

REPORT BY THE BOARD OF DIRECTORS OF EBRO FOODS, S.A. REGARDING THE PROPOSAL SUBMITTED BY THE NOMINATION AND REMUNERATION COMMISSION FOR RE-ELECTION OF THE DIRECTOR MARC THOMAS MURTRA MILLAR

1. Introduction

At the Annual General Meeting of Ebro Foods, S.A. (“**Ebro**” or the “**Company**”) held on 29 June 2022, the shareholders ratified the appointment by cooptation of the director Marc Thomas Murtra Millar, as resolved by the Board of Directors on 31 January 2022 to fill the vacancy produced upon the resignation tendered by the director Pedro Antonio Zorrero Camas, based on the proposal and report submitted by the Nomination and Remuneration Committee and the mandatory report by the Board of Directors pursuant to section 529.decies.4 and 5 of the Corporate Enterprises Act.

Once Mr Murtra Millar’s appointment had been ratified at the Annual General Meeting held on 29 June 2022, it was extended to the end of the remainder of the statutory term of 4 years for which Mr Zorrero Camas had been appointed at the Annual General Meeting held on 4 June 2019, expiring as of 4 June 2023.

Pursuant to section 222 of the Corporate Enterprises Act, directors’ appointments expire when, at the end of their term of office, the Annual General Meeting is held at which shareholders must resolve on approval of the annual accounts of the previous year, or when the legal time for holding that AGM has lapsed.

Since the Annual General Meeting at which shareholders are to resolve on the approval of the 2022 accounts is to be held on 6 June 2023 on first call and 7 June 2023 on second call, the Nomination and Remuneration Committee has submitted a proposal to the Board, for consideration and, as the case may be, to be tabled at the forthcoming Annual General Meeting, for the re-election of the director Marc Thomas Murtra Millar for the statutory term of four years.

Furthermore, the proposal submitted by the Nomination and Remuneration Committee contains the report contemplated in Article 25.4(a) of the Regulations of the Board and the analysis of the composition and current needs of the Board of Directors, pursuant to the Company Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors.

The proposal submitted by the Nomination and Remuneration Committee is appended hereto in **Annex 1**.

The professional profile of Marc Thomas Murtra Millar, provided by the Nomination and Remuneration Committee, is also appended hereto, in **Annex 2**.

Annex 3 contains the text of the proposed resolution drawn up by the Board to be tabled at the Annual General Meeting concerning the re-election of the director Marc Thomas Murtra Millar for the statutory term of four years.

This report and the annexes hereto will be made available to shareholders through their publication on the corporate website www.ebrofoods.es, coinciding with the publication of the notice of call to the forthcoming Annual General Meeting 2023, and will be incorporated in the corresponding minutes of the Board Meeting and Annual General Meeting.

2. Legal and regulatory aspects

2.1. Category of independent Director

Pursuant to the Corporate Enterprises Act, section 529.4.duodecies, paragraph 4, independent directors are those who, appointed by virtue of their personal and professional qualities, are able to perform their duties without being conditioned in any way by relations with the Company or its Group, significant shareholders or executives. Directors falling into any of the cases contemplated in that section may by no means be considered independent.

When Mr Murtra Millar was appointed by the procedure of cooptation, subsequently ratified at the Annual General Meeting held in June 2022, the Nomination and Remuneration Committee conducted such investigations as it deemed fit, concluding that the category corresponding to Mr Murtra Millar was that of independent director.

Now, with a view to proposing his re-election by the General Meeting, it has confirmed that there have been no changes in the aspects analysed and, therefore, the Committee concludes once again that the category corresponding to Mr Murtra Millar is that of independent director.

The Board has also confirmed that since he joined the Board on 31 January 2022, Marc Thomas Murtra Millar has been performing his duties as director with the independence required of his category, without being conditioned in any way by relations with the Company or its Group, significant shareholders or executives.

Accordingly, Marc Thomas Murtra Millar is an independent director.

