2022/06/Recast-Directors-Remuneration-Policy-2022-2024.pdf>

**A.4.** In view of the details provided in section B.4, explain how the shareholders' advisory vote at the general meeting on the annual report on remuneration of the previous year has been taken into account.

Given the large majority of the capital that voted in favour in the advisory vote on the Directors' Remuneration Report for 2021, with more than two-thirds of the capital present and represented at the General Meeting voting for the approval (74.2020%), and with 12.7425% abstaining, it has not been considered necessary to take any measures in this regard.

## **B. OVERALL SUMMARY OF APPLICATION OF THE REMUNERATION POLICY DURING THE REPORTING PERIOD**

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**B.1.1.** Explain the process followed to apply the remuneration policy and determine the individual remunerations reflected in section C of this report. This information should include the role played by the remuneration commission, the decisions taken by the board and, if appropriate, the identity and role of the external advisers whose services were used in the process of applying the remuneration policy during the reporting period.

a) Remuneration of Directors for their duties as such.

The fixed remuneration for all the Directors for their duties as such for 2021 was paid during the reporting period (2022).

In this regard, the Nomination and Remuneration Committee resolved on 16 February 2022 to submit a proposal to the Board of Directors, to be tabled by the latter at the Annual General Meeting held that year (2022), to set the fixed remuneration of all the Directors for their duties as such for the previous year (2021) at 2,850,000 euros gross. It further proposed maintaining the amount of attendance fees for Board meetings (1,600 euros gross per meeting) and meetings of the Board Committees (800 euros gross per meeting). On 28 February 2022, the Board of Directors resolved to table a motion with those proposals submitted by the Nomination and Remuneration Committee at the Annual General Meeting to be held in 2022. The motion was passed by an ample majority at that Annual General Meeting, held on 29 June 2022.

Based on the foregoing and the resolutions passed at the Board and Committee meetings held in 2021, the aggregate annual fixed remuneration of the Directors for their duties as such for 2021 (set in 2022) was distributed as follows:

- membership of the Board: a total sum of 1,871,425.52 euros gross
- membership of the Board Committees: a total sum of 978,574.44 euros gross.

The fees for attendance of Board and Committee meetings of Ebro Foods, S.A. in 2021 amounted to 317,600 euros gross.

At a meeting on 15 February 2023, the Nomination and Remuneration Committee resolved to submit a proposal to the Board of Directors (to be tabled at the Annual General Meeting in 2022) to set the aggregate fixed remuneration for all the Directors for their duties as such for the reporting period (2022) at 2,850,000 euros gross (the same amount as in 2021). It further proposed maintaining the amount of attendance fees for Board meetings (1,600 euros gross per meeting) and meetings of the Board Committees (800 euros gross per meeting).

On 27 February 2023, the Board of Directors resolved to table a motion with those proposals at the Annual General Meeting to be held in 2023.

If that amount is approved at the Annual General Meeting held in 2023, it will be distributed among the Board members in accordance with the prevailing distribution criteria (see section A.1). Based on those criteria, the annual fixed assignment to Directors for their duties as such for 2022, considering the meetings of the Board and its Committees during that year, would be as follows:

- membership of the Board: a total sum of 1,891,862.90 euros gross
- membership of the Board Committees: a total sum of 958,137.00 euros gross.

If the proposals are approved, the attendance fees for Board and Committee meetings of Ebro Foods, S.A. in 2022 would amount to 328,000 euros gross.

The total amount of the fixed assignment to Directors for their duties as such is distributed among the individual Directors based on the points system established in the Remuneration Policy in place from time to time (see section A.1.3 of this Report). For this purpose, in view of a Report by the Nomination and Remuneration Committee, the Board approves the individual remuneration of each Director in view of the Board Committees they are on and the number of meetings held by those committees.

b) Remuneration of the Chairman of the Board as executive Director for the performance of executive duties.

In 2022, the fixed cash remuneration of the Executive Chairman (the only Director with executive duties) for the performance of his executive duties was 1,500,000 euros gross, in accordance with the resolution adopted by the Board of Directors on 25 February 2021, proposed by the Nomination and Remuneration Committee. That is the fixed remuneration established in the Directors' Remuneration Policy 2022-2024 (amended to update the information it contained on the annual fixed remuneration of the Executive Chairman at the Annual General Meeting held on 29 June 2022).

With regard to the annual variable remuneration for the reporting period (2022), on 15 February 2022 the Nomination and Remuneration Committee examined the degree of achievement of the consolidated EBITDA target indicated in the budget, this being the variable taken to determine the annual bonus of the Executive Chairman in 2022 and submitted the corresponding report to the Board of Directors in respect of that annual variable remuneration.

It should be recalled at this point that tying the Executive Chairman's annual bonus to the dual target of EBITDA (80%) and ROCE (20%) is applicable as from 1 January 2023, as indicated in the Directors' Remuneration Policy 2022-2024 following the amendment resolved at the Annual General Meeting on 29 June 2022.

It should also be remembered that, according to the proposed amendment to the Directors' Remuneration Policy 2022-2024 to be submitted for approval at the Annual General Meeting at which this Report will also be put to an advisory vote, the Executive Chairman's annual bonus for 2022 would be capped, in the event of over-achievement of targets, at 100% of the amount thereof (i.e. 100% of his annual fixed remuneration). As mentioned earlier, that amendment to the Directors' Remuneration Policy 2022-2024 is expected to be approved at the Annual General Meeting.

On 15 February 2023 the Nomination and Remuneration Committee also reviewed the level of achievement of the quantitative and qualitative targets to which the long-term variable remuneration for 2022 is tied, according to the Deferred Annual Bonus Scheme 2022-2024. 2022 being the first year of the Scheme, up to 25% of the deferred variable remuneration for the three-year period corresponds to that year, depending on the aggregate achievement of the EBIDTA and EBITDA – CAPEX targets set in the Strategic Plan 2022-2024 for 2022.

Accordingly, the sums corresponding to the Chairman of the Board (the only Director with executive duties) for the performance of executive duties in the reporting period (2022), according to his contract and the Directors' Remuneration Policy 2022-2024 and after the corresponding verifications by the Nomination and Remuneration Committee, are as follows:

- Fixed remuneration: 1,508,000 euros gross (1,500,000 euros gross of fixed cash remuneration and 8,000 euros gross in kind).
- Short-term ordinary annual variable remuneration: 1,500,000 euros gross. The lowering of the cap on this bonus to 100% of the annual fixed remuneration has been taken into consideration here, assuming that the General Meeting will approve the lowering of that cap (at the same general meeting at which this Report is to be put to an advisory vote). Otherwise, the annual variable remuneration that would have corresponded to the Executive Chairman had that new cap not been applied, would be 1,931,719 euros gross.
- Deferred annual variable remuneration: 1,125,000 euros gross. A provision for this amount has been recognised in the annual accounts at 31 December 2022, as a provisional estimate of the deferred annual bonus corresponding to the Chairman of the Board (as executive Director and for the performance of executive duties) and it will be paid in 2024, provided that the Executive Chairman is still in the Group at that time, as explained earlier. It should be borne in mind that 25% of the variable remuneration corresponding to the three-year period was determined in 2022, the first year of the Deferred Annual Bonus Scheme 2022-2024.

In addition, during the reporting period (2022), the Executive Chairman received the sum of 1,058,191.51 euros gross as deferred annual variable remuneration for 2020, paid in 2022. A provision for that amount had been recognised in the 2020 accounts.

### B.1.2. Explain any deviation during the year from the procedure established for application of the remuneration policy.

There were no deviations in 2022 from the procedure established for application of the Directors' Remuneration Policy 2022-2024, other than application of the reduced cap on the Executive Chairman's annual bonus, on the terms indicated hereinabove.

### B.1.3. State whether any temporary exception to the remuneration policy has been applied and, if so, explain the exceptional circumstances giving rise to those exceptions, the specific components of the remuneration policy that were affected and the reasons why the company considered those exceptions necessary for the long-term interests and sustainability of the company overall or to guarantee its viability. Quantify the impact that the application of those exceptions has had on the remuneration of each director during the year.

No temporary exceptions to the Directors' Remuneration Policy 2022-2024 were applied during 2022.

### B.2. Explain the different actions taken by the company regarding the remuneration system and how they have contributed to reducing excessive risk exposure, and align it with the long-term goals, values, and interests of the company, indicating what measures have been adopted to ensure that remuneration has accrued in consideration of the long-term results of the company, striking an appropriate balance between the non-variable and variable components of remuneration, what measures have been taken with respect to those categories of personnel whose professional activities have a significant impact on the company's risk profile, and what measures have been taken to avoid conflicts of interest, where necessary.

The Deferred Annual Variable Remuneration Scheme in place during the reporting period (2022), i.e. the one linked to the Strategic Plan 2022-2024, makes the payment of bonuses conditional upon meeting targets set each year and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or (iii) a similar corporate operation or any other extraordinary circumstance which may, in the board's opinion, materially affect the Scheme.

The general conditions of the Scheme include an adjustment clause whereby the Board of Directors of Ebro Foods, S.A. will adopt such resolutions as may be necessary to ensure that in any event or corporate operation or other extraordinary circumstances that might affect the calculation of deferred remuneration payable, the gross remuneration will be equivalent to the remuneration that would have been payable had that circumstance not existed.

The Scheme also includes a clawback clause whereby the Board of Directors of Ebro Foods, S.A. may require Directors to repay all or part of any deferred bonus paid under the Scheme when it considers such amounts to have been unduly paid, either because the amounts paid under the Scheme do not correspond to the

degree of fulfilment of the required targets, or because they were calculated on the basis of data subsequently proved to be misstated.

Finally, as indicated earlier, the Scheme is structured in such a way that the deferred annual bonus corresponding to any of the years within the Scheme will be paid 11 months after being determined (after checking the degree of fulfilment of the targets), so by the time they are paid, a reasonable time will have passed (approx. 14 months), enabling greater certainty as to the accuracy of the information used to calculate the bonus. The remuneration corresponding to members of the Scheme in 2022 will thus be paid in 2024, provided they are still employed in the Ebro Group.

**B.3. Explain how the remuneration accrued and vested during the year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term sustainable profitability.**

Describe the relationship between the remuneration received by the directors and the earnings or other short and long-term performance indicators of the company explaining, where appropriate, how any variations in the company's performance may have had a bearing on the variation in directors' remuneration, including any deferred remuneration, and how they contribute to the short and long-term results of the company.

As explained elsewhere in this Report, the remuneration of the Directors for their duties as such is set by the Annual General Meeting, so the General Meeting must assess the remuneration proposed in view of the performance of the Company and its Group.

The variable remuneration (both ordinary and deferred) of the Chairman of the Board as executive Director, for his executive duties, is tied to the development of the Group's business, being determined in view of the level of achievement of the targets set (linked to the future targets of the Group), as indicated in this Report and in the Directors' Remuneration Policy.

In the reporting year (2022), the Directors' Remuneration Policy 2022-2024 expressly contemplated both principles.

It should be noted in particular that the variable remuneration of the Executive Chairman (the only Director with executive duties) for his executive duties is tied to the achievement of quantitative and qualitative targets. This is designed to link his remuneration to the short and long-term development of the Company. So through achievement of the financial targets set for each year (either in the budget, for the annual variable remuneration, or in the Strategic Plan 2022-2024, for the remuneration received by virtue of his participation in the Deferred Annual Bonus Scheme), the remuneration of the Executive Chairman is tied to the evolution of the Group's results.

**B.4. Report on the results of the advisory vote by the general meeting on the annual report on remuneration of the previous year, indicating the number of abstentions, blank votes and votes for and against.**

	Number	% total
Votes cast	125,323,890	81.45
	Number	% votes cast
Votes against	16,319,794	13.02
Votes for	92,992,889	74.20
Blank votes	41,844	0.03
Abstentions	15,969,363	12.74

Comments

**B.5. Explain how the fixed components accrued and vested during the year by the directors for their duties as such were determined, their relative proportion for each director and how they have varied in respect of the previous year.**

As explained earlier, the fixed remuneration of the Directors for their duties as such is set by the Annual General Meeting, following assessment and a proposal by the Nomination and Remuneration Committee and the Board of Directors.