2.1. Re-election of a director by the General Meeting

Pursuant to Article 20 of the Articles of Association, directors shall be appointed for a term of four years, after which they will be eligible for re-election on one or several occasions for terms of an equal duration. The re-election of directors is also contemplated in section 221.2, second paragraph, of the Corporate Enterprises Act, Article 20 of the Articles of Association and Article 30.1 of the Regulations of the Board.

The Corporate Enterprises Act establishes in section 529 decies that the Board members of a listed company must be appointed by the General Meeting of Shareholders.

Section 529 decies of the Corporate Enterprises Act also establishes, in paragraphs 4 and 5, that the Nomination and Remuneration Committee is competent to propose the re-election of independent directors and that proposal must necessarily be accompanied by a supporting report by the Board assessing the competence, experience and merits of the proposed candidate. That report must be appended to the minutes of the general meeting or board meeting, as the case may be.

Similarly, Article 25.4(a) of the Regulations of the Board provides that the Nomination and Remuneration Committee shall always inform prior to submission to the General Meeting of any proposal regarding the appointment of directors.

3. Assessment of the competence, experience and merits of the candidate

The Board considers that Marc Thomas Murtra Millar has the competence, experience and merits required to be re-elected director, in view of the following qualities:

- The excellent academic qualification of Mr Murtra Millar (Industrial Engineer specialising in Machine Mechanics, Master in Business Administration -MBA-majoring in Finance), his professional experience in the national and international, public and private sectors, and his knowledge of the impact of technology on the future of large organisations and markets, for the Board and increase the diversity of expertise and professional profiles within its composition.
- His continuation on the Board is in line with the principles of the Company Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors.
- Since he joined the Board in January 2022, he has demonstrated his professional worth, establishing himself as a valuable profile of interest for the Board.

Moreover, in accordance with: (i) the Company Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors, (ii) Article 32.2 of the Regulations of the Board and (iii) Recommendation 25 of the Good Governance Code for Listed Companies, Marc Thomas Murtra Millar has informed the Company that he is still sufficiently available to be able to correctly perform his duties.

4. Conclusion

In view of the foregoing, the Board considers that:

- 4.1. The necessary legal, statutory and regulatory conditions are met for re-election of the director Marc Thomas Murtra Millar for the statutory term of four years.
- 4.2. The proposal submitted by the Nomination and Remuneration Committee meets the requirements established in the Corporate Enterprises Act, the Articles of Association and the Regulations of the Board, and with most of the principles of the Company Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors.
- 4.3. Marc Thomas Murtra Millar has the necessary qualifications, training and professional experience required for this position, considering the needs of the Board.
- 4.4. Marc Thomas Murtra Millar is sufficiently available to perform his duties adequately.
- 4.5. The classification of Marc Thomas Murtra Millar as an independent director is in keeping with the principles behind the Company Policy on the Selection of

Directors and Diversity in the Composition of the Board of Directors. In particular, apart from favouring the diversity of expertise and experience on the Board, his ratification would maintain the current number of independent directors on the Board.

In short, the Board considers Marc Thomas Murtra Millar a suitable candidate to be a Company Director and that, as such, he would be an independent director. He is also considered a suitable candidate to continue as member and chair of the Executive Committee and the Audit, Control and Sustainability Committee.

Madrid, 25 April 2023

Annexes:

- Annex 1. Proposal for re-election submitted by the Nomination and Remuneration Committee
- Annex 2. Professional profile of Marc Thomas Murtra Millar
- Annex 3. Proposed resolution for the Board to lay before the shareholders at the AGM

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

Annex 1

PROPOSAL SUBMITTED BY THE NOMINATION AND REMUNERATION COMMISSION OF EBRO FOODS, S.A. FOR RE-ELECTION OF THE DIRECTOR MARC THOMAS MURTRA MILLAR

1. Introduction

The appointment by cooptation of the director Marc Thomas Murtra Millar as Director of Ebro Foods, S.A. (“**Ebro**” or the “**Company**”) with the category of independent director, resolved by the Board of Directors on 31 January 2022, was ratified at the Annual General Meeting held on 20 June 2022, based on the proposal and report submitted by the Nomination and Remuneration Committee and the mandatory report by the Board pursuant to section 529 decies, paragraphs 4 and 5, of the Corporate Enterprises Act.