The proposal by the Nomination and Remuneration Committee and the Board of Directors generally takes into account the economic situation of the Group and the development of its business, as well as the number of Board members (being a collective remuneration for all the Directors for their duties as such).

Accordingly, the Annual General Meeting held on 29 June 2022 resolved to set the collective remuneration of all the Directors for their duties as such for 2021 at 2,850,000 euros p.a. gross.

With regard to the remuneration for 2022, the Board resolved on 27 February 2023 to table a motion at the Annual General Meeting in June 2023 to maintain the collective fixed remuneration for the Directors for their duties as such at 2,850,000 euros p.a. gross.

That sum was distributed among the individual Directors (for 2021) and will be distributed (for 2022) on the basis of the points system explained in section A.1.3 of this Report and in the Directors' Remuneration Policy 2022-2024.

**B.6.** Explain how the salaries accrued and vested by each of the executive directors for their management duties was determined in the reporting period and how they have varied in respect of the previous year.

In 2022 (the reporting period), the fixed cash remuneration of the Executive Chairman (the only Director with executive duties) for the performance of executive duties is specified in his contract. As indicated in the Directors' Remuneration Policy 2022-2024, the fixed cash remuneration for 2022 was 1,500,000 euros gross.

The amounts of variable remuneration in 2022 (both annual ordinary and deferred) are determined by the Nomination and Remuneration Committee, which checks the level of achievement of the targets to which that variable remuneration is tied and submits a proposal to the Board. In this regard, the variable remuneration corresponding to the Executive Chairman for 2022 were:

- 1,500,000 euros gross in annual variable remuneration (1,593,733 euros gross in 2021). It should be noted here, once again, that this variable remuneration was determined applying the new cap of 100% of his fixed remuneration in the event of over-achievement of the targets (150% cap in the previous year), assuming that the amendment to the Directors' Remuneration Policy 2022-2024 will be approved by the General Meeting at which this Report is to be put to an advisory vote; and

- 1,125,000 euros gross in deferred annual remuneration for 2022 (1,897,671 euros gross in 2021). A provision for this amount has been recognised in the annual accounts 2022 as a provisional estimate of the deferred annual bonus corresponding to the Chairman of the Board (as executive Director and for the performance of executive duties) and it will be paid in 2024. It should be borne in mind that in accordance with the Deferred Annual Bonus Scheme, 25% of the variable remuneration corresponding to the three-year period accrued in 2022, the first year of the Scheme.

In accordance with the Deferred Annual Bonus Scheme and the collection criteria applicable to the sums accruing thereunder, in 2022 the Executive Chairman received the sum accrued in 2020 for his participation in the previous Deferred Annual Bonus Scheme 2019-2021: 1,058,191.51 euros gross.

**B.7.** Explain the nature and main features of the variable components of the remuneration schemes accrued and vested during the reporting period.

In particular:

- a) Identify each of the remuneration schemes that determined the variable remunerations accrued by each of the directors during the reporting period, including information on the scope, date of approval, date of implementation, vesting conditions if any, accrual and effective periods, criteria used to assess performance and the effect they had on the setting of the variable amount accrued, as well as the measurement criteria used and the time necessary to be in a position to measure adequately all the conditions and criteria stipulated. Include a detailed explanation of the criteria and factors applied with regard to the required time and the methods for checking that the performance and any other requirements on which the accrual and vesting of each component of the variable remuneration was conditional were actually met.
- b) In the case of stock options and other financial instruments, the general features of each scheme shall include information on the conditions for acquiring unconditional rights (vesting) and exercising those options or financial instruments, including the price and time for exercise.
- c) Each of the directors and their category (executive directors, non-executive proprietary directors, non-executive independent directors and other non-executive directors) who are beneficiaries of remuneration systems or schemes that include variable remuneration.
- d) If applicable, provide information on any payment deferral periods established that have been applied and/or the periods for retaining/not disposing of shares or other financial instruments, if any.

Explain the short-term variable components of the remuneration schemes:

Variable remuneration (short and long-term) for the performance of executive duties corresponds exclusively to the Chairman of the Board, the only Director performing executive duties, on the terms set out elsewhere in this Report.

The ordinary annual variable remuneration established in the executive Director's contract is proportionate to the level of achievement of the targets set for each year by the Board of Directors, based on a proposal by the Nomination and Remuneration Committee. As established in the Directors' Remuneration Policy 2022-2024, accrual of the Executive Chairman's annual bonus for the reporting year (2022) is tied to the level of achievement of the Group's consolidated EBITDA target set in the 2022 budget. See in this regard section A.1.6 of this Report.

Once the results of the preceding year are available (normally in February of the following year) the Nomination and Remuneration Committee checks the level of achievement of the target, which is taken as the basis for determining the annual variable remuneration, if any, payable to the Executive Chairman.

The annual variable remuneration of the Executive Chairman is monetary.

Neither the Executive Chairman nor any Director participates in stock option schemes or similar schemes in respect of other financial instruments.

Explain the long-term variable components of the remuneration schemes:

Only the Executive Chairman, the only Director with executive duties, receives a long-term annual variable remuneration.

That long-term variable remuneration derives from the participation of the Executive Chairman, together with the senior executives of the Group, in the Deferred Annual Bonus Scheme (which is in turn tied to the three-year Strategic Plan in place from time to time).

The payment of bonuses is conditional upon meeting the targets set each year by the Remuneration Scheme and the beneficiary's continued employment in the Group at the date of payment established for those bonuses, except in cases of: (i) death or disability of the beneficiary or (ii) takeover in the Group or a similar corporate operation, or (iii) any other extraordinary circumstance which may, in the Board's opinion, materially affect the Scheme.

The targets to which the long-term bonus is tied are those identified in the Scheme for each year of the three-year period 2022-2024. A more detailed explanation is given in section A.1.6 of this Report.