Mr Murtra Millar was appointed Director of Ebro by cooptation to fill the vacancy on the Board of Directors of Ebro produced by the resignation tendered by the Director Pedro Antonio Zorrero Camas on 15 December 2021 (after the end of the Extraordinary General Meeting held that day) but with effect from 31 December 2021. At the date of his resignation, Pedro Antonio Zorrero Camas’ term of office was for 4 years from 4 June 2019, this being the date of the Annual General Meeting at which his appointment was approved for that term, thus expiring as of 4 June 2023.

Moreover, pursuant to section 222 of the Corporate Enterprises Act, directors’ appointments expire when, at the end of their term of office, the Annual General Meeting is held at which shareholders must resolve on approval of the annual accounts of the previous year, or when the legal time for holding that AGM has lapsed.

Accordingly, since the Annual General Meeting at which shareholders are to resolve on the approval of the 2022 accounts is to be held on 6 June 2023 on first call and 7 June 2023 on second call, the Nomination and Remuneration Committee submits a proposal to the Board, to be tabled at the forthcoming Annual General Meeting, for the re-election of the director Marc Thomas Murtra Millar for the statutory term of four years, pursuant to the Corporate Enterprises Act, section 529 decies, paragraph 4. This proposal also contains the report required by Article 25.4(a) of the Regulations of the Board.

2. Analysis of the composition and present needs of the Board

The Nomination and Remuneration Committee analyses here the composition and present needs of the Board, in accordance with the Good Governance Code for Listed Companies and the Company Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors.

There have been no changes in the composition of the Board of Directors between the last Annual General Meeting, held on 29 June 2022, and the date of this report.

At the date of issue of this report, the Board of Directors is made up of fourteen (14) members, which is in keeping with the number set by the shareholders at the Annual General Meeting held on 29 July 2020. In the Committee’s opinion, this gives the Board:

(i) the necessary size to ensure efficient functioning, participation of all Directors and agile decision-making; (ii) an adequate diversity of expertise, experience and gender in its composition; and (iii) an adequate balance between the majority and minority shareholders on the Board. The Committee assessed these aspects on 25 May 2022 in connection with the proposals and favourable reports submitted by the Committee to the Board, to be laid before the shareholders at the Annual General Meeting held on 29 June 2022, when it did not detect any circumstances that would imply a material change from the assessments made at that time or in the present needs of the Board.

With regard to the present composition of the Board from the point of view of categories of Directors and the female presence (as the gender least represented on the Board), of the fourteen (14) Directors, two (2) are classified as executive, eight (8) as proprietary and four (4) as independent, with five (5) female Directors (6 prior to the resignation of Alimentos y Aceites, S.A. on 29 March 2022, since their representative on the Board was a woman).

With regard to the foregoing, the Nomination and Remuneration Committee:

- (i) Acknowledges the extent to which Recommendation 17 of the Good Governance Code is followed, according to which in *“when the company is not highly capitalised (as is the case of Ebro), the minimum number of independent directors should be at least one third of the total.”*

Since the number of independent Directors (4) is slightly less than one-third (4.666) of the total Board members (14) recommended for companies that do not have a large capitalisation, the Nomination and Remuneration Committee considers it necessary to continue working towards raising the number of independent Directors until at least the recommended third is reached. It should, nevertheless, be borne in mind that at the date of issue of this Report, 68.38% of the total capital of the Company is concentrated in the Board of Directors.

Furthermore, with regard to this recommendation, the re-election contemplated in this Report does not affect the composition of the Board as far as categories of Directors is concerned, because there will still be four (4) independent Directors.

- (ii) Acknowledges the extent to which Recommendation 16 of the Good Governance Code, is followed, according to which: *“The percentage of proprietary directors out of all non-executive directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company’s capital. This criterion may be relaxed (as in the case of Ebro): a) In large-cap companies where few or no equity stakes attain the legal threshold for significant shareholdings. b) In companies with a plurality of shareholders represented on the board but not otherwise related.”*

Although the percentage of proprietary directors out of all non-executive directors (66.67%) is greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company’s capital (57.87%), it should be taken into account that: (i) the significant shareholders represented on the Board are not related; (ii) 68.38% of the company’s capital is represented on the Board; and (iv) the company has a non-free float of 71.54%.