Bonuses are paid 11 months after being determined (after checking the degree of achievement of the targets), so by the time they are paid, more than one year has passed since the end of the year to which the bonus corresponds.

Once the results of the preceding year are available, the Nomination and Remuneration Committee checks the degree of achievement of the quantitative targets taken as the basis for determining the remuneration corresponding to each year of the Scheme. The assessment by the Nomination and Remuneration Committee of the qualitative aspects considered to determine the long-term bonus is made following a report by the Strategy and Investment Committee.

**B.8.** Indicate whether certain variable components accrued have been adjusted downward after deferral of the payment of non-vested amounts, or repayment has been claimed after vesting and payment of those components, in view of information subsequently found to be inaccurate. State the amounts reduced or repaid by application of the malus and clawback clauses, why these clauses were enforced and the years to which they correspond.

No such circumstances have existed.

**B.9.** Explain the main features of the long-term savings schemes, the amount or equivalent annual cost of which is indicated in the tables in Section C, including retirement and any other survival benefit, wholly or partially financed by the company with internal or external funds, stating the type of scheme, whether it is defined-contribution or defined-benefit, the contingencies it covers, the conditions for the vesting of economic rights in favour of the directors and the compatibility thereof with any kind of termination benefit payable upon interruption of the contractual relationship between the company and the director.

There are no such schemes.

**B.10.** State any compensations or other kind of payment accrued and/or received by directors during the reporting period upon termination of their contracts, at the initiative of the company or the director, early or at the end of the specified term.

No compensation has been arranged or paid for termination of Directors' duties (to Directors for their duties as such or executive Directors for their executive duties).

**B.11.** State whether there have been any significant modifications in the contracts of senior executives or executive directors and explain those changes, if any. Explain the main terms and conditions of the new contracts signed with executive directors during the reporting period unless they have been explained in section A.1.

In the reporting year (2022), as resolved by the Board of Directors on 27 February 2023 at the proposal of the Nomination and Remuneration Committee (in response to a proposal submitted by the Executive Chairman), the annual variable remuneration of the Executive Chairman was capped at 100% of his fixed remuneration in the event of over-achievement of targets, as opposed to the 150% cap applicable prior to that, with effect from 1 January 2022.

That modification of the conditions applicable to the Executive Chairman's annual variable remuneration requires the consequent amendment of the Directors' Remuneration Policy 2022-2024, to indicate therein the lower cap for over-achievement. This amendment to the Policy will be laid before the Annual General Meeting at which this Report is to be put to an advisory vote and it is assumed in the drafting of this Report, as indicated elsewhere herein that it will be approved.

**B.12.** Explain any supplementary remuneration accrued by directors in consideration for services rendered other than those corresponding to their office as such.

As explained earlier, no supplementary remuneration is earned by the Directors (for their duties as such or for executive duties) in consideration for services rendered other than those corresponding to their office or, exclusively with regard to the Executive Chairman, to the performance of executive duties. However, as also mentioned earlier (see section A.1.12 of this Report), the Executive Chairman receives annual attendance fees as a Director of: (i) a Group Company, and (ii) an associate that is not part of the Group.

**B.13.** Explain any remuneration deriving from advances, loans or guarantees granted, indicating the interest rate, the essential terms and conditions and the amounts repaid, if any, as well as any obligations assumed on their behalf through guarantees.

Neither the Company nor any other companies in the Group have granted any loans, advances or guarantees to members of the board (to the Directors for their duties as such or the executive Directors for the performance of executive duties), or contracted any obligations on their behalf through guarantees or bonds.

**B.14.** Describe the remuneration in kind accrued by directors during the year, including a brief explanation of the nature of the different remuneration components.

As explained earlier (see sections A.1.4 and A.1.5 of this Report), only the Chairman of the Board, as the only executive Director with executive duties, receives remuneration in kind, consisting of the private use made of the company car allocated to him. The value of the remuneration in kind for the reporting year (2022), valued at 8,000 euros, is included within the fixed remuneration of the executive Director accrued in 2022.

In addition, the Company has a Flexible Remuneration Scheme, through which it is possible to design the composition of remuneration of the executives included in the Scheme (including the Chairman of the Board), so that they may receive part of that remuneration in the form of products and services previously selected by the Company. The value of those products and services is deducted from the gross salary of the executive, who is allocated in lieu the corresponding income in kind. These products and services include group medical insurance, housing rental, nursery, vehicle hire/lease and employee training.

Therefore, these items do not entail additional remuneration to that received in cash, since the amounts paid by the Company to the corresponding service providers are deducted from the beneficiary's cash remuneration.

**B.15.** Explain the remuneration accrued by the director by virtue of the payments made by the listed company to a third entity to which the director renders services, when those payments are intended to remunerate said director's services in that company.

No payments of this nature have been made.

**B.16.** Explain and provide details of the amounts accrued during the year in connection with any item of remuneration other than those listed above, of whatever nature and provenance within the group, including all benefits in whatsoever form, such as when it is considered a related party transaction or when it may distort the true and fair view of the total remuneration accrued by the director. The amount awarded or pending payment, the nature of the payment received and the reasons, where appropriate, why it has been considered not to form part of the director's remuneration, for their duties as such or for executive duties, and whether or not it has been considered appropriate to include it within the amounts accrued as "other items" in section C.

As explained earlier, there are no remunerations other than those listed above, without prejudice to the fees received by the Chairman of the Board as Director of Pastificio Lucio Garofalo, S.p.A (a subsidiary of the Ebro Foods Group), of 5,000 euros gross in 2022.

In 2022, the Chairman of the Board also received Directorship fees from Riso Scotti, S.p.A. in a sum of 5,200 euros gross. As indicated in Article A.1, point 12, above, Riso Scotti, S.p.A. is an associate and does not form part of the Ebro Foods Group.

**C. DETAILS OF INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR**

Name	Type	Accrual period 2021
ANTONIO HERNÁNDEZ CALLEJAS	Executive Chairman	From 01/01/2022 to 31/12/2022
DEMETRIO CARCELLER ARCE	Proprietary Vice-Chairman	From 01/01/2022 to 31/12/2022
ALIMENTOS Y ACEITES, S.A.	Proprietary Director	From 01/01/2022 to 29/03/2022
BELÉN BARREIRO PÉREZ-PARDO	Independent Director	From 01/01/2022 to 31/12/2022
MARÍA CARCELLER ARCE	Proprietary Director	From 01/01/2022 to 31/12/2022
FERNANDO CASTELLÓ CLEMENTE	Independent Director	From 01/01/2022 to 31/12/2022
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Proprietary Director	From 01/01/2022 to 31/12/2022
CORPORACIÓN FINANCIERA ALBA, S.A.	Proprietary Director	From 01/01/2022 to 31/12/2022
MERCEDES COSTA GARCÍA	Lead Independent Director	From 01/01/2022 to 31/12/2022
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Proprietary Director	From 01/01/2022 to 31/12/2022
JAVIER FERNÁNDEZ ALONSO	Proprietary Director	From 01/01/2022 to 31/12/2022
GRUPO TRADIFÍN, S.L	Proprietary Director	From 01/01/2022 to 31/12/2022
HERCALIANZ INVESTING GROUP, S.L	Executive Director	From 01/01/2022 to 31/12/2022
MARC THOMAS MURTRA MILLAR	Independent Director	From 31/01/2022 to 31/12/2022
JORDI XUCLÀ COSTA	Proprietary Director	From 30/03/2022 to 31/12/2022

C.1. Complete the following tables regarding the individual remuneration of each of the directors (including the remuneration for executive duties) accrued during the financial year.

a) Remuneration accrued in the reporting company:

i) Remuneration in cash (thousand euros)

Name	Fixed remuneration	Attendance fees	Remuneration as members of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2022	Total 2021
ANTONIO HERNÁNDEZ CALLEJAS	244	24	149	1,508	1,500	1,058			4,483	4,407
DEMETRIO CARCELLER ARCE	183	30	183						396	389
ALIMENTOS Y ACEITES, S.A.	20	3							23	139
BELÉN BARREIRO PÉREZ-PARDO	122	23	32						177	176
MARÍA CARCELLER ARCE	122	18							140	139
FERNANDO CASTELLÓ CLEMENTE	122	29	70						221	224
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	122	20	27						169	165
CORPORACIÓN FINANCIERA ALBA, S.A.	122	18							140	139
MERCEDES COSTA GARCÍA	122	29	69						220	226
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	122	18							140	139
JAVIER FERNÁNDEZ ALONSO	122	30	181						333	334
GRUPO TRADIFÍN, S.L.	122	29	64						215	218
HERCALIANZ INVESTING GROUP, S.L.	122	20	27						169	165
MARC THOMAS MURTRA MILLAR	122	25	154						301	
JORDI XUCLÀ COSTA	101	14							115	

Comments

See Explanatory Note One in section D of this Report regarding the changes produced in the Board of Directors in 2022.

ii) Table of changes in share-based remuneration schemes and gross earnings on the vested shares or financial instruments.

Name	Name of Scheme	Financial instruments at beginning of 2022		Financial instruments awarded during 2022		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2022	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on vested shares or financial instruments (€ thousand)	No. instruments	No. instruments	Equivalent shares
ANTONIO HERNÁNDEZ CALLEJAS	Scheme							0.00				
DEMETRIO CARCELLER ARCE	Scheme							0.00				
ALIMENTOS Y ACEITES, S.A.	Scheme							0.00				
BELÉN BARREIRO PÉREZ-PARDO	Scheme							0.00				
MARÍA CARCELLER ARCE	Scheme							0.00				
FERNANDO CASTELLÓ CLEMENTE	Scheme							0.00				
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Scheme							0.00				
CORPORACIÓN FINANCIERA ALBA, S.A.	Scheme							0.00				
MERCEDES COSTA GARCÍA	Scheme							0.00				
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Scheme							0.00				

## ANNUAL REPORT ON REMUNERATION OF THE DIRECTORS OF LISTED COMPANIES

Name	Name of Scheme	Financial instruments at beginning of 2022		Financial instruments awarded during 2022		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2022	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on vested shares or financial instruments (€ thousand)		No. instruments	No. instruments
JAVIER FERNÁNDEZ ALONSO	Scheme							0.00				
GRUPO TRADIFÍN, S.L	Scheme							0.00				
HERCALIANZ INVESTING GROUP, S.L	Scheme							0.00				
MARC THOMAS MURTRA MILLAR	Scheme							0.00				
JORDI XUCLÀ COSTA	Scheme							0.00				

Comments

iii) Long-term savings schemes

Name	Remuneration from vesting of rights in savings schemes
ANTONIO HERNÁNDEZ CALLEJAS	
DEMETRIO CARCELLER ARCE	
ALIMENTOS Y ACEITES, S.A.	
BELÉN BARREIRO PÉREZ-PARDO	
MARÍA CARCELLER ARCE	
FERNANDO CASTELLÓ CLEMENTE	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	
CORPORACIÓN FINANCIERA ALBA, S.A.	
MERCEDES COSTA GARCÍA	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	
JAVIER FERNÁNDEZ ALONSO	
GRUPO TRADIFÍN, S.L	
HERCALIANZ INVESTING GROUP, S.L	
MARC THOMAS MURTRA MILLAR	
JORDI XUCLÀ COSTA	

Name	Contribution by company during the year (€ thousand)				Amount of funds accumulated (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2022	2021	2022	2021	2022	2021	2022	2021
ANTONIO HERNÁNDEZ CALLEJAS								
DEMETRIO CARCELLER ARCE								
ALIMENTOS Y ACEITES, S.A.								
BELÉN BARREIRO PÉREZ-PARDO								
MARÍA CARCELLER ARCE								
FERNANDO CASTELLÓ CLEMENTE								
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL								
CORPORACIÓN FINANCIERA ALBA, S.A.								
MERCEDES COSTA GARCÍA								
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.								