It should also be taken into account that although the director Herculanz Investing Group, S.L. is a core shareholder, it is classified as an executive director by virtue of the fact that its representative on the Board of Directors of Ebro is an executive and director of several subsidiaries of the Ebro Group.

The Nomination and Remuneration Committee has assessed compliance with this Recommendation, concluding that the composition of the Board meets the principles of optimal size, balanced membership and large majority of non-executive directors recommended by the Good Governance Code.

- (iii) Acknowledges the extent to which Recommendation 15 of the Good Government Code is followed, according to which *“The number of female directors should account for at least 40% of the members of the board of directors before the end of 2022 and thereafter, and not less than 30% previous to that.”*

The Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors establishes the Company’s goal for the gender least represented on the Board to account for at least 40% of the Board members by the end of 2022 and thereafter.

Prior to the resignation of Alimentos y Aceites, S.A., which was represented by a woman on the Board of Directors, there were 6 women on the Board, which was 42.86% of the total number of members set by the General Meeting (14), so the Company had reached and exceeded the goal recommended by the Good Governance Code and established in the Company’s Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors.

After Alimentos y Aceites, S.A. left and a male proprietary director joined the Board, the number of women dropped to 5, representing 35.71% of the total Board members (14), which is below the 40% goal.

The Nomination and Remuneration Committee is aware of the need to increase the number of women on the Board to restore the percentage existing prior to the departure of Alimentos y Aceites, S.A. and it will work to achieve again the 40% goal recommended by the Good Governance Code and established in the Company’s Policy on the Selection of Directors and Diversity in the Composition of the Board of Directors.

Finally, the Nomination and Remuneration Committee appreciates the fact that all the current directors were appointed on the basis that their expertise, skills, professional experience, availability and suitability are adequate for the performance of their duties.

In view of the different professional profiles of the directors (all specialists in very different, but complementary, sectors, such as economic, financial, legal, industrial, consumer and distribution markets, beverages, rice and pasta) and the thorough knowledge some of them have of the Group overall, the Nomination and Remuneration Committee considers that the composition of the Board has an adequate diversity of professional experience and expertise to suit the interests of the Company and the Group.

3. Resolution proposed by the Nomination and Remuneration Committee

The Nomination and Remuneration Committee submits to the Board for assessment and, if appropriate, to be tabled at the AGM scheduled for 6 June 2023 on first call and 7 June 2023 on second call, a proposal to re-elect the director Marc Thomas Murtra Millar for the statutory term of four years. Marc Thomas Murtra Millar is classified as an independent director.

4. Assessment of the candidate for report to the Board

Pursuant to Article 25.4(a) of the Regulations of the Board, the Nomination and Remuneration Committee shall inform always prior to the appointment of directors.

With regard to the classification of Marc Thomas Murtra Millar, since he was originally presented as a candidate by the core shareholder of Ebro, Sociedad Estatal de Participaciones Industriales (SEPI), when submitting to the Board its proposal for appointment by cooptation as an independent director in January 2022 and its subsequent proposal for the ratification of that appointment, the Nomination and Remuneration Committee proceeded with the utmost scepticism, taking every precaution and gathering all the information it considered necessary to make sure that the candidate had no ties that could compromise his independence, following the principles set out in the Technical Guide 1/2019 on Nomination and Remuneration Committees issued by the National Securities Market Commission (CNMV). Among those measures, the Nomination and Remuneration Committee confirmed with both Mr Murtra Millar and SEPI that there were no ties between them that could compromise Mr Murtra Millar's independence as a director of the Company.

After those special verification measures, the Nomination and Remuneration Committee concluded that the category corresponding to Marc T. Murtra Millar was that of independent director.

The Nomination and Remuneration Committee has confirmed that since the ratification of Mr Murtra Millar's appointment at the Annual General Meeting of the Company in 2022, there have been no changes in the aspects analysed that could affect the classification of the director. The Committee has also confirmed that Mr Murtra Millar has been performing his duties as director with the independence required of his category (independent director), without being conditioned in any way by relations with the Company or its Group, significant shareholders or executives. Based on the foregoing, the Nomination and Remuneration Committee has concluded that the classification of Murtra Millar for the proposal of his re-election is that of independent director.