Name	Contribution by company during the year (€ thousand)				Amount of funds accumulated (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2022	2021	2022	2021	2022	2021	2022	2021
JAVIER FERNÁNDEZ ALONSO								
GRUPO TRADIFÍN, S.L								
HERCALIANZ INVESTING GROUP, S.L								
MARC THOMAS MURTRA MILLAR								
JORDI XUCLÀ COSTA								

Comments
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iv) Details of other items

Name	Item	Amount
ANTONIO HERNÁNDEZ CALLEJAS	Item	
DEMETRIO CARCELLER ARCE	Item	
ALIMENTOS Y ACEITES, S.A.	Item	
BELÉN BARREIRO PÉREZ-PARDO	Item	
MARÍA CARCELLER ARCE	Item	
FERNANDO CASTELLÓ CLEMENTE	Item	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Item	
CORPORACIÓN FINANCIERA ALBA, S.A.	Item	
MERCEDES COSTA GARCÍA	Item	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Item	
JAVIER FERNÁNDEZ ALONSO	Item	
GRUPO TRADIFÍN, S.L	Item	
HERCALIANZ INVESTING GROUP, S.L	Item	
MARC THOMAS MURTRA MILLAR	Item	
JORDI XUCLÀ COSTA	Item	

Comments

b) Remuneration of directors of the company for directorships in other group companies:

i) Remuneration accrued in cash (€ thousand)

Name	Fixed remuneration	Attendance fees	Remuneration as members of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Termination benefits	Other items	Total 2021	Total 2020
ANTONIO HERNÁNDEZ CALLEJAS		5							5	5
DEMETRIO CARCELLER ARCE										
ALIMENTOS Y ACEITES, S.A.										
BELÉN BARREIRO PÉREZ-PARDO										
MARÍA CARCELLER ARCE										
FERNANDO CASTELLÓ CLEMENTE										
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL										
CORPORACIÓN FINANCIERA ALBA, S.A.										
MERCEDES COSTA GARCÍA										
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.										
JAVIER FERNÁNDEZ ALONSO										
GRUPO TRADIFÍN, S.L										
HERCALIANZ INVESTING GROUP, S.L										
MARC THOMAS MURTRA MILLAR										
JORDI XUCLÀ COSTA										

Comments

ii) Table of changes in share-based remuneration schemes and gross earnings on the shares or financial instruments vested.

Name	Name of Scheme	Financial instruments at beginning of 2022		Financial instruments awarded during 2022		Financial instruments vested during the year				Instruments mature and not exercised	Financial instruments at end of 2022	
		No. instruments	Equivalent shares	No. instruments	Equivalent shares	No. instruments	Equivalent/ vested shares	Price of vested shares	Gross earnings on shares or financial instruments vested (€ thousand)	No. instruments	No. instruments	Equivalent shares
ANTONIO HERNÁNDEZ CALLEJAS	Scheme							0.00				
DEMETRIO CARCELLER ARCE	Scheme							0.00				
ALIMENTOS Y ACEITES, S.A.	Scheme							0.00				
BELÉN BARREIRO PÉREZ-PARDO	Scheme							0.00				
MARÍA CARCELLER ARCE	Scheme							0.00				
FERNANDO CASTELLÓ CLEMENTE	Scheme							0.00				
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Scheme							0.00				
CORPORACIÓN FINANCIERA ALBA, S.A.	Scheme							0.00				
MERCEDES COSTA GARCÍA	Scheme							0.00				
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Scheme							0.00				
JAVIER FERNÁNDEZ ALONSO	Scheme							0.00				
GRUPO TRADIFÍN, S.L	Scheme							0.00				
HERCALIANZ INVESTING GROUP, S.L	Scheme							0.00				
MARC THOMAS MURTRA MILLAR	Scheme							0.00				
JORDI XUCLÀ COSTA	Scheme							0.00				

Comments

iii) Long-term savings schemes

Name	Remuneration from vesting of rights in savings schemes
ANTONIO HERNÁNDEZ CALLEJAS	
DEMETRIO CARCELLER ARCE	
ALIMENTOS Y ACEITES, S.A.	
BELÉN BARREIRO PÉREZ-PARDO	
MARÍA CARCELLER ARCE	
FERNANDO CASTELLÓ CLEMENTE	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	
CORPORACIÓN FINANCIERA ALBA, S.A.	
MERCEDES COSTA GARCÍA	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	
JAVIER FERNÁNDEZ ALONSO	
GRUPO TRADIFÍN, S.L	
HERCALIANZ INVESTING GROUP, S.L	
MARC THOMAS MURTRA MILLAR	
JORDI XUCLÀ COSTA	

Name	Contribution by company during the year (€ thousand)				Amount of funds accumulated (€ thousand)			
	Savings schemes with economic rights vested		Savings schemes with economic rights not vested		Savings schemes with economic rights vested		Savings schemes with economic rights not vested	
	2022	2021	2022	2021	2022	2021	2022	2021
ANTONIO HERNÁNDEZ CALLEJAS								
DEMETRIO CARCELLER ARCE								
ALIMENTOS Y ACEITES, S.A.								
BELÉN BARREIRO PÉREZ-PARDO								
MARÍA CARCELLER ARCE								
FERNANDO CASTELLÓ CLEMENTE								
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL								
CORPORACIÓN FINANCIERA ALBA, S.A.								
MERCEDES COSTA GARCÍA								
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.								
JAVIER FERNÁNDEZ ALONSO								
GRUPO TRADIFÍN, S.L								
HERCALIANZ INVESTING GROUP, S.L								
MARC THOMAS MURTRA MILLAR								
JORDI XUCLÀ COSTA								

Comments

iv) Details of other items

Name	Item	Amount
ANTONIO HERNÁNDEZ CALLEJAS	Item	
DEMETRIO CARCELLER ARCE	Item	
ALIMENTOS Y ACEITES, S.A.	Item	
BELÉN BARREIRO PÉREZ-PARDO	Item	
MARÍA CARCELLER ARCE	Item	
FERNANDO CASTELLÓ CLEMENTE	Item	
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	Item	
CORPORACIÓN FINANCIERA ALBA, S.A.	Item	
MERCEDES COSTA GARCÍA	Item	
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	Item	
JAVIER FERNÁNDEZ ALONSO	Item	
GRUPO TRADIFÍN, S.L	Item	
HERCALIANZ INVESTING GROUP, S.L	Item	
MARC THOMAS MURTRA MILLAR	Item	
JORDI XUCLÀ COSTA	Item	

Comments

c) Summary of remunerations (thousand euros):

Include in the summary the amounts corresponding to all items of remuneration included in this report that have been accrued by the directors, in thousand euros.

Name	Remuneration accrued in the Company					Remuneration accrued in Group companies					
	Total cash remuneration	Gross earnings on shares or financial instruments vested	Remuneration from savings schemes	Remuneration for other items	Total 2022 company	Total cash remuneration	Gross earnings on shares or financial instruments vested	Remuneration from savings schemes	Remuneration for other items	Total 2022 group	Total 2022 company + group
ANTONIO HERNÁNDEZ CALLEJAS	4,483				4,483	5				5	4,488
DEMETRIO CARCELLER ARCE	396				396						396
ALIMENTOS Y ACEITES, S.A.	23				23						23
BELÉN BARREIRO PÉREZ-PARDO	177				177						177
MARÍA CARCELLER ARCE	140				140						140
FERNANDO CASTELLÓ CLEMENTE	221				221						221
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	169				169						169
CORPORACIÓN FINANCIERA ALBA, S.A.	140				140						140
MERCEDES COSTA GARCÍA	220				220						220
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	140				140						140
JAVIER FERNÁNDEZ ALONSO	333				333						333
GRUPO TRADIFÍN, S.L	215				215						215
HERCALIANZ INVESTING GROUP, S.L	169				169						169
MARC THOMAS MURTRA MILLAR	301				301						301
JORDI XUCLÀ COSTA	115				115						115
<b>TOTAL</b>	<b>7,242</b>				<b>7,242</b>	<b>5</b>				<b>5</b>	<b>7,247</b>

### Comments

The total remuneration accrued by the Directors in the Company in 2022 was 7,244,201 euros, rounded off to 7,244 thousand euros. This differs from the amount indicated in the table as a result of the rounding off to thousands of the individual remuneration of each Director.

The total remuneration accrued by the Directors in the Company plus the Group in 2022 was 7,249,201 euros, rounded off to 7,249 thousand euros. This differs from the amount indicated in the table as a result of the rounding off to thousands of the individual remuneration of each Director.

C.2. Indicate the evolution over the past 5 years of the amount and percentage variation of the remuneration accrued by each of the directors who were directors of the listed company during the year, the consolidated earnings of the company and the average remuneration on a base equivalent to full time of the employees of the company and Group companies who are not directors of the listed company.

	Total amounts accrued and % annual variation								
	2022	% Variation 2022/2021	2021	% Variation 2021/2020	2020	% Variation 2020/2019	2019	% Variation 2019/2018	2018
<b>Executive Directors</b>									
ANTONIO HERNÁNDEZ CALLEJAS	4,488	1.72	4,412	6.13	4,157	36.21	3,052	22.92	2,483
HERCALIANZ INVESTING GROUP, S.L.	169	2.42	165	-4.07	172	1.18	170	-8.60	186
<b>Non-executive Directors</b>									
ALIMENTOS Y ACEITES, S.A.	23	-83.45	139	-3.47	144	5.11	137	-9.87	152
BELÉN BARREIRO PÉREZ- PARDO	177	0.57	176	-2.22	180	1.12	178	-8.72	195
CORPORACIÓN FINANCIERA ALBA, S.A.	140	0.72	139	-45.91	257	-23.28	335	3.08	325
DEMETRIO CARCELLER ARCE	396	1.80	389	-2.75	400	-0.25	401	-9.68	444
EMPRESAS COMERCIALES E INDUSTRIALES VALENCIANAS, S.L.	140	0.72	139	-3.47	144	5.11	137	-9.87	152
FERNANDO CASTELLÓ CLEMENTE	221	-1.34	224	0.00	224	-0.88	226	-10.67	253
GRUPO TRADIFIN, S.L.	215	-1.38	218	-0.91	220	-0.92	218	-10.66	244
JAVIER FERNÁNDEZ ALONSO	333	-0.30	334	138.57	140	-	0	-	1
JORDI XUCLÀ COSTA	115	-	0	-	0	-	0	-	0
JOSÉ IGNACIO COMENGE SÁNCHEZ-REAL	169	2.42	165	-4.07	172	1.18	170	-15.00	200
MARC THOMAS MURTRA MILLAR	301	-	0	-	0	-	0	-	0
MARÍA CARCELLER ARCE	140	0.72	139	-3.47	144	5.11	137	8.73	126
MERCEDES COSTA GARCÍA	220	-2.65	226	0.00	226	0.44	225	-7.79	244
<b>Consolidated earnings of the company</b>									

Total amounts accrued and % annual variation									
	2022	% Variation 2022/2021	2021	% Variation 2021/2020	2020	% Variation 2020/2019	2019	% Variation 2019/2018	2018
	122,059	-48.85	238,629	24.02	192,415	35.74	141,752	0.12	141,589
<b>Average remuneration of employees</b>									
	44,733	8.17	41,356	-3.71	42,948	1.63	42,261	-	0

Comments

See Explanatory Note Two in section D of this Report regarding the classification of Herculanz Investing Group, S.L. as an executive Director.

With regard to the average remuneration of the employees the information established for the year 2018 contained in the computer files of the Company for that year is not adjusted to the criteria established in this Report and, therefore, is not comparable.

### D. OTHER INFORMATION OF INTEREST

If there are any material aspects relating to directors' remuneration that could not be disclosed in other sections of this report but that are necessary to provide a more comprehensive and fully reasoned picture of the remuneration structure and practices for the company's directors, describe them briefly.