The Nomination and Remuneration Committee has also reviewed the qualities that were assessed when Mr Murtra Millar was proposed for appointment by cooptation, confirming that they are still applicable at present. Accordingly, the Nomination and Remuneration Committee's proposal for his re-election is based on assessment of the suitability of the candidate, founded on:

- a) The excellent academic preparation of Mr Murtra Millar as an Industrial Engineer specialising in Machine Mechanics from the School of Industrial Engineers of Barcelona (ETSEIB), which is part of the Polytechnic University of Catalonia

(UPC), and a Master in Business Administration (MBA) majoring in Finance from the Leonard School of Business of the University of New York.

- b) The extensive professional experience of Mr Murtra Millar in the public and private sectors on both a national and international level and his teaching work as a visiting lecturer of Financial Management and Financial Economics at Universidad Pompeu Fabra.
- c) Mr Murtra Millar's knowledge of the impact of technology on the future of large organisations and markets.
- d) The fact that since he joined the Board, Mr Murtra Millar has been performing his duties as Director satisfactorily with the independence required of his classification as an independent Director, without being conditioned in any way by relations with the Company or its Group, significant shareholders or executives.
- e) The fact that Mr Murtra Millar has informed the Committee that he continues to have the time necessary for due performance of his duties and is not affected by any ground for disqualification or limitation whatsoever that might hamper the performance of his duties.

Furthermore, provided a resolution is adopted at the Annual General Meeting to re-elect the director Marc Thomas Murtra Millar and he accepts his appointment, the Nomination and Remuneration Committee has considered and resolved to submit a favourable report to the Board on his continuity as member of the Executive Committee and Audit, Control and Sustainability Committee.

Together with this proposal and favourable report, the Nomination and Remuneration Committee submits the updated professional profile of Mr Murtra Millar.

5. Conclusions

Following the analysis and assessment made, the Nomination and Remuneration Committee resolved on 26 April 2023 to submit a proposal and favourable report to the Board, to be tabled at the Annual General Meeting, for the re-election of the director Marc Thomas Murtra Millar.

Furthermore, provided a resolution is adopted at the Annual General Meeting to re-elect the director Marc Thomas Murtra Millar and he accepts his appointment, the Nomination and Remuneration Committee has considered and resolved to submit a favourable report to the Board on his continuity as member of the Executive Committee and Audit, Control and Sustainability Committee.

Together with this proposal and favourable report, the Nomination and Remuneration Committee submits the professional profile of Mr Murtra Millar.

Madrid, 26 April 2023.

Annex 2**Professional profile of Marc Thomas Murtra Millar**

(Blackburn, Lancashire, UK, 09-09-1972)

He has an Industrial Engineering degree, specialising in Machine Mechanics, from the School of Industrial Engineers of Barcelona (ETSEIB), which is part of the Polytechnic University of Catalonia (UPC), and a Master in Business Administration (MBA) majoring in Finance from the Leonard School of Business of the University of New York.

He worked in the civil service for several years, specialising in Digital Strategy and Transformation and has sat on several boards, including Paradores de Turismo de España, Red.es, Instituto Nacional de Tecnologías de la Comunicación (INTECO).

In the private sector, as Chairman of Closa Investment Bankers, since 2011 he has headed numerous corporate operations within the technology and TMT sector, industrial sector and Public Private Partnerships with international companies and investors throughout the world. He is also a visiting lecturer of Financial Management and Financial Economics at Universidad Pompeu Fabra. He is Chairman of the Board and the Strategy Committee of Indra Sistemas, S.A. and a trustee of “la Caixa” Foundation.

Annex 3

Proposed resolution submitted to the Annual General Meeting

“Five. Re-election of the director Marc Thomas Murtra Millar.

To re-elect the director Marc Thomas Murtra Millar for the statutory term of four years. Marc Thomas Murtra Millar is classified as an independent director.”