#### CONTINUATION OF SECTION A.1.1 OF THIS REPORT

The principles behind the Directors' Remuneration Policy 2022-2024 are set out in section 3 thereof. Based on those principle, in the Directors' Remuneration Policy 2022-2024, the Directors' remuneration for this year (2023) is structured as follows:

a) All the Directors, as such, receive the fixed remuneration established each year by the Annual General Meeting. The relevant proposal submitted by the Board of Directors to the Annual General Meeting will take account of the importance of the Company and its economic situation. Pursuant to Article 22 of the Articles of Association regarding Directors' remuneration, it is up to the Annual General Meeting to set the annual fixed sum to be received by all the Directors, for their duties as such. Then, following a report by the Nomination and Remuneration Committee, the Board of Directors establishes the individual remuneration of each Director for their duties as such, taking into account the positions held by the Directors on the Board of Directors, their membership of Board Committees and any other objective circumstances that the Board of Directors may consider appropriate, within the framework of the Articles of Association and the Remuneration Policy. The Board of Directors will also decide on the timing of payments. For this purpose, a points system has been established in the terms described hereinbelow.

The Directors also receive, for their duties as such, fees for attending the meetings of the Board and any Board Committees they are on. The amount of those fees is also set by the Annual General Meeting and remains in force until amended.

b) Non-executive Directors do not receive any variable remuneration based on the profits of the Company or Group.

c) The executive Directors (only the Executive Chairman for his executive duties), just like the other senior executives of the Group, also receive an annual remuneration for their executive duties according to the terms of their respective contracts. The remuneration structure of executive Directors (and other senior executives in the Group) includes the following components:

- annual fixed remuneration;
- short-term variable remuneration;
- deferred annual variable remuneration, linked to the Strategic Plan 2022-2024, as explained in this Report.

The fixed remuneration is the remuneration established in the corresponding contract signed between the Company and the executive Director. With regard to the variable remunerations, both short-term annual and deferred annual, the Nomination and Remuneration Committee rates each year the degree of achievement of the targets to which they are linked (established in the Remuneration Policy 2022-2024), taking account of any reports submitted by other Committees, and submits the corresponding proposal and report to the Board of Director in respect of the individual remuneration of the executive Director in that year. For this year (2023):

- The annual variable remuneration of the Executive Chairman (the only executive Director with executive duties) will be determined according to the level of achievement of the EBITDA (80%) and ROCE (20%) targets established in the consolidated annual budget 2023. Assuming that the proposed amendment to the Policy, to be laid before the same Annual General Meeting at which this Report is to be put to an advisory vote, is approved, that annual variable remuneration will be capped (in the event of over-achievement of targets) at 100% of the annual fixed remuneration.

- The deferred annual variable remuneration of the Executive Chairman will be determined according to the level of achievement of the EBITDA (80%) and EBITDA-CAPEX (20%) targets established for 2023 in the Group's consolidated Strategic Plan 2022-2024. In 2023, if the targets are achieved in the terms established in the Policy, a deferred annual bonus will accrue of up to 25% of the total remuneration subject to the Long-Term Incentive Plan, capped at 100% in the event of over-achievement of targets.

The current Directors' Remuneration Policy 2022-2024 does not contemplate the application of any temporary exceptions.

#### EXPLANATORY NOTE ONE, REGARDING THE CHANGES PRODUCED IN THE BOARD OF DIRECTORS IN 2022

The following changes were produced in the composition of the Board during 2022:

- On 31 January 2022, the Board resolved to appoint Marc Thomas Murtra Millar Director by the cooptation procedure to fill the vacancy produced by the resignation tendered by Mr Zorrero Camas. Mr Murtra Millar was also appointed member of the Executive Committee and the Audit, Control and Sustainability of the Company.

At the Annual General Meeting held on 29 June 2022, it was resolved to ratify the appointment by cooptation of the Director Marc Thomas Murtra Millar and the Board of Directors at its meeting held after the General Meeting was resolved to ratify Mr Murtra Millar's appointment as member of the Executive Committee and the Audit, Control and Sustainability.

On 23 November 2022, in view of a favourable report by the Nomination and Remuneration Committee, the Board resolved to appoint Marc Thomas Murtra Millar Chair of the Audit, Control and Sustainability Committee, replacing Mercedes Costa García, whose term as Chair of that Committee had expired, pursuant to section 529. quarterdecies.2 of the Corporate Enterprises Act.

- On 24 March 2022, the proprietary Director and significant shareholder Alimentos y Aceites, S.A. stepped down from the Board with effect as from 29 March 2022.

- On 30 March 2022, the Board of Directors resolved to appoint Jordi Xuclà Costa Director by the cooptation procedure to fill the vacancy produced by the resignation tendered by Alimentos y Aceites, S.A.

At the Annual General Meeting held on 29 June 2022, it was resolved to ratify the appointment by cooptation of the Director Jordi Xuclà Costa.

EXPLANATORY NOTE TWO, REGARDING THE CLASSIFICATION OF HERCALIANZ INVESTING GROUP, S.L. AS EXECUTIVE DIRECTOR

As mentioned throughout this Report, although Hercalianz Investing Group, S.L. is classified as an Executive Director, it has never performed executive duties in Ebro Foods, S.A. or any subsidiary of the Group, so has never received and does not receive any remuneration as such.

Hercalianz Investing Group, S.L. has been classified as an Executive Director (pursuant to section 212 bis of the Corporate Enterprises Act) because its representative on the Board of Directors of Ebro Foods, S.A. is an executive of a subsidiary of the Ebro Foods Group.

This annual remuneration report was approved by the board of directors of the company at its meeting on:

30/03/2023

State whether any directors voted against or abstained in connection with the approval of this Report.

Yes

No

Name of board member (s) who did not vote for approval of this report	Reasons (against, abstention, non-attendance)	Explain the reasons
ALIMENTOS Y ACEITES, S.A.	Abstention	Jordi Xuclà Costa, proprietary Director for Alimentos y Aceites, S.A. (a significant shareholder that was a Director until 29 March 2022), abstained in the Board vote on this Report, declaring that the vote to be cast by SEPI, as shareholder of Ebro Foods, S.A. is determined by the Board of Directors of SEPI (as controlling shareholder of Alimentos y Aceites, S.A.). See Explanatory Note One in this section D.

**The English version of this document is purely informative.  
In the event of any discrepancy between the Spanish and English versions of  
this document, the Spanish version will prevail.